An investigation of gentrification processes in the historic inner-city of Willemstad

The Heart of The People

A study looking at gentrification processes in the historic inner-city of Willemstad, Curacao
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The man who removes a mountain begins by carrying away small stones

~ Chinese Proverb
SUMMARY
This research is divided in five parts. We start with a general discussion on various forms of gentrification. After this, we explore our research area: Willemstad – capital of the Caribbean island Curacao. In the third part we analyse the relevance of several gentrification forms for the inner-city. In the fourth phase of this research we zoom in on each historic inner-city neighbourhood; Punda, Pietermaai, Scharloo and Otrobanda, respectively. Lastly, we look at gentrification resistance in historic Willemstad.

There has been a massive flight from the inner-city. The population in historic Willemstad decreased with 86.8 percent between 1960 and 2011. The result has been widespread decay and the emergence of rent gaps throughout the city. A process of inner-city renewal commenced in the 1980s.

Gentrification is a global phenomenon. However, while there is an extensive body of gentrification literature, research on Caribbean gentrification is scarce. In this research we focus on tourism, heritage, new-build, state-led, planetary, and resistance to gentrification. These various forms are all relevant for gentrification developments in the inner-city. We find various stages of gentrification in each neighbourhood.

The inner-city neighbourhoods are increasingly used for tourism exploitation. The focus is on attracting tourists rather than the local population. Furthermore, half of all inner-city buildings are listed as monuments. This was done under the veil of tourist – and ultimately economic – development. While many people feel no connection to this protected heritage, residents are facing the consequences of preservation activities. Also, large new development projects are going to promote new-build gentrification in the future. Furthermore, the redevelopment of highly vacant areas already promotes indirect displacement in some areas.

The government takes a laissez-faire stance in most inner-city developments. Plans are not carried out and funds are used inefficiently. Nepotism furthermore promotes the emergence of state-induced rent gaps. With respect to global capital movements, many speculative building-owners are waiting to sell at a high price. They are indifferent about local neighbourhood living, as long as the value of their estates remain high. The presence of transnational Western migrants furthermore enhances displacement.
THE HEART OF THE PEOPLE

In *Punda*, we find that early stages of gentrification are starting to affect the neighbourhood. Retailers increasingly depend on (cruise) tourists. Their purchasing power promotes tourism gentrification. Local stores are moving away, and to cope with high maintenance costs for monuments, owners are converting their upstairs into apartments for middle- and high-income classes. Punda risks becoming an area dominated by tourists and members of the global middle-class, at the expense of the local population.

In *Pietermaai*, gentrification is at an advanced stage. The heavily deteriorated area has been transformed into a hotspot for restaurants, nightlife and tourist entertainment. For many years, inhabitants have expressed their concerns about losing the neighbourhood. Developers are closing down alleys that grant access to the sea, and inhabitants are complaining about noise pollution from entertainment venues. There is a high Dutch presence, which contributes to indirect displacement of local residents. The government did not guide developments and nowadays often sides with developers.

In *Scharloo*, gentrification is at a moderate stage. Here, heritage preservation contributes to direct displacement. After restorations, residents generally cannot afford the higher rents. Scharloo has been much less affected by tourism. However, tourism gentrification can be expected in the future, as there are plans for the construction of new high-end apartments and a hotel. This development will increase the connectivity of Scharloo with Punda and Pietermaai. The government dubbed Scharloo ‘creative city’, with the intention to attract middle-class gentrifiers and new investments.

In *Otrobanda*, the impact of gentrification appears to be smallest out of the four neighbourhoods. Otrobanda is still mainly a working-class neighbourhood. Tourist masses currently choose to visit Punda rather than Otrobanda. This is mainly due to its reputation and physical appearance. Still, gentrification has started to affect some parts of Otrobanda. Monuments are increasingly transformed into offices or short-term tourist accommodations. Former inhabitants cannot afford the higher rents. Government neglect furthermore contributes to the emergence of rent gaps. Kura Hulanda boutique hotel was for instance realised after government owned properties deteriorated. While the built environment was saved and renewed, the redevelopment of this run-down area promotes indirect displacement. Some streets were closed down and residents have to take a detour.
Gentrification can be resisted in various ways. The government can revise rent stabilisation schemes in order to protect low-income groups. Furthermore, social housing developments could be concentrated in the inner-city area. The government can solve undivided inheritance problems and heritage legislations can be relieved to reduce housing and maintenance costs. We see forms of individual resistance as well. Such resistance is most profound in small, closed-off, tight-knit communities. Community organisations can also play a significant role in empowering working-class residents and ensuring their survival in the neighbourhood.

This thesis calls for an active government involvement. We recommend that the government gets their subsidy system sorted out. The main priority should be catching up on tax collections. Subsidies can subsequently be used as an incentivising tool to lure Fundashon Kas Popular and local commercial establishments back to the historic inner-city. Furthermore, local NGOs are heavily involved with inner-city inhabitants. The government should work together closely with these organisations to make sustainable development plans. The needs of local working-class inhabitants can be incorporated this way. Mandatory zoning laws can furthermore ensure the inclusion of working-class groups in inner-city developments. Finally, expanding the maritime sector contributes working-class employment and the presence of low-income groups in the inner-city.
PREFACE

The presentation of this Master thesis marks the end of an eventful period. I am grateful for being able to conduct research in the birth country of my father. There were times that I felt this research was too demanding for me to conduct on my own. Luckily, I have had much help. I wish to thank all my respondents for their time and enthusiastic involvement in this research.

In particular, I want to thank Lloyd Narain, without whom this entire research would not have been possible. I also want to thank Yvetty Raveneau for her positivity and hospitality. I have had much help from Dito Abbad and Lionel Janga. Thank you for sharing your knowledge, devoting your time and showing patience. Dito, thanks for providing a pleasant working-space with fun colleagues. Lionel, thanks for giving me the opportunity to experience Otrobanda from a local perspective.

Thanks to Huib Ernste, for helping me push through, once I got back to the Netherlands.

Last but not least, I want to thank my parents, Marion and Robinson, and my brother Ivar. You always welcome me with arms wide-open, and help me in whatever way you can. Thanks for facilitating my stay and mobility, for having my back and for always showing me unconditional love.

I hope this thesis proves to be useful in the general quest to realise a sustainable future for Willemstad, Curacao and the Curacaoan population. In the end, this is both my respondents’ and my own burning desire. I wish to conclude by emphasising that any inaccuracies, errors or short fallings in this thesis are solely my own responsibility.
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1. INTRODUCTION

In this chapter we introduce the topic of our research.

1.1 General introduction

This research is conducted in the historic district of Willemstad, the capital of Curacao. The historic inner-city is in the midst of restorations and (re)development. We study gentrification in the four historic neighbourhoods. Glass (1964) introduced the term gentrification when she discovered changes in the socio-cultural structure and housing markets in London neighbourhoods. Lees, Slater and Wyly (2008; p. 15) see gentrification as ‘the transformation of a working class or vacant area of the central city into middle-class residential and/or commercial use.’

Fifty years after Glass’ introduction of the concept, a vast collection of gentrification research has been developed. Much of the earlier work focuses on urban areas in the Global North. In more recent years, however, literature on gentrification in the Global South has been steadily expanding (López-Morales, 2015).

‘The process of repairing and rebuilding homes and businesses in a deteriorating area (such as an urban neighbourhood) accompanied by an influx of middle-class or affluent people and that often results in the displacement of earlier, usually poorer residents’


Capitalist reliance on the urban leads to ‘the production of integrated spaces across the national space if not beyond’ (Harvey, 2008, p. 6). In response to the globalising urban sphere, the concept of planetary urbanism introduces ‘a theoretical urban landscape that is nothing less than global’ (Storper & Scott, 2016; p. 1115). Moving beyond a national scale, countries and continents are more connected than ever. Once remote and unique tropical islands are increasingly affected by global trends and capital movements. Still, gentrification research conducted on Caribbean islands is scarce (Thomas, 1991). In the face of planetary urbanism, this research can be an example for other Caribbean islands, and might serve as a stepping stone for a new engagement with Caribbean gentrification.
While the existence of gentrification is widely recognised in the academic world and beyond, two polarising camps emerged. Gentrification advocates emphasise the dilapidated state of buildings, and the economically deprived situation in gentrifying neighbourhoods. In the context of neo-liberalism, gentrification is presented as the ideal solution to extensive urban decay (Newman & Wyly, 2006; p. 26). Gentrification is presented as a desirable process that has the potential to produce economic gain, and could even improve the living conditions of existing working-class residents.

Anti-gentrification pleaders on the other hand, stress the transformation of urban space for more affluent users. This results in the displacement of the working-class. Displacement ‘describes what happens when forces outside the household make living there impossible, hazardous, or unaffordable’ (Hartmann, Keating & Le Gates, 1982; p.3, cited in Janoschka & Sequera, 2016). Gentrification can furthermore increase segregation (Rose, 2004). ‘For at least a generation, proponents of gentrification have argued that the process involves little or no displacement – and that, in any case, its benefits for cities far outweigh the costs imposed on a few unfortunate poor households (Sumka, 1980)’ (Newman & Wyly, 2006; p. 51). But some scholars nowadays argue that ‘gentrification without displacement is not gentrification’ (Davidson, 2018; p. 251). Lees et al. (2015 p. 446) ‘claim that it is ‘social cleansing’ – the class-related conflicts often channelled as processes of class-led displacement’ that makes urban regeneration a case of gentrification. Displacement is the central focus point in discussions between these pro- and anti-gentrification partisans.

1.2 Objective and research Questions

1.2.1 Research objective
The main objective of this research is to provide a critical understanding of gentrification processes and the consequences for the inner-city and its residents. We explore how the inner-city turned into breeding ground for gentrification. We further aim to uncover economic, spatial and socio-cultural consequences. These are likely connected to displacement.

The research builds on existing claims that gentrification has significant ramifications for vulnerable groups. We also seek new answers to the prying questions about gentrification resistance, and what can be done against displacement.
Displacement is seen as the most intrusive consequence, not only for existing working-class residents, but for the city as a whole. For this reason, we aim to clarify the negative consequences of displacement. We believe the externalities of gentrification processes are currently given too little attention on Curacao, and hope that our research approach triggers social and institutional action against current gentrification developments.

1.2.2 Scientific relevance

Research specifically focusing on residential gentrification is prevalent within the available literature, alternative forms of gentrification are currently understudied (Lees et al., 2015). In this research we focus on these alternative gentrification forms. We believe that tourism, heritage, new-build, state-led and planetary gentrification are all relevant for the developments in the historic inner-city of Willemstad. Our research can improve understandings of these alternative gentrification forms.

Slater (2006) found that discrimination, associated with displacement that results from gentrification, was scarcely addressed in gentrification literature from the 1990s and 2000s. He pressed for additional research on displacement and its social ramifications (Slater, 2009). According to Desmond (2012, p. 90) ‘eviction is perhaps the most understudied process affecting the lives of the urban poor.’

Another interesting aspect is the recent debate on planetary gentrification, placed in a neoliberal postcolonial context. Curacao has a multicultural history and was under Dutch rule for many centuries. The island has seen constant migration for centuries. Overtime, this resulted in a normalised process of cultural exchange. Furthermore, during the twentieth century many groups of various ethnic backgrounds and religions settled on the island, following an ‘open door’ policy implemented and upheld by the Dutch government (Van Der Dijs, 2011).

Finally, little research ‘has been concerned with public actions to limit the spread of gentrification’ (Walks & August, 2008, p. 2595). Lees et al. (2018) point to an emphasis on the causes and effects of gentrification, which has induced a lacking focus on resistances to gentrification. According to DeVerteuil (2012, p. 208) ‘there is a lack of comparative studies on resistance to displacement’. Collections of ‘academic writings on resistance to gentrification are now growing’ (Lees, 2018, p. 347). Still, Lees et al. (2018; p. 346) advocate ‘a stronger and
more determined international conversation on the potential of all anti-gentrification practices worldwide’ (Lees, 2018, p. 346). This research contributes to the resistance debate. We explore factors contributing lower levels of gentrification, and discuss potential tools that can be used in the fight against gentrification.

1.2.3 Societal relevance

The inner-city of Willemstad used to be the heart of economic activity, until widespread urban sprawl started during the 1960s, mostly of middle- and high-income classes (Newton, 2003). This trend of urban sprawl has resulted in high vacancy rates and the general decay of (historic) buildings. In May 1997 the government introduced an Island Development Plan (Dutch; Eilandelijk Ontwikkelingsplan (EOP)) in order to restrain urban growth within the neighbourhoods of Willemstad (Narain, 2014). It appears however, that private and corporate interests, together with intensive lobbying have often led the government to deviate from the EOP policy. Twenty-one years after the introduction of the EOP, the plan has not resulted in a decrease of urban sprawl. Some are even advocating its abolition (Narain, 2014).

The construction and tourism sectors are of vital importance to economic development. There is a continuous stream of (re)development projects in the historic Willemstad district, a UNESCO World Heritage Site. These projects are increasingly outsourced to large international developers. New constructions, and the renovation of (historic) buildings, are mostly intended for middle- and high-income groups. To get a sufficient demand, the focus is often on foreign markets. Evidently, different forms of gentrification could be at play here. Narain (2014) identified these gentrification trends as currently understudied on Curacao.

Under slavery, colonial rulers historically followed strict segregation policies, based on class, ethnicity and political background (Jaffe, 2006). Ethnicity and colour on Curacao were closely related to class hierarchy and social status (Allen, 2010). A century after the abolition of slavery, the islands of the Netherlands Antilles were still characterized by these cultural, racial and economic structures (Anderson and Dynes, 1973). Jaffe (2006) found that inhabitants of different neighbourhoods within Willemstad, the island’s city area, strongly identify with members of their own neighbourhood. In contrast, most inhabitants do not feel welcome in other neighbourhoods and seem weary of trusting their occupants. Self-segregation is a common phenomenon on Curacao (Jaffe, 2006). Gentrification can have an impact on social cohesion and the proximity of different ethnic groups.
The coming decades are going to be critical in the development of a sustainable way of life for Curacaoleneans. The historic inner-city needs to be a part of this sustainable future. This research contributes to a better understanding of gentrification and its subsequent socio-cultural, spatial and economic implications. The findings presented in this paper are intended to trigger social, and especially institutional actions against gentrification. We hope to incentivise government officials in rethinking current policies and steering away from the current emphasis on short-lived, unsustainable development plans. We hope it provides both the public and the government with new tools in order to steer developments in a sustainable and responsible direction.

1.2.4 Research questions
1. How did gentrification emerge in the historic district of Willemstad?
2. What forms of gentrification do we witness in each neighbourhood?
   a. Who is involved in causing this gentrification?
   b. Who is affected by this gentrification, and how?
3. What are the consequences of gentrification in each neighbourhood?
   a. Spatial
   b. Economic
   c. Socio-cultural
4. What is the role of the Curacao government in inner-city gentrification?
   a. Which outcomes are expected when the government does not intervene?
   b. Which outcomes are expected when the government intervenes?

1.3 Methodology

1.3.1 Research strategy
Quantitative data regarding displacement and income levels could prove to be very useful in clarifying the presence and impact of gentrification. Displacement is however generally seen as an indicator for government failure (Janoschka & Sequera, 2016). For this reason, institutional bodies often don’t have much interest in collecting data on the subject. A lack of data proves an important form of state power (Sequera & Janoschka, 2015). While we do not know the role of the Curacaoan government in data collection, fact is that little recent data is currently available for the inner-city.
Janoschka and Sequera (2016, p. 1181) argue that ‘to compensate for this lack of information, gentrification researchers could gather such data on their own’. They also argue that quantitative data is not sufficient in tackling the prevailing discourses that justify displacement when it occurs. Davidson (2008, p. 2389) claims that ‘the use of census data to identify displacement has limited ability to explain or understand the process; it simply implies movement’.

Hamnett (1984, p. 284) highlights the fact that gentrification is ‘simultaneously a physical, economic, social and cultural phenomenon’. Qualitative data is thus arguably more suited in order to develop a complex and multidimensional argument (Barton, 2016). Data collected via qualitative research methods ‘would provide more detailed information on how the gentrification process occurred and was perceived by neighbourhood residents’ (Barton, 2016; p. 109).

With displacement in particular, qualitative data seems to desire complementation with quantitative data (Franz, 2015). Cline (2017) argues however that gentrification can also be observed and witnessed via detailed accounts of local participants and bystanders. She identifies the views of these local actors as ‘one of the defining factors of gentrification, because it is apparent through the eyes of residents’ (Cline, 2017; p. 71). ‘The visual change to the building stock and streetscape, perceptions, and people that are inherent to gentrification tell a story outside of the data sets used to identify, analyse and narrate gentrification’ (Cline, 2017; p. 75).

This study is therefore mainly based on qualitative research. Data will be collected via interviews. These interviews generally follow a semi-structured approach. Gentrification is a very complex phenomenon, and we wish to give participants as much freedom as possible to provide information. In fact, with our aim to provide an extensive overview of gentrification – with substantial attention given to local specifics – we aim to conduct our interview as narrative conversations. Instead of mere interviewees, we set the stage in such a way that both the researcher and the participant are seen as ‘equal participant(s) in the interaction’ (Fontana and Frey, 2000, p. 664; Seidman, 1991).

The interviews are only recorded after explicit consent from participants. In addition to interviews, we use some quantitative data obtained from the Central Bureau of Statistics, and furthermore conduct a thorough document analysis. There is an extensive body of literature
regarding the inner-city neighbourhoods. An investigation of these policy documents can be a useful complement to our qualitative data.

1.3.2 Sample selection
Qualitative research is necessary to uncover complex and immeasurable trends. In order to get a clear picture of gentrification in all its complexity, it will be necessary to select the greatest possible heterogenic sample. This research thus calls for a selection of interviewees that occupy different positions within the gentrification debate. We identify several areas in which we search participants for the research.

1. Government officials
2. NGOs
3. Tourism agents
4. Heritage agents
5. Residents
6. Former residents
7. Business owners

1.3.3 Analysing method
All interviews are coded in order to identify significant and useful remarks that can help us answer our research questions. Although we generally follow a semi-structured approach, interviews with government officials and developers need to be well prepared.

After transcribing the interviews, we break down the information via a process of coding. We look for words or phrases that have been used frequently in and across interviews. From this we expect to gain insights regarding displacement, as well as general perceptions regarding neighbourhood changes. With respect to interviews with government officials, we intend to follow a policy and actor analysis, following Franz (2015). Policy analysis aims to describe existing policies and their development. Actor analysis focuses on the agents involved in policy shaping and gives an overview of their specific motivations and interests. Franz (2015, p.20) argues that ‘the assumption that successful rejuvenation projects in a city might be the result of a high degree in overlapping strategic behaviour justifies the choice of a qualitative actor analysis’.

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We have 28 respondents. Each interview took at least one hour, and in many cases even lasted for over 2 hours. Many different aspects have come to light, which are not only negative. Positive effects of gentrification also come forth. Most respondents draw attention to these positive sides, but our analysis intentionally focuses on the negative implications. If the reader feels that some respondents have a rather one-sided view, it might be due to our focus on these negative effects.
2. THEORETICAL FRAMEWORK

This chapter aims to give a brief overview of existing gentrification literature. We focus on aspects in the extensive body of gentrification literature that are most relevant for this research.

2.1 Classic gentrification debate

At first, gentrification was quite a ‘sporadic and isolated’ phenomenon (Gent, 2013; p. 508) phenomenon. In the second phase we see a higher concentration in neighbourhoods where disinvestment had led to a deterioration of the urban landscape (Gent, 2013). Typical for the second phase was ‘the integration of gentrification with new ‘cultural strategies’ of economic redevelopment, including new investments in museums, art galleries and historical preservation’ (Zukin, 1995; Zukin, 1997). In the early 21st century, ‘the role of the state […] changed dramatically’ Smith (2002; p. 441). Gentrification processes are increasingly incited by large capital organisations working together closely with state powers, ‘in a much more ambitious effort to gentrify the city’ (Smith, 2002; p. 443). Hackworth (2002; p. 839) argued that third wave gentrification is ‘more corporate, more state facilitated, and less resisted than ever before’. Gentrification instigates a shift from renting towards a domination of owner-occupied housing (Hamnett, 1991).

Smith (1979; p. 546) gives a capital-side explanation. ‘Capital flows where the rate of return is highest, and the movement of capital to the suburbs along with the continual depreciation of inner-city capital, eventually produces the rent gap.’ Where a rent gap exists, depreciation has proceeded so far that the capitalized ground rent is less than the potential ground rent in the optimal use of the land (Smith, 1986). Gentrification must be seen ‘as part and parcel of the class dynamics of urban transformation associated with capital investment and disinvestment’ (Betancur, 2002, p. 781).

Ley (1981; p.128) on the other hand offers a cultural consumption-side explanation. Instead of focusing on potential profit, ‘the neighbourhoods themselves include a measure of life-style, ethnic, and architectural diversity, valued attributes of middle-class movers to central city.’ Following the cultural-side argument, capital is not sufficient, and even subsidiary to consumption in explaining the occurrence of gentrification. Ley identifies consumer preferences and demand from middle/high-class actors as constituting to the supply of potential gentrifiers, new neighbourhood occupants affecting the hitherto existing socio-cultural and
economic landscape. Nowadays, ‘firms are increasingly the first to invest and redevelop property for more affluent users’ (Hackworth, 2002; p. 820).

2.2 Tourism gentrification
The tourism industry has been developing into a global industry, where ‘large international hotel chains, tour operators, car rental agencies and financial services companies’ generally call the shots and operate in close congruence (Gotham, 2005; p. 1102), which enhances their often already dominant position.

An investigation of tourism gentrification is naturally most relevant in places where tourism functions as a main driver for economic growth and development (Cocola-Gant, 2018a). In these places, the transformation of urban space is mostly triggered by the purchasing power of tourists (Cocola-Gant, 2018a). When tourism is the main driver for gentrification, the continuous influx of visitors from wealthier countries increases commercial and residential property values (Cocola-Gant, 2018a). This form of gentrification can ‘turn urban spaces into tourist bubbles’ (Chan et al., 2016; p. 1265). The displacement of local populations leads to significant changes in the social, cultural and economic character of urban space (Hillmer-Pegram, 2016).

Hackworth (2002; p. 819) identified the emergence of ‘corporatized gentrification’, where corporate agents are increasingly getting involved in the gentrification process within previously untouched neighbourhoods. Hiernaux and González (2014; p. 55, cited in Cocola-Gant, 2018a; p. 290) argue that tourism gentrification is produced by ‘the urban politics of local governments [rather] than of processes based on the actions of middle-class gentrifiers’. Gotham (2005, p. 1100) develops ‘the concept of tourism gentrification to highlight the role of state policy in encouraging both gentrification and tourism development.’

2.3 World Heritage Gentrification
Cultural heritage is progressively seen as a valuable asset in the attraction of tourism (Ismail et al., 2014). UNESCO selects heritage sites based on ‘Outstanding Universal Value’ (“Operational Guidelines for the Implementation of the World Heritage Convention”, 2017). The locations are believed to hold unique and authentic global value (Hidalgo et al. 2014). ‘UNESCO’s principle aim is to maintain such sites for humanity as well as possible’ (Hidalgo
et al. 2014; p. 229). Local actors often desire nominating heritage sites because the ‘designation triggers more intensive tourism’ (Hidalgo, 2014; p. 229). This could bring about economic growth (Pendlebury, Short & While, 2009). The designation also triggers increased interest from the general public, decision-makers, profit firms and potential donors (Frey & Steiner, 2011). Furthermore, ‘the World Heritage Commission will offer [non-financial] technical help to preserve the Sites on the List’ (Frey & Steiner, 2011; p.6).

For urban areas, UNESCO is mainly concerned with ‘authenticity, preservation and enhancement of public space, and encouraging development’ (Hidalgo, 2014; p. 231). Hidalgo et al. 2014; (p.232) states that ‘the restauration of Latin American city centres has been the starting point of gentrification, often steered by developer-led investment into the habitat, retailing and consumption, after real estate companies explored new markets. […] [And] ‘in some cases gentrifiers are a transient group made up by foreign tourists or business people from abroad.’ World Heritage enlisting can alter the intangible value of urban environments, leading to the ‘musealisation’ of the site (Hidalgo et al., 2014; p.232). There are concerns over ‘the activities of ruthless developers who buy up buildings with speculation in mind, leaving them vacant, or refurbishing them only to sell them to incoming yuppies’ (Hidalgo et al. 2014; p.238).

2.4 State-led gentrification
Cameron and Coaffee (2005; p.39, cited in Lees & Ley, 2008; p. 2380) present an alternative form of gentrification where the ‘main engine driver is ‘public policy’ which seeks to use ‘positive’ gentrification as an engine of urban renaissance.’ This includes the use of public art and cultural facilities, sponsored by local government and other public agencies, as a promoter of regeneration and associated gentrification (Cameron & Coffee, 2005; p. 40). Fuller (2012; p. 914) advocates a ‘far greater engagement with the governance and politics of state-led gentrification, since this is the terrain in which decision-making ultimately produces gentrification, displacement and injustices.’

Hackworth and Smith (2001) argue that the role of the state during the first two waves generally followed a laissez-faire strategy. A lack of government regulation and control combined with passive incentive policies (i.e. favourable tax schemes) could plausibly induce the private market to make substantial investments into neighbourhoods that are facing decline. During the third wave, gentrification seems to expand within readily affected inner-city neighbourhoods, and furthermore spreads to more peripheral areas of the inner-city (Hackworth & Smith, 2001).
Governments increasingly adopt policies that aim to shape the urban landscape for the attraction of the ‘creative class’ (Peck, 2005; Cameron & Coaffee, 2005).

Gentrification can be seen as an attempt ‘to reconquer the city for the middle-class and to increase the profit margins of developers and the tax bases of local governments’ (Uitermark et al., 2007; p. 127). But ‘state actors and housing associations promote gentrification in areas that are currently least in demand’ Uitermark et al., (2007; p. 127). Government institutions seem to be more concerned with the fact that they have lost social control in deprived neighbourhoods. Dikeç (2006, p. 77) correspondingly states that ‘urban policy […] has become more and more concerned with containing certain spaces and populations seen to be problematic’. An influx of middle-class citizens is meant to improve public control in these areas (Uitermark et al., 2007).

Governments frequently present gentrification as a policy that induces social mixing (Uitermark, 2003; Davidson, 2008; Lees, 2008; Walks & Maraanen, 2008; Huning & Schuster, 2015). The discourse of social mixing presumes that a high concentration of working-class citizens enhances their social exclusion (Mösgen et al., 2018). The neighbourhood is offered a ‘false choice’ between gentrification and urban decline (Lees, 2014; p. 933). The arrival of the middle-class is assigned properties that can decrease segregation, increase social cohesion and steadily improve capital accumulation within these newly formed communities (Lees, 2008).

Uitermark et al. (2007) claim that a relocation of middle-class citizens into a working-class neighbourhood has no significant positive effects on social cohesion. Instead, interactions between low-income and middle/high-income groups are inclined to be superficial and express a high possibility for hostilities. It is more about ‘improving the economic position of overall cities than it is about the creation of more socially mixed and inclusive neighbourhoods (Lees, 2008; p. 2455).

To facilitate gentrification, a state can decide to reduce its own provision of social housing. Either via the direct sale of government-owned estates to the private sector, or through the outsourcing of social housing responsibilities to third sector organisations (Gordon et al., 2017). Conscious negligence of state-owned buildings can promote the creation of a ‘state-induced rent gap’ (Watt, 2009; p. 235), if the concerning properties are situated on valuable land (Lees, 2014).
2.5 New-build Gentrification

During the early 2000s, a general discussion had arisen regarding the legitimacy of new-build gentrification. It was questioned whether it is correct to speak of gentrification when developments are located on greenfield or reclaimed brownfield locations (Davidson & Lees, 2010). Lambert and Boddy (2002) argue that, instead of replacing existing residents, new construction simply means ‘the return of residents to core urban areas’ (Lambert & Boddy, 2002; p.18, cited in Davidson, 2018; p. 251). Lambert and Boddy (2002) alternatively introduced the term ‘residentialisation’, ‘the return and or establishment of residential spaces’ (Davidson, 2018; p. 251). New-build simply instigates ‘a process of repopulating the inner-city with a variety of social groups and lifestyles’ (Buzar et al. 2007; p. 671, cited in Davidson, 2018; p. 252). Advocates of residentialisation and reurbanisation rather speak of replacement within inner-city neighbourhoods (Davidson, 2010).

Davidson and Lees (2005, p. 1170) introduced four criteria for urban developments to be a (broad) case of gentrification: ‘the reinvestment of capital; social upgrading of locale by incoming high-income groups; landscape change; and direct or indirect displacement of low-income groups.’ The first three criteria are undoubtedly observed in residentialisation and reurbanisation processes (Davidson, 2018).

With respect to displacement, Davidson and Lees (2005, p. 1184) argue that ‘new-build developments will generate displacement by introducing a large population of gentrifiers into the community very quickly […] from which gentrification can reach outward into the adjacent communities.’ There is a likely occurrence of indirect displacement (Davidson, 2018). Such displacement ‘would take the form of ‘exclusionary displacement’ or price shadowing, where lower income groups would be unable to access property’.

A denial of new-build gentrification rests solely on ‘a fundamental misunderstanding about how gentrification generates multiple forms of displacement’ (Davidson, 2018; p. 253). The transformation of brownfield areas into new residential locations requires large corporate developers, together with supportive state legislations (Davidson, 2018). The government is ‘a central theme of the new-build gentrification literature’ (Davidson, 2018; p. 255). The fact that new-build gentrification resides on greenfield and reclaimed brownfield areas provides a strong tool for government agents to deny the occurrence of displacement.
2.6 Planetary gentrification

In the context of 1960s Paris, Lefebvre (1970) argued that urban processes were critical for the endurance of capital. Investments in the secondary circuit have nowadays ‘grown to be relatively more important in the overall global economy’ (Lefebvre, 2003; p. 159, cited in Merrifield, 2013, p. 914). Secondary capital ‘flows as fixed and usually immovable capital, […] which has its value imprisoned in space and cannot be devalued without immanent destruction (Merrifield, 2013, p. 914). Capitalist reliance on the urban produces ‘integrated spaces across the national space if not beyond’ (Harvey, 2008; p. 6). The integration of the urban has indeed crossed national boundaries.

Slater (2017, p. 127) attempts to consider the ‘rent question’ in light of the ‘theoretical context and under these social conditions’ produced by planetary urbanism. The production and utilisation of rent gaps are becoming increasingly global. Building on Smiths’ classical rent gap theory, Slater (2017; p. 127) argues that the urban environment has been subject to a ‘global move from use value (somewhere to build and live) to exchange value (something to sell at a profit after the price has risen or something that represents stored capital).’ The state has become an active player in the realisation of planetary rent gaps. ‘The state government has changed to become an organisation attracting off-shore and domestic investment to the island city, while service provision becomes secondary’ (Whitehead & More, 2007; p. 2434, cited in Slater, 2017; p. 128).

State stability is an important factor in the realisation of a favourable investment climate. In their research on gentrification in Lebanon, Ross and Jamil (2011; p. 23) see that ‘the availability of relatively affordable housing depended, in part, on unnerving political tensions and the threat of violence, while the onset of peace and stability brought about much higher housing costs.’ Paradoxically, a stable and well-functioning government can significantly impair the availability of affordable housing.

2.7 Displacement

We distinguish between direct and indirect forms of displacement.

**Direct**

The larger part of research on displacement focuses on a simple process where vulnerable households are directly replaced (Davidson, 2008), triggered by significant appreciations in the housing market and rent prices (Gordon et al. 2017). Displacement is often ‘described using one unifying banner’ (Davidson, 2008; p. 2389). It is often quantitatively approached as the intensity of ‘spatial relocation’ (Gordon et al. 2017). When gentrifiers are foreign tourists, the continuous presence of affluent tourist groups can increase the value of land (Cocola-Gant, 2018a). Especially the recent trend of converting traditional homes into tourist lodges could lead to significant price surges that can consequently induce residential displacement (Cocola-Gant, 2018a). A considerable decrease of the housing stock lead to higher real estate prices (Cocola-Gant, 2018a). Tourist demand also results ‘in the expansion of retail facilities, restaurants, nightlife pubs and other opportunities for entertainment, and […] to the displacement of the working class and local stores used by the indigenous residents’ (Cocola-Grant, 2018a; p. 294).

**Indirect**

Keene and Ruel (2013; p. 10) stress the importance of ‘geographically rooted social ties for low-income populations.’ They argue that social networks in tight-knot communities provide numerous forms of both material and psychological support for the residents of public housing (Keene & Ruel, 2013). The levels of displacement seem to be higher than much quantitative research into direct locational displacement suggests. According to Gordon et al. (2017, p. 768) ‘there are […] wider and more nuanced processes and costs involved in displacement’. We need ‘to connect issues of place (re)creation and power to displacement’ (Davidson, 2008; p. 2391).

The relation between gentrification and displacement is a subtle one. ‘In the neoliberal context of public policy being constructed on a ‘reliable’ (i.e. quantitative) evidence base, no number on displacement meant no policy to address it’ (Slater, 2006; p. 748, cited in Cocola-Gant,
Gonzalez (2016, p.1247) argues that a more useful approach to an assessment of displacement in the Global South should look at ‘the more subtle, indirect, drawn out and exclusionary forms of displacement that are taking place’. Janoschka and Sequera (2016, p.1180) rephrased notions of displacement to those of dispossession, a concept that was first introduced by Harvey (2003, citation from Janoschka & Sequera, 2016; p. 1182) to indicate ‘an active and permanent extractive process’. Inzulza-Contardo (2016, p. 1210) mentions a ‘loss of neighbourhood identity and meaning’.

Indirect economic displacement is best explained by following the concept of exclusionary displacement. Marcuse (1985; p. 207) argues that ‘displacement affects more than those actually displaced at any given moment’. He advocates substituting ‘direct displacement’ with notions of ‘exclusionary displacement’. Davidson (2010, p. 398) claims there would be ‘price shadowing, where lower income groups would be unable to access property’.

Gentrification leads to a ‘loss of place’ (Davidson (2008; p. 2391) following social, cultural and political changes to the neighbourhood. Cocola-Gant (2018a, p. 283) links this ‘place-based’ displacement to the materialisation of a tourist bubble. The loss of place experienced by original inhabitants is the result of significant changes in cultural know-how and practices of everyday life (Chan et al. 2016). Community displacement can be more severe when related to tourism, due to the fact that ‘transnational migrants are more visibly distinct from the local population in terms of status, behaviour, language or cultural values’ (Cocola-Gant, 2018a; p. 295).

Gentrification can lead to a sense of ‘out-of-placeness’ experienced by remaining indigenous neighbourhood inhabitants (Davidson, 2008; p. 2392). Previously existing meeting places are lost. ‘Gentrification creates a new social and cultural context in which the indigenous residents feel a sense of dispossession from the places they inhabit’ (Cocola-Gant, 2018a; p. 295). They can feel powerless against the changing reality of their everyday lives, which possibly leads to ‘decline and disassociation occurring contemporaneously with ostensible built environment improvements’ (Gordon et al. 2017; p. 769). Apart from local stores, public areas in these situations are increasingly cut off from the general population and reassigned new uses for tourist satisfaction.
2.8 Resistance to gentrification

We distinguish between government induced and non-government forms of gentrification resistance.

Government

The government can play a significant role in inhibiting gentrification. ‘the problem is no longer whether to intervene, but in whose interests?’ (Shaw, 2005; p. 169; cited in Walks & August, 2008, p. 2596), Newman & Wyly (2006, p. 47) found that respondents identified ‘rent regulations as the single most important form of public intervention.’ DeVerteuil (2012) correspondingly discovered that rent stabilisation schemes allowed poor renters to stay put. Also, if a government is ‘willing to intervene to protect low-income housing’ (Walks & August, 2008; p. 2613), this could help ‘reduce wholesale gentrification of the neighbourhood and avoid displacement’ (2005, citation from Walks & August, 2008; p. 2597). However, ‘many inner-city neighbourhoods do not contain large stocks of social and/or high-density housing to protect’ (Walks and August (2008; p. 2597), and new large-scale state investments in public housing are uncommon in the currently prevailing neo-liberal global policy environment (Walks & August, 2008).

With low concentrations of non-market housing, governments can introduce inclusionary zoning regulations. If a government decides to introduce a mandatory zoning programme, ‘zoning in developing neighbourhoods could produce units for low-income residents, rather than simply assuming that units will trickle down by increasing supply’ (Newman & Wyly, 2006, p.48). Zoning regulations can also be used with respect to industrial activities. Walks and August (2008, p. 2614) found that ‘local demand for blue-collar labour was clearly a factor in maintaining a core working-class population’ in a neighbourhood. Furthermore, when non-profit housing corporations exists, governments have the possibility to encourage them to acquire vacant plots in certain areas (Walks & August, 2008).

The government could also help inhibit gentrification via the market for housing. ‘Policy-makers can revisit heritage legislation and aesthetic controls on inner-city housing and encourage working-class ethnic communities to customise their living environments to their own tastes and to renovate properties they own for multifamily use’ (Walks & August, 2008, p. 2618).
Non-government
Ownership prevents houses from entering the real estate market, putting the brakes on gentrification (Shaw, 2005; p.176, in DeVerteuil, 2012; p. 209). However, ‘as housing values increase, rising property taxes often make home-ownership impossible, especially for the elderly and other residents on fixed incomes’ (Newman & Wyly, 2006; p. 49). Even with high levels of rental homes, landlords are not always profit-seeking (Deverteuil, 2012). Newman and Wyly (2006, p. 49) mention the existence of ‘an informal housing market in which landlords know the tenants, in many cases for decades, and charge rent that the tenants can afford.

However, they also mention ‘these are tenuous relationships that end as landlords pass away or sell their buildings. And gentrification itself has been chipping away at the informal housing market as landlords realise the extent of their lost income and raise rents accordingly.’ Sometimes, the ‘style of housing in the area is mostly not the type that appeals to middle-class gentrifiers’ (Walks & August, 2008; p. 2612).

Individual action has often been more effective than large-scale organised forms of resistance (Vinthagen and Johansson, 2013; p. 2016, in Lees et al. 2018). Shaw (2005, p. 177-9, cited in Walks & August, 2008, p. 2610) identified the presence ‘of local political capital and “a culture of resistance” as among the main factors impeding gentrification.’ Resistance is made up out of both public actions and more day-to-day less visible actions aimed at survival. These processes are heavily intertwined (Lees et al. 2018), and exploring them ‘enables us to focus both on the survival of the collective and also critically of the individual’ (Lees et al., 2018; p. 350).

Looking at survivability ‘moves us away from binary interpretations of resistance and allows us to focus on contradictions, the different identities produced, and the various scales where a reworked concept of resistance is performed’ (Lees et al. 2018, p. 352). While surviving in the neighbourhood is key, ‘at some point more organized resistance could be needed either to hold on to that survivability or to scale up the fight’ (Lees et al., 2018; p. 352). Where resistance becomes more organised, there is a need for platforms (Butler et al. 2016). Newman and Wyly (2006) found that community organisations can effectively secure the persistence of affordable rent prices. In Brooklyn, community-based actions turned into a ‘Displacement Watch, a programme that holds weekly meetings for tenants, negotiates with landlords and organises
3. WILLEMSTAD: HISTORY AND PRESENT

In this chapter we introduce historic Willemstad. Any approach to the urban must bear in mind its ‘continual reconstruction as a site, medium and outcome of historically specific relations of social power’ (Brenner, 2009: p. 198). We therefore analyse the historical development of each neighbourhood. Furthermore, we explore the local housing market. The knowledge postulated in this chapter will promote a comprehensive understanding of the historic inner-city, and allows us to formulate an understanding of gentrification in historic Willemstad.

3.1 The historic city district of Willemstad

When the Spanish discovered and conquered Curacao towards the end of the 15th century, the island population consisted of around 2,000 Arawak American Indians of the Caquetios tribe, which had its roots in South America (“Indians and Spaniards”, 2016). In 1634, the West India Company (WIC) conquered Curacao in name of the Dutch (Brown et al. 1974). When the transatlantic slave trade started to flourish between 1660 and 1670, Curacao became an important intermediary location. From here, African slaves were resold and distributed among colonies in the Americas. Additionally, slaves were kept on the island to perform a wide range of activities such as ship repair and woodworking. This economic activity resulted in the emergence of Willemstad – named after the Dutch prince Willem II – around the islands’ natural harbour, nowadays known as the St. Anna Bay (Brown et al. 1974).

Figure 3.1 - Map of historic city-centre of Willemstad (Newton, 2003).

Willemstad developed via the natural growth of a multicultural society. This is portrayed in the built environment (Aarsen, 2009).
‘Punda is characterized by a Dutch urban structure and Dutch architecture, while Otrobanda is typified as a working-class area with both a “Kura” (open compound) and a dense alley structure. Pietermaai is described as a linear urban development for the social elite and Scharloo is characterized by an open street layout with luxurious dwellings owned by Jewish merchants’ (Speckens et al., 2012; p. 8).

Prosperity boosts in the Global North led to huge increases in the demand for oil, to meet rapidly expanding energy needs (Brown et al. 1974). The proximity of Venezuela – a country with abundant oil – together with the economic gap left by the abolishment of slavery, set the stage for Royal Dutch Shell to settle on Curacao in 1917 (Brown et al. 1974).

The arrival of Shell marked the beginning of a new era. The emphasis of economic activity shifted from commercial to industrial production (Römer, in Brown et al. 1974; p. 44). The industrial worker started to comprise the majority of the labour population. After the Second World War, there was a large influx of labour migrants from the surrounding Caribbean islands. They settled in the inner-city area en masse. In 1960, 11.7 percent of the total Curacao population was living in the historic inner-city.

Table 3.1 – Population inner-city area 1960 (“Tweede algemene volk- en woningtelling Nederlandse Antillen: Toestand per 1 Februari 1981”, 1985)

<table>
<thead>
<tr>
<th>Area</th>
<th>Population (1960)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Punda/Pietermaai</td>
<td>1,418</td>
</tr>
<tr>
<td>Scharloo</td>
<td>5,474</td>
</tr>
<tr>
<td>Otrobanda</td>
<td>7,734</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14,626</strong></td>
</tr>
</tbody>
</table>

Urban sprawl became widespread during the 1960s, mostly by middle- and high-income classes (Newton, 2003). The majority of inner-city houses were rental homes. Under a law from 1939 – the ‘huurcommissieregeling’ (rental commission scheme) – rents were fixed to the construction value of buildings, instead of their market value (Isenia, 1987). Owners were unable and/or unwilling to cope with higher costs for housing materials. Maintenance became a problem, and the subsequent decay resulted in a general urban flight.

<table>
<thead>
<tr>
<th>Year</th>
<th>Punda/Pietermaai</th>
<th>Scharloo</th>
<th>Otrobanda</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>1,418</td>
<td>5,474</td>
<td>7,734</td>
<td>14,626</td>
</tr>
<tr>
<td>1981</td>
<td>758</td>
<td>1,021</td>
<td>3,129</td>
<td>4,908</td>
</tr>
<tr>
<td>1992</td>
<td>401</td>
<td>760</td>
<td>1,944</td>
<td>3,105</td>
</tr>
<tr>
<td>2001</td>
<td>252</td>
<td>602</td>
<td>1,514</td>
<td>2,368</td>
</tr>
<tr>
<td>2011</td>
<td>0/99</td>
<td>523</td>
<td>1,311</td>
<td>1,932</td>
</tr>
</tbody>
</table>

% Change 1960-1981: -46.5% for Punda/Pietermaai, -81.3% for Scharloo, -59.5% for Otrobanda, -66.4% for Total
% Change 1981-1992: -47.1% for Punda/Pietermaai, -25.6% for Scharloo, -37.9% for Otrobanda, -36.7% for Total
% Change 1992-2001: -37.2% for Punda/Pietermaai, -20.8% for Scharloo, -22.1% for Otrobanda, -23.7% for Total
% Change 2001-2011: -60.8% for Punda/Pietermaai, -13.1% for Scharloo, -13.5% for Otrobanda, -18.4% for Total

Total 1960-2011: -1,319 for Punda/Pietermaai, -4,951 for Scharloo, -6,423 for Otrobanda, -12,693 for Total
Total 1981-2011: -659 for Punda/Pietermaai, -498 for Scharloo, -1,818 for Otrobanda, -2,976 for Total
Change % 1960-2011: -93% for Punda/Pietermaai, -90.4% for Scharloo, -83% for Otrobanda, 86.8% for Total
Change % 1981-2011: -46.5% for Punda/Pietermaai, -48.8% for Scharloo, -58.1% for Otrobanda, 60.6% for Total

### 3.2 The neighbourhoods

#### 3.2.1 Punda

The name Punda (roughly translated to ‘point’) refers to the shape of the land (Isenia, 1987). A large wall was constructed along the southern coast towards the Waaiigat. Waaiigat is a small harbour that separates Punda/Pietermaai from Scharloo. The walls severely limited the available construction space. For this reason, the Dutch-style houses were densely built and separated by narrow streets (“Ontwerp Eilandelijk Ontwikkelingsplan Curacao”, 1995). During the 17th and 18th century, Punda served both a residential and commercial function (Isenia, 1987). Overtime, the neighbourhood changed to be used only for commercial exploitation and government tenancy.
A large share of the historic Willemstad centre had fallen victim to decay towards the end of the 1980s (Aarsen, 2009). Many buildings in Punda were in a dire state.

‘The wilful destruction and disfiguration of the decay by negligence of almost the entire Punda side of Willemstad have proceeded unabatedly. Thus, not only the commercial centre, but also Pietermaai, Scharloo, Waaigat and Penstraat are lost cases in the sense that by no means they can be considered anymore as coherent “historic zones”. Only separate buildings remain to be saved… possibly’ (Henriquez 1990, cited in Aarsen, 2009; p. 103).

There are still several dilapidated buildings in Punda today. Figure 3.4 for example shows the iconic Cinelandia building. Originally a movie theatre, this poorly maintained building is on the brink of collapse.
3.2.2 Pietermaai

Overcrowding within the city walls was already heavily pressing on the living quality in Punda in 1675. Decision-makers released a patch of land for the development of housing about half a kilometre towards the east. This new area came to be known as Pietermaai, named after Brazilian plantation owner Pieter de Mey (Brown et al. 1974). The houses in Pietermaai were initially built with much space in between. But due to its rising popularity, dwellings steadily became more grouped together throughout the 18th and 19th centuries.

*Figure 3.5 –* Map of Pietermaai (“Curacao census 2011 neighbourhood data viewer”, 2011b)

*Figure 3.6 –* Aerial view of Pietermaai (“Schitterend herenhuis Pietermaai”, 29-11-2017)

When residents started to move, their houses fell victim to decay. Pietermaai used to be inhabited by prominent captains and people of mixed ethnic origin, among them rich Jewish families (Brown, 1974). But the neighbourhood rapidly became flooded with drug addicts, dealers and the homeless in the 20th century (Siebinga & Vecco, 2016).
3.2.3 Scharloo

The name Scharloo is a combination of the Dutch words ‘schaar’ (scissors) and ‘loo’ (historical word for forest), denoting a strip of grassland along the coast (“Buurtprofiel Scharloo”, 2011). Overcrowding in Punda also led to the development of Scharloo towards the end of the 17th century, (Isenia, 1987; p. 9). Scharloo is located on the northern side of the Waagat and is divided in four areas; Scharloo Abou, Fleur de Marie, Zwaan and St. Jago (“Buurtprofiel Scharloo”, 2011).

The spacious and luxuriously built houses in Scharloo Abou have lost their residential function (“Buurtprofiel Scharloo”, 2011). ‘Fleur de Marie is a working-class neighbourhood that emerged from the migration of Shell-workers’ (“Buurtprofiel Scharloo”, 2011; p. 12). People constructed their own house and landowners charged a small ‘pagamentu di tera’ [ground rent] (“Buurtprofiel Scharloo”, 2011; p. 21).
St. Jago received an upgrade at the end of the 1990s. ‘Unpaved streets were bituminized and redesigned as residential streets. Underground, the sewer system was addressed. Aboveground, streetlighting was improved. In addition to existing residencies, ‘FKP [Fundashon Kas Popular] constructed new dwellings on vacant lots in this neighbourhood’ (“Buurtprofiel Scharloo”, 2011; p. 30). Zwaan is largely undeveloped. ‘The constructions on the terrain are illegal. The ground belongs to the government. Due to the resulting uncertainty, inhabitants built a roof over their heads with minimal resources’ (Eikelenboom, 10-09-2018).

Figure 3.9 – Map of Scharloo (“Curacao census 2011 neighbourhood data viewer”, 2011)

Following the process of urban flight, ‘the once so majestic [Scharloo] neighbourhood transformed into a ghetto with many dilapidated houses’ (“Buurtprofiel Scharloo”, 2011; p. 10).

Figure 3.10 – Decay of houses in Scharloo area (Author, 2018)

3.2.4 Otrobanda
As Pietermaai also became overcrowded, demand increased for a more hygienic, quiet and exclusive residential location in the vicinity. The first building permits for houses in Otrobanda
– meaning ‘the other side’ (of the St. Anna Bay) – were issued in 1707 (Brown et al. 1974). Otrobanda was able to expand and develop in a spacious manner (“Ontwerp Eilandelijk Ontwikkelingsplan Curacao”, 1995). At first, only the construction of one-story dwellings was allowed. This was done to keep the south and west ends of the island within firing range from Fort Amsterdam (“Ontwerp Eilandelijk Ontwikkelingsplan Curacao”, 1995).

![Figure 3.11 – Map of Otrobanda (“Curacao census 2011 neighbourhood data viewer”, 2011b)](image)

By the mid 18th century Otrobanda had already grown bigger than Punda, both in surface and population. The wealthy families who had initially settled in the area moved further towards the hillside (north side) during the 19th century. Simultaneously, mass crowding began in the southern part of Otrobanda (“Ontwerp Eilandelijk Ontwikkelingsplan Curacao”, 1995). Here we find vast working-class housing blocks, divided by a maze of small alleys (“Ontwerp Eilandelijk Ontwikkelingsplan Curacao”, 1995).

![Figure 3.12 – Aerial view of Otrobanda (“Punda en Otrobanda”, n.d.)](image)
The decay of houses is widespread in Otrobanda. Furthermore, the construction of the Queen Juliana Bridge – which came into use in 1974 – significantly altered the physical landscape. The construction of this bridge caused irreparable damage to the original built environment of Otrobanda (De Palm, 1985; in Isenia, 1986).

Figures 3.13 – Deteriorated and abandoned houses in Otrobanda (author, 07-06-2018)

Figure 3.14 – Construction of the Juliana bridge (Makkinga, 2011)

3.3 The Curacao housing market
Between 1960 and 2008, the Curacao government issued 43,310 building permits (“Statistical Yearbook Netherlands Antilles”, 1960-2008). Since then, 15,699 residential houses were constructed (“Statistical Yearbook Netherlands Antilles”, 1960-2008). The number of homes more than doubled in forty years. This has led to oversupply on the housing market, reflected in the islands’ high vacancy rate.

<table>
<thead>
<tr>
<th>Year</th>
<th>Residential housing stock</th>
</tr>
</thead>
<tbody>
<tr>
<td>1972</td>
<td>30,394</td>
</tr>
<tr>
<td>1982</td>
<td>34,000</td>
</tr>
<tr>
<td>1992</td>
<td>41,230</td>
</tr>
<tr>
<td>2001</td>
<td>43,161</td>
</tr>
<tr>
<td>2011</td>
<td>63,404</td>
</tr>
</tbody>
</table>

8,468 houses – 13.3 percent of the total housing stock – were empty in 2011 (“Notitie aanpak leegstaande woningen”, 2015). While 1,821 new homes were under construction in 2011, around 60 percent of empty houses only became vacant between 2001 and 2011 (“Notitie aanpak leegstaande woningen”, 2015). Island-wide vacancy cannot merely be appointed to old age and decay (“Notitie aanpak leegstaande woningen”, 2015).

In the 20 years between 1982 and 2002, large-scale emigration led to a 17.9 decrease in population. A new peak of 160,338 people was reached in 2017. Still, the relatively large jump between 2010 and 2011 has been due to the ‘Brooks Tower Accord’. This policy provided illegal undocumented immigrants with the opportunity to legalise their status during a six-week period (“Brooks Tower Accord: Six-week grace period for ‘illegals’”, 23-10-2009).


<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Year</th>
<th>Population</th>
<th>Year</th>
<th>Population</th>
<th>Year</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>1983</td>
<td>151,752</td>
<td>1993</td>
<td>143,861</td>
<td>2003</td>
<td>129,944</td>
<td>2013</td>
<td>152,798</td>
</tr>
<tr>
<td>1985</td>
<td>154,570</td>
<td>1995</td>
<td>144,522</td>
<td>2005</td>
<td>132,847</td>
<td>2015</td>
<td>156,971</td>
</tr>
<tr>
<td>1986</td>
<td>154,000</td>
<td>1996</td>
<td>145,759</td>
<td>2006</td>
<td>136,100</td>
<td>2016</td>
<td>158,989</td>
</tr>
<tr>
<td>1989</td>
<td>146,558</td>
<td>1999</td>
<td>141,932</td>
<td>2009</td>
<td>141,766</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>144,952</td>
<td>2000</td>
<td>136,969</td>
<td>2010</td>
<td>142,180</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The large-scale emigration during the 1990s resulted in a surplus on the Curacao housing market. Still, real estate prices have been rising. This appreciation is mainly appointed to the activities of wealthy foreigners (“Notitie aanpak leegstaande woningen”, 2015). They acquire more and more real estate on the island. Foreign interest partly stems from ‘dubious practices,
fortune-hunters, speculators and swindlers on the real estate market’ (“Notitie aanpak leegstaande woningen”, 2015; p. 4).

Table 3.5 - Factors contributing to foreign interest in real estate (“Notitie aanpak leegstaande woningen”, 2015).

<table>
<thead>
<tr>
<th></th>
<th>Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Growing European prosperity and consequently growing financial possibilities</td>
</tr>
<tr>
<td>2</td>
<td>Multilingualism (including Dutch as one of the official languages)</td>
</tr>
<tr>
<td>3</td>
<td>Good flight connection with the Netherlands</td>
</tr>
<tr>
<td>4</td>
<td>A favourable and stable investment climate, and fiscal incentives</td>
</tr>
<tr>
<td>5</td>
<td>The presence of internationally orientated real estate agents, advisors and service providers, and the presence of international banks</td>
</tr>
<tr>
<td>6</td>
<td>Many locals are in debt and are therefore easily persuaded to sell their land or house</td>
</tr>
</tbody>
</table>

In relation to international appeal, prices increase even further due to the development of ‘so-called semi-tourist complexes, where luxury homes are created that can be rented out for permanent residence or as a holiday home’ (“Notitie aanpak leegstaande woningen”, 2015; p. 4). Speculation on the housing market increasingly results in the conversion of homes into businesses, in order to drive up the price (“Notitie aanpak leegstaande woningen”, 2015; p. 4).

The state facilitates foreign investments in local real estate. One of the fiscal incentives they introduced to ensure this is the ‘Penshonado Regulation’. Under this regulation, people above the age of fifty to enjoy certain tax benefits. To be eligible, you cannot have been living on Curacao in the five years prior to your arrival. Furthermore, nineteen months after arrival you are required to own a house with a value of at least 450,000 (“Notitie aanpak leegstaande woningen”, 2015).

The Penshonado Regulation increases the supply of expensive real estate. Wealthy, soon-to-retire foreigners are searching for land to construct a house on. This drives up land prices, and further ups demand via the entry of speculative real estate investors. There furthermore appears to be a shift in government focus from individuals towards a reliance on larger project developers (“Notitie aanpak leegstaande woningen”, 2015).

Even with high vacancy rates, there is a huge demand for housing. Oversupply exists because available houses are predominantly intended for high-income groups, while most demand comes from low income house hunters (Jansen, 1990). According to the Central Bureau of
Statistics (2016; p. 37), there was a need for 16,160 houses in 2016. Of these, the social sector accounts for approximately 11,635 houses (“Woningbehoeftes onderzoek Curacao”, 2016; p. 10). ‘Demand is high among people with a lower income. They often live in cheap but poor conditions, and have residential aspirations. Meanwhile, houses are mainly built, and building lots offered, to wealthier segments of the market’ (“Huisvesting Curacao”, 2003). 51 percent of people looking for a house in 2016 lived on an income of ANG. 2,000 or lower (“Woningbehoeftes onderzoek Curacao”, 2016; p. 40).
4. TOWARDS A THEORY OF WILLEMSTAD GENTRIFICATION

Towards the end of the 1980s, the Action Willemstad Committee stimulated the conservation and restauration of the historic cores comprised by Punda and Otrobanda (Aarsen, 2009; p.103-4). These efforts subsequently triggered a process of urban renewal, aimed at reviving local and foreign interests in the inner-city neighbourhoods (“Erfgoednota 2014-2019”, 2013). In this chapter, we look for connections between urban (re)developments and alternative gentrification forms in Willemstad.

4.1 Tourism

4.1.1 Willemstad: Inner-city tourism

Curacao counted 1,057,414 visitors in 2017 (“Total tourist cruise arrivals 2017”, n.d.). While vital sectors for the Curacao economy like the oil and offshore financial sectors are in decline, the tourism sector is the fastest growing industry (Ministry of ED, interview). The Ministry of Economic Development is occupied with developments in the tourism industry.

The Curacao Tourist Board (CTB) falls directly under the wing of this ministry (Ministry ED, interview). CTB receives a government subsidy for tourism development (Ministry ED, interview). There is a high level of cooperation in the Curacao tourism sector. ‘A big strength of hotel chains; they have many deals with agents in the travel industry that we as individuals could never realise’ (CTB, interview). In addition to government subsidies, CTB also receives funds directly from private sector tax collections (CTB, CHATA, interviews).

The Curacao Hospitality and Tourism Association (CHATA) is a private organisation established by hotels who desired a stronger, more unified voice (CHATA, interview). The organisation currently consists of around 250 enterprises, among them the largest hotels on the island (CHATA, interview).

The government, CTB and CHATA (interviews) are in multiple committees together. In 2015, they developed a Tourism Masterplan. ‘The most significant recommendation of the Masterplan is that we have to focus on increasing North-American markets, since those yield the highest profits for Curacao in the long-run’ (CHATA, interview).
We believe that the implementation of the Tourism Masterplan is going to result in a larger influx of high-spending tourists. ‘[North American] tourists stay for shorter periods, but they spend more’ (CHATA, interview). CTB furthermore aims to increase the average revenue per room. They argue that ‘it gives us an indication […] that we are bringing the wealthier tourist to the island’ (CTB, interview). Profits are the primary goal.

‘A lady here explained it well. Maybe it is a little rude but for her, the tourist is getting someone here, lifting him up, turning him upside down, and shake. Take out everything. This is the most important reason you attract tourists. To bring in wealth.’ (CTB, interview).

4.1.2 Hotels
The main responsibility of the Curacao Tourist Board is to advertise the island in foreign markets (CTB, interview). ‘The goal is basically to bring tourists to Curacao’ (CTB, interview). With the principal aim to expand North-American markets, CTB is currently most active in this area.

There is ‘a certain specific target group that wants to stay in hotels. These are mostly Americans’ (Ministry of ED, interview). American tourists generally ‘demand a certain brand, mostly they want to go to the Marriott or something’ (Ministry of ED, interview). Several hotel projects are planned for the Willemstad area. The construction of a new, ‘Courtyard Marriott’ is expected to commence somewhere in the next two years (Ministry of ED, interview), and the readily present Marriott is currently undergoing renovations (Ministry of ED, interview). In Pietermaai, a Hardrock Hotel is going to be constructed (CHATA, CTB, Ministry of ED, interviews).

‘The Hardrock and the Courtyard Marriott both have a worldwide chain. They do marketing for all their chains. American tourists make much use of these, and if they know that there is a courtyard Marriott, they will go there. […] We do not even [have to] advertise in order to attract tourists. Because [these hotels] are located here, they attract tourists. They are a brand in itself. (Ministry of ED, interview)’

The government relies on large international hotels. Still, recent trends seem to be moving in the opposite direction. ‘Over the past months four or five hotels closed their doors’ (former government official, interview), and the island is still waiting on Courtyard Marriott and
Hardrock Hotel. Courtyard Marriott has had a building permit since 2015 and Hardrock already has one for more than a year. But up until this day constructions did not start’ (former government official, interview). Inner-city hotels are struggling to survive.

‘Hotel Veneto – sold to Corendon and demolished, Hotel Kura Hulanda – Declared bankruptcy on December 5th, 2018, Hotel Otrobanda – auctioned for the second time on December 11, 2018, Hotel Howard Johnson – vacant for over a year and auctioned for the second time on December 13, 2018, Hotel Plaza – Third auction was recently announced, Hotel Marriott – has been undergoing renovations for over a year, Hotel Pelikaan – has been undergoing renovations for over 2 years’ (former government official, interview).

While decisions are made under the veil of economic growth and development, the government seems to be especially occupied with accommodating large hotel operators. For years, the ‘Logeergastenbelasting’ (LGB) meant that a 7 percent tax was raised on renting out to foreign visitors (“OB in plaats van Logeergastenbelasting”, 17-12-2015). But ‘to attract international hotel chains […] and to encourage the necessary investment by hotel owners to achieve this, exemption of the obligation to pay […] can be granted to the hotel’ (“Exemption room tax”, 2019).

Table 4.1 – Some requirements for room tax exemption (“Exemption room tax”, 2019)

1. ‘The incentive is only applicable to hotel owners that attract new international hotel chains to establish on the island’.
2. ‘The hotel owner must belong to a company limited by shares, incorporated on Curacao’.
3. ‘The hotel owner is considered to have attracted an international hotel chain as long as the hotel is operated using the name of the international hotel chain, which should be clearly visible on the hotel’.
4. ‘The international hotel chain must consist of at least 15 hotels, operating in 5 countries with a minimum of 5,000 hotel rooms.’

When the ‘Room tax’ was recently replaced by a ‘Sales tax’, called ‘Omzetbelasting’ (OB), hotels still owed a significant amount of Room Tax. The Curacao government had 93 million in outstanding LGB (“93 miljoen gulden aan logeergastenbelasting innen”, 04-08-2015). However, this huge amount was never collected (former government official, interview). Curacao as a tourist destination is created by the combined efforts of state and private actors. Evidently, the government is heavily focused on the attraction of global enterprises. A large
influence of international corporations on the urban reality implies the emergence of ‘corporatized gentrification’ (Hackworth, 2002; p. 819).

4.1.3 Tourist bubbles
In Chapter 3 we found that opportunistic foreign investors have a significant impact on the Curacao real estate market, and the literature mentions that, in places where tourism is the main driver of gentrification, the continuous influx of visitors from wealthier countries turns ‘urban spaces into tourist bubbles’ (Chan et al., 2016, p.1265).

Airbnb is a prime example of visitor induced appreciations on the housing market. It is strongly present in the inner-city (CTB, DMO, Heritage consultant, interviews). ‘With Airbnb, people find it interesting to reside somewhere in an urban environment to get that experience instead of the luxury hotel happening’ (DMO, interview). As maintenance costs are relatively high, and especially for monuments, ‘in order to fulfil this obligation […] people seek to rent houses to tourists. And it will probably catch on really well because tourists love to stay in such surroundings’ (CTB, interview).

State and corporate powers view the historic inner-city mainly as a tool for boosting tourism activities, and the four historic neighbourhoods are increasingly getting shaped for tourism.

‘You should create an inner-city for the local population. When they have their party, foreigners will want to join in. However, we turn it around and say; the tourist comes first and every now and then the people can come and stroll through the city’ (Amigu di Tera, interview).

4.2 Heritage

4.2.1 UNESCO: Conserving the city
With urban renewal underway, some believed the historic core of Willemstad could be included on the UNESCO World Heritage List. ‘Before you can submit the request for a UNESCO nomination, you need to prove that you are willing to put in serious effort’ (Heritage Foundation, interview). The historic inner-city neighbourhoods were ultimately included on the UNESCO World Heritage List in 1997.
The cultural value of the historic inner-city is described as ‘the urban fabric and architecture of Punda, Pietermaai, Otrobanda and Scharloo’ (Speckens et al., 2012, p. 8). The nomination was accepted on ‘criteria ii, iv, and v, which reflect respectively social, historic, and a link between social and ecological values’ (Speckens et al., 2012, p. 8). Van Der Dijs (2011; p. 9) argued that ‘most of the diverse ethnic groups [on Curacao], if not all, have intermingled creating a social context wherein […] multicultural identities not only developed but thrived’. It appears that multiculturalism is an important aspect of the inner-city Universal Outstanding Value.

Figure 4.1 – The enlisted area: the historic inner-city of Willemstad, divided in a Core area and Buffer zone (Speckens et al., 2012).

About half of all inner-city buildings is on the monument list (Heritage consultant, interview). In 2006, a total of 809 inner-city monuments were counted (“Inventarisatie monumenten in de Binnenstad”, 2006).

‘If you want to maintain the uniqueness, you need to protect these buildings. This is why we made a relatively broad selection. […] You could decide to protect only a few highlights, but if you renew an entire surrounding area you lose the historic character’ (Heritage consultant, interview).

Large efforts were dedicated to preserving the inner-city built environment. ‘The biggest restauration trend took place between 1990 and 2010. […] there were a lot of renovations in those twenty years’ (Heritage Foundation, interview). During the 1990s, ‘the Netherlands was willing to invest a lot in city renewal, and they did. Both the Heritage Foundation and the Monument Fund directly received a lot of funds’ (Heritage consultant, interview).
The Dutch government would not simply hand out money. ‘Of course, you had to put a label on it. That was economic development, tourist development. They provided capital for improving the tourism product.’ (Heritage consultant, interview). World Heritage nominations are often submitted in anticipation of additional economic gain (Pendlebury et al., 2009).

4.2.2 UNESCO: Heritage tourism

For tourists, Curacao ‘is mostly about the beach, that is the biggest attraction’ (CHATA, interview). However, many Caribbean destinations offers white sandy beaches and clear blue seas. Curacao has more to offer. ‘Because we have very special cultures with special historic developments. […] The inner-city reflects our culture. It reflects that whole history. […] You can see this, it is tangible’ (Heritage Foundation, interview).

While Willemstad is presented as a UNESCO Heritage Site, ‘during winter, nobody comes for the inner-city and the architecture. They just come here because it is nice and warm’ (CHATA, interview). The CTB (interview) adds that ‘although you try to lure them here with a ton of reasons, sun, sea and sand are very important. More often than not they stay in places directly at the beach. It is hard for the inner-city to compete.’

![Handelskade in Punda](Witterholt, 06-12-2017)

Most respondents believe the UNESCO status is a good brand for the inner-city. The historic district is a unique selling point. The CTB uses images of the Handelskade when they promote Curacao in foreign markets, because ‘that is what highlights us in the Caribbean’ (CHATA, interview). ‘Research for the Tourism Masterplan shows that many people visit because Willemstad is listed as a World Heritage Site’ (Ministry of ED, interview). For this reason, ‘it
is a starting point for the city that we absolutely cannot miss. We must ensure its preservation, because it really is a tourist attraction’ (Ministry of ED, interview).

The Curacao Tourist Board (interview) contrastingly argues that ‘for many tourists it means nothing, they do not know the concept.’ While the image of the Handelskade is an important distinguishing tool, we see no direct link between the UNESCO status and tourism influx. ‘You never hear that people come to Curacao because of the monuments’ (former government official, interview). Heritage tourism is insufficiently exploited and contributes little to tourism growth. ‘We receive guests from Russia, China, Japan, […] [and] it is not like CTB is heavily promoting over there’ (Heritage Fund, interview).

4.2.3 UNESCO: Heritage awareness

Tourists are furthermore not really confronted with the UNESCO status. ‘There were ideas to introduce proper signs to present the inner-city as World Heritage. That way tourists can walk around and easier look at what we possess’ (Ministry of ED, interview). But this has not been introduced, even after twenty years. Also, no research has been done on the impact of the UNESCO brand. The CTB conducts surveys, but

‘we are not going to ask, “do you think the inner-city as a UNESCO-area is a nice area?” No, at the moment we do not have to deduce that from our numbers. What we do is try to look how tourists spend their money’ (CTB, interview).

CTB (interview) acknowledges that ‘as long as this destination is not aware of the fact that they have to enwrap [the UNESCO status] and present it as an experience for incoming tourist, the effects will be little.’

Apart from tourist interest, the UNESCO status can increase interest among local populations (Frey and Steiner, 2011). But ‘here on the island people are not really interested’ (CTB, interview). The Heritage Foundation (interview) argues there is ‘no pride in our work, no pride in our history.’ A large share of the population, especially the working-class Curacaolenean, does not care one bit about the status. In many cases they do not even know about it (former government official, interview).
‘The heritage should reflect the soul of the people. But we alienate the people, because it is not done for them. The heritage that suffered most during these past twenty years has been the African heritage on Curacao. [...] This has not been protected, you let it get destroyed. Do you think people do not know this?’ (Ministry of TT&UP, interview).

The lack of interest results from a local disconnection with the remaining heritage. ‘Monuments are seen as something that belongs to a different group. The monuments are used as Dutch heritage. But a local person is not the least bit interested in that’ (former government official, interview). The UNESCO status did not improve local awareness and appreciation.

4.2.4 Restoration costs
Restoring a monument ‘is just much more expensive than restoring another building’ (Ministry of ED, interview). Monuments ‘have much more ornaments, shutters, woodwork. Preserving these kinds of ceilings and floors, yes, it is a bit more expensive’ (Heritage Foundation, interview).

To cope with high preservation costs, the Curacao Monument Fund was established in 1992. With a yearly government subsidy of 1 million Guilders (current management Monument Fund, interview), ‘the fund exists to support monument owners’ (Ministry of ED, interview). The Monument Fund offers subsidies to carry out maintenance, and owners get a loan at more favourable rates than those offered by local banks (current management Monument Fund, interview). For a subsidy, you are obligated to take on an additional loan (current management Monument Fund, Heritage Foundation, interviews).

For the Curacao Heritage Foundation and Fundashon Kas Popular, the Monument Fund applies ‘a lower interest rate, specifically for the social target group. [...] Because this is a group that cannot afford it’ (current management Monument Fund, interview). The introduction of these favourable rates looks promising for the protection of working-class inhabitants. Yet, the lower rates do not apply for individually- or family-owned monuments. ‘It would be good to develop some criteria for that. Because in that case you are talking about an individual, or a couple, or a retiree, or whatever. They in particular often have little to spend.’ (current management Monument Fund, interview).
One of the original core principles of the Monument Fund had been the preservation of the existing inner-city population. If the original occupant of a fully restored building could not afford to pay a higher rent, the government complemented the deficit (former management Monument Fund, interview). The Fund still claims to be occupied with retaining the current population. ‘You want to maintain a monument for those people, so that they can stay. Restoration is necessary to improve the wretched situation, but they need to be able to come back’ (current management Monument Fund, interview).

According to former management (interview) however, ‘there is not one Curacaolenean who restores a building via that elite. They are people with money and, I am sorry to say, Dutch people.’ Nepotism apparently affects the subsidy allocation process. ‘I have seen it happen. That they came up with plans for taking on certain monuments only because they were good friends, or because they got something in return’ (former management Monument Fund, interview). Subsidies are not objectively allocated; many requests are denied. Employees even ‘advise [people] to sell their house to Dutch individuals looking for a monument in the area. […] It happened, and you hear it more often’ (former management Monument Fund, interview).

### 4.2.5 Management plan historic Willemstad

Almost twenty years after becoming a UNESCO World Heritage Site, a management plan was finally offered in 2016 under increased pressure from both UNESCO and the Dutch Ministry of Education, Culture and Science. Before then, Curacao did not even have an unofficial management plan (Heritage consultant, interview).

In the management plan (2016; p. 23). ‘The multicultural society’ is identified as an important part of the Outstanding Universal Value of Willemstad. Gentrification is identified in Pietermaai and a small part of Otrobanda, named Kura Hulanda.

‘Here, the decay of the neighbourhoods has been addressed since a couple of years by several developers. They have invested a lot of money in restoring the buildings and the streets. This is a positive movement that should be encouraged but regulated. The developer will have to earn back his investments by selling and renting out the buildings. People previously living in these neighbourhoods cannot afford to return. We need to make sure Historic Willemstad does not lose its multicultural society’ (management plan, 2016; p. 28).
The developers of the management plan seem to be well-aware of the vulnerability of inner-city working-class residents inherent to gentrification. Still, they recommend that ‘the government should not interfere with the content and solely steers the Public-Private-Partnership towards the desired end goals. Market actors have complete freedom to shape the execution to their own judgements’ (Management plan, 2016; p. 29).

The main developers of the management plan are actively involved in the heritage preservation business. Their primary focus thus naturally lies with the survival and profitability of the physical heritage. While the importance of a multicultural atmosphere is recognised, heritage agents are themselves contributing the loss of the multicultural inner-city society.

The government was insufficiently involved in the development of the management plan. ‘The government was involved, but not everybody within the government was included. Some were, and others were not’ (Ministry of TT&UP, interview). This lack of overall inclusion diminishes the strength and value of the document. ‘When I read it I honestly thought; they did not ask us for advice, so onto the pile it goes. Who needs this? Especially when it contains weird stuff’ (Ministry of TT&UP, interview). Evidently, in its current form the management plan is not going to function.

4.2.6 Incentives for heritage preservation
State policies and financial incentives that encourage private investments in the UNESCO area have been readily introduced. The transfer tax was abolished. Buyers no longer have to pay a transfer fee when purchasing a monument (Heritage Foundation, Heritage Fund; interviews). Developers are furthermore allowed to deduct 30 percent of their investments from the subsequent revenue (Lasten & Melendez, 27-07-2016). These financial incentives facilitate the exploitation of existing inner-city rent gaps. Without a transfer tax, ‘the potential ground rent in the optimal use of the land’ (Smith, 1986) becomes higher, since developers are able to obtain property at lower prices.

The government also introduced financial constructions aimed at halting monument dilapidation. ‘Currently, fines can be implemented when real estate is not properly taken care of’ (Management plan, 2016; p. 41). However, the effects of these fines are insufficient (the Management plan, 2016). Right now, ‘the government does not even have a control system anymore. They do not move in the inner-city, so buildings that are not in plain sight are slowly disappearing’ (former government official, interview). While there were 809 monuments in
2006, this number had shrunk to 763 in 2016. 46 monuments disappeared ("Visuele inspectie monumenten 2016", 2016).

The Management plan (2016) recommends research into new possibilities, such as increasing the amount of the fine or improving their enforcement. The introduction of a tax scheme is advocated where a levy would be based on decay instead of property value. However, in such a system, low-income monument owners who cannot afford to carry out maintenance will face hefty fines.

4.3 Government

4.3.1 Public policy for historic Willemstad

Curacao became an autonomous state on October 10, 2010. Since 10-10-10, not one government completed a full four-year term (former government official, Federashon Otrobanda, interviews). Willemstad is currently facing the consequences of nearly a decade of ineffective and inconsistent inner-city governance. ‘The government does not have a structured plan. […] ‘What often happens is someone disappears, the policy is not followed through, and after a while nobody talks about it anymore’ (former government official, interview).

The biggest problems arise at the implementation stage. ‘We have a spatial framework for what we want to do with the inner-city. […] In general terms we know what needs to be done, but we do not program it’ (Ministry of TT&UP). Once developed, policies are insufficiently pursued. There is a lack of long-term commitment. ‘Paper is very patient’ (Ministry of TT&UP, interview). Time and again, resources are being made available for the creation of structure plans. But these plans often end up in the back of a drawer. Policies might look promising on paper, but ‘plans do not implement themselves’ (former management Fundashon Kas Popular, interview).

The department of Urban Planning is responsible for the execution of a housing policy and the preparation of programs and projects for urban renewal ("Sektor di Infrastruktura i Planifikashon Urbano", 2017). But unfortunately, ‘this organisation is extremely weak at the moment. […] I hate to say it but [the department] has lost all of its expertise’ (Ministry of TT&UP, interview). Staff members are not properly carrying out inner-city policies. The place has turned into a ‘venomous department’ (former government official, interview). We
encountered this ourselves. Our respondent from the department of Urban Planning felt threatened by some of our questions. This person subsequently resorted to illegal restraint, and forced us to delete our data.

### 4.3.2 Government budget

The Curacao government is currently struggling with a financial deficit. An imposed stop on government spending is effective for the second half of 2018 and 2019. ‘They can only spend money on really pressing matters. This means that there will be no investments for the time being, especially not in the neighbourhoods’ (Ministry of SD, interview). Neighbourhood (re)developments require substantial financial investments. But that the Curacao government is struggling financially does not automatically mean that gentrification is the only option. While there is a stop, ‘in theory, x million is reserved on the budget. It all depends on how you choose to spend it (Ministry of TT&UP, interview).

As an example, our respondent mentions the Pater Euwensweg in Otrobanda, a ANG. 250,000 road that was constructed several years ago (Ministry of TT&UP, interview). ‘Now, again there is a discussion on whether to straighten out that road for 2 million. Choices. In theory we have 1.75 million we do not have to spend there and that could go somewhere else’ (Ministry of TT&UP, interview).

The minister of Traffic, Transport and Urban Planning ultimately made the final call in October 2018: the road will be constructed (“Fundashon Rif tegen nieuwe weg” 18-10-2018). This goes to show that ‘there are funds for everything, if you wish to provide them’ (Ministry of TT&UP, interview). While the government is cutting on all social subsidies, it is willing to spend two million Guilders to replace a road that does is in no need of replacement.
4.3.3 State-induced rent gaps

Various departments of the Curacao government vacated their inner-city buildings to rent space elsewhere on the island. ‘Monuments are just more expensive’ (Ministry of ED, interview), making it attractive to move out of the city into a brand-new building. After a government-occupied monument is vacated, in many cases it does not get a new function. Because maintenance is not carried out, these buildings rapidly deteriorate. ‘Villa Kortijn was fully renovated with Dutch funds. A beautiful [state-owned] building. However, it never got a new function’ (former government official, interview).

While the UNESCO World Heritage status is applauded, the government contributes to a further deterioration of the same heritage. In fact, ‘for a longer period of time there has been talk of moving to a new central government building outside of Willemstad, where the government would leave their monumental buildings’ (Management Plan, 2016; p. 30). While some buildings may be getting too small to house an entire department, there are sufficient
vacant government estates in the inner-city that could easily house the entire government apparatus (Architect Bureau, interview).

Departments are moving away for a different reason, ‘nepotism’ (former government official, Komishon di bario Kura’I Shon Fil, interviews). The ministry of Economic Development left the city to reside in a newly constructed 8-story building in 2013, just outside the inner-city boundaries. The building was constructed on government property, and the government currently pays the owner a hefty rent of 40,000 Guilders (former government official, interview). The department of Economic Development occupies three floors, while the remaining five floors are empty (former government official, interview).

![Figure 4.5 – Location Ministry of Economic Development (Google, 2019b)](image)

![Figure 4.6 – Building of the Ministry of Economic Development (“MEO gebouw”, 30-08-2017)](image)

The ministry of Traffic, Transport and Urban Planning currently rents space at a poorly accessible location and pays a monthly rent of 20,000 Guilders. Since long, there have been
plans for moving this ministry to a building in the inner-city that was formerly occupied by the Executive Council (former government official, interview). And while this location is way more accessible, in the end, nothing has happened.

Figure 4.7 – Location Ministry of Traffic, Transport and Urban Planning (Google, 2019c)

In April 2018, it was announced that the Ministry of Education will move into the building formerly housing the Executive Council ("Onderwijs krijgt nieuw onderkomen.", 23-04-2018). However, at the start of 2019 there still had been no sign of any movement. Furthermore, the building has been neglected for over eight years. Even when the government finally decides to act, a substantial amount of time and money will need to be invested in renovating the building.

Figure 4.8 – Location former Executive Council building (Google, 2019d)

### 4.3.4 Inner-city social housing

The Curacao government originally provided living space for low-income residents. The state partly privatised social housing provision via the establishment of Fundashon Kas Popular in 1978 ("Rapport knelpunten bouw sociale huurwoningen Curacao", 2014). Emphasis was on the provision of social rental homes. Additionally, the organisation assisted low-income groups in

The activities of FKP were ‘not only about social housing, but also the construction of a house by young starters, the middle-class, et cetera. However, the majority was social housing’ (former director FKP, interview). 9,430 people were registered on the FKP waiting list, registered for social housing in 1989 (“Volkshuisvesting Curacao:”, 1990; p. 29). 70 percent of this group was solely interested in a rental home. Still, FKP realised significantly more owner-occupied houses.

Overtime, ‘FKP started to focus more on the construction of owner-occupied houses in order to generate funds that could complement their operating deficit’ (“Huisvesting Curacao”, 2003). This deficit emerged from a government failure to provide subsidies. ‘FKP claims monthly rent subsidies for approximately 4,640 tenants (93%). […] While the Ministry of Traffic, Transport and Urban Planning was responsible for paying the rent subsidy, it did not have the information needed to check the claimed amounts’ (Rapport knelpunten bouw sociale huurwoningen Curacao”, 2014; p. 6).

State-led gentrification can come about via reducing the number of social houses. Through the outsourcing of social housing responsibilities to third sector organisations (Gordon et al., 2017), there has been a lack in social housing provision. ‘The government had to provide subsidy on the rent prices. This did not happen, and the costs increased enormously. FKP subsequently started constructing for the middle-class’ (former government official, interview). ‘FKP believes that all houses they construct are either social rental homes or social owner-occupied homes’ (Rapport knelpunten bouw sociale huurwoningen Curacao”, 2014; p. 8). Still, 6,394 people were on the FKP waiting list in 2013 ((Rapport knelpunten bouw sociale huurwoningen Curacao”, 2014; p. 8).

4.4 New-build developments

4.4.1 New-build CPA projects

New build gentrification discussions largely revolve around the legitimacy of a displacement argument when it comes to the (re)development of greenfield or brownfield locations. We
discuss displacement in Chapter 5. For now, we analyse major new-build development projects in the inner-city area.

The Curacao Ports Authority (CPA) is ‘the coordinating force behind port operations. Its responsibilities include among others ensuring safety and security, access coordination, port maintenance and development and the management of the Emma Bridge and Ferries’ (“Organisation”, n.d.). Since the inner-city lies adjacent to the St. Anna Bay and the Waagigat, there are several water-bound areas. ‘CPA is the competent authority for the development of all water-bound areas and functions as the landlord for those areas’ (CPA, interview). There are two major CPA projects for the inner-city.

(1) ‘The planned Rif Seaport is located in the historic Otrobanda district of Willemstad, west of the St. Anna Bay Channel. […] The project area acts as a natural extension of Curaçao’s cruise tourism infrastructure, extending and improving upon current pedestrian pathways, vehicular and logistical zones’ (“Rif Seaport Curacao”, n.d.).

Figure 4.9 – Plans for RIF Seaport (“Rif Seaport”, n.d.)
Figure 4.10 – Plans for St. Anna Bay and Waaigat (“St. Anna Bay & Waaigat”, n.d.)

(2) ‘This vision seeks to transform St. Anna Bay and Waaigat into a compelling sequence of places for residents and visitors alike. It offers a balanced development approach, integrating retail, office, maritime, arts and park uses, which, working together will promote extended live, work and recreational pursuits by residents and visitors’ (“St. Anna Bay & Waaigat”, n.d.)

The government outsourced managing responsibilities to CPA, a third-party private organisation.

‘In order to get management responsibility, we propose certain conditions to the government. They subsequently agree, and based on these conditions we search for a developer. When we find that developer, we get the ground in lease from the government, and as Port Authority we are allowed to manage that area’ (CPA, interview).

CPA (interview) outsources developments to recognised developers. ‘They will make those investments. They bear all the risks. We supervise their operations and give them the right to develop that.’ In return, CPA receives a monetary ‘rent’ from the developer.
‘We get a monthly compensation, giving them the right to conduct that business. The moment they no longer wish to do this and leave, everything they invested, everything they built on that terrain, is ours. […] Other than that, we have got nothing to do with it’ (CPA, interview).

While the developments could increase government revenue, the current structure will only increase government expenses. ‘The government has to invest a lot in infrastructure. […] We stare ourselves blind that it is good for the economy, but the burdens and benefits are disproportionately divided between the private sector and the government’ (Ministry of TT&UP, interview). CPA functions as landlord for large developers investing in the new-build projects. The Curacao government is hardly involved.

‘I have the feeling that this is not quite right. At the time, CPA got control over the wharf. I think full ownership still resides with the government. And now, they are going to act as project developer, which is not their core business. It is clearly a cash cow for them. And then I think wait a minute, you guys are conducting business with our terrain and we do not see a dime in return. […] Those funds stay there instead of flowing to the government, who could for example do something in Fleur de Marie and Zwaan’ (Ministry of TT&UP, interview).

CPA maintains a clear strategy. ‘Our approach is to attract investors with potential, who have a track record. To whom we can hand over a project like that and to let them do their thing’ (CPA, interview). The Master Plan contains general requirements and possibilities, ‘but we remain very flexible and realistic about the fact that we ourselves are not going to invest. The operator has to come here, and if the operator does not like it, it does not happen’ (CPA, interview). Evidently, as long as there is development, CPA is less concerned with the specific contents and long-term socio-cultural effects.

4.4.2 New-build social housing: Wechi

Under its former director, FKP was very active in the inner-city (former government official, former director FKP, Ministry of TT&UP, Monument Fund, Heritage Foundation, interviews). However, the current president is not focusing on the inner-city. ‘He is not interested. He simply said: “I do not want to start working on the inner-city”. […] The current president […] wants to go to Wechi, a different Curacao neighbourhood.’ (Fundashon Rif, interview). Instead of focusing on the inner-city, FKP aims to construct a new neighbourhood. ‘Around 3,500 residencies will be delivered in Wechi in the coming years’ (FKP, 2018).
The realisation of Wechi could help the more than 6,000 people on the FKP waiting list in finally getting a rental home. Still, ‘with 10,834 empty houses on Curacao, it is absolutely impossible to say we need new construction. That is foolish’ (Ministry of TT&UP, interview). Large state investments are needed for the project. ‘Infrastructure costs alone are 24 million Guilders’ (former government official, interview). This money could instead be used to improve readily developed areas. ‘With less funds you can do more in existing neighbourhoods’ (Ministry of TT&UP, interview). Governments have the possibility to encourage non-profit housing corporations to acquire vacant plots in certain areas (Walks & August, 2008). The struggles between the government and FKP could have easily been avoided ‘if the government en masse said; nice, this terrain in Wechi, but my rent subsidies go to the houses [in the inner-city]’ (Ministry of TT&UP, interview).

It will likely take many years before the Wechi project is finalised. ‘I think it will be a very long route that might still not be completed in ten or twenty years’ (Ministry of SD, interview). Even if new constructions are delivered quickly, ‘Wechi will be owner-occupied, middle-class housing’ (Amigu di Tera, interview). The Wechi project will thus definitely not help solving the housing problem. ‘FKP constructions are so expensive that the ordinary man cannot afford it. They are houses of 180,000 or 200,000 Guilders. You cannot sell these to the common people. They do not even sell in general’ (former government official, interview). If anything, the realisation of Wechi is going to further increase vacancy rates.

![Figure 4.11 – Location of the new Wechi project (“Overview zones”, n.d.)](image)

In their ambitions, FKP forgets about those people they should be providing houses for. It is the responsibility of the government to make sure that FKP fulfils its obligations towards the social sector. However, the general audit room (Rapport knelpunten bouw sociale
huurwoningen Curacao”, 2014; p. 11) argues that ‘the Ministry of Traffic, Transport and Urban Planning has not formulated a specific policy regarding the construction of social rental homes and shortening the waiting list for these houses.’ The Curacao government did not steer FKP towards the inner-city. ‘There are no formal tasks for FKP’ (“Huisvesting Curacao”, 2003). This is a missed opportunity to ensure the inner-city survival of working-class residents.

4.5 Planetary processes

4.5.1 Global exchange value
The built environment of the historic inner-city has become an important investment area for both local and international developers. The urban has been subject to a move from use value to exchange value. ‘There are a few buildings owned by people who do not care. They are not even living on the island. And the buildings are just standing there, rotting’ (CTB, interview). Speculators are waiting for an opportunity to sell their estates at a high price. ‘Everybody is waiting until another prospector is coming along who is going to pay the grand prize for the land. They have already written off the building and allow it to perish. It is only about the piece of land’ (Business owner Otrobanda, interview). Profit-seekers are looking to exploit inner-city rent gaps. Since the Curacao real estate market is increasingly affected by foreign interest, we expect global capital to play a significant role in the gentrification process.

4.5.2 Postcolonial Willemstad
Planetary gentrification has been explored using a ‘postcolonial urban critique’ (Lees et al. 2016; p. 13, cited in Zapatka, 2017, p. 228). As a former Dutch colony, Curacao is still residing within the Kingdom of the Netherlands. Life on Curacao has been heavily influenced by the Dutch since the 17th century. Dutch culture naturally affected locally developed culture and institutional systems. For this reason, it is relatively easy for Dutch citizens to settle on the island. Little adaptation is needed to become a well-functioning member of Curaçaosean society. Together with Papiamentu and English, Dutch is one of three official main languages. The largest share of the population is capable of speaking the language.

Federashon Otrobanda (interview) sees a reoccurring trend. ‘Whenever we think of development on Curacao, we think development is beautifying and pushing you Kòrsou [children of Curacao] out.’ The relationship between Curacaoleneans and the Dutch still appears to be affected by the colonial history. ‘People here have too much respect for the Dutch
and Dutch organisations. [...] You would not even respect your parents the way they respect these organisations’ (Fundashon Rif, interview). Although Curacao is a former Dutch colony, local culture significantly differs from Western cultural practices. The majority population has an Afro-Caribbean background.

4.5.3 Postcolonial displacement
Davidson (2008; p. 2391) mentions how inhabitants experience a ‘loss of place’ following social, cultural and political changes to the neighbourhood. Displacement can be more severe when new inhabitants are transnational migrants, since they ‘are more visibly distinct from the local population in terms of status, behaviour, language or cultural values’ (Cocola-Gant, 2018a; p. 295). These differences can distort social cohesion.

While Cocola-Gant links his arguments to tourism gentrification, we argue that the influx of transnational long-term (Dutch) migrants, and the post-colonial tensions that arise from historically developed power imbalances, promote indirect community displacement in parts of historic Willemstad. ‘Sometimes there is a bit of Makamba [=Papiamentu for Dutch person] hate. We can dance around the subject, but the fact is that this exists’ (Business owner Pietermaai, interview).

While the relationship between Curaçaoans and Dutch might seem tense, the reality is very different, and Dutch presence does not always lead to higher tensions. Still, as the concentration of Dutch people increases, and they start being the dominating presence, feelings of dispossession are bound to arise. Planetary gentrification depends on the amount and concentration of transnational gentrifiers.

‘In Dutch culture, where people are together, they will stick together. And they start to conquer the space. I think this is just part of Dutch culture. Appropriating certain spaces. Large groups of people who are talking with each other and do not look further. [...] When it is immediately such a large group, you do not really have access to it. They are not like; “hey, welcome”, no. You have to form your own group’ (Fundashon Seru Otrobanda, interview).
5. GENTRIFICATION AT NEIGHBOURHOOD LEVELS

In the previous chapter, we took some initial steps towards providing an understanding of gentrification and its consequences. However, the four neighbourhoods together making up the historic inner-city of Willemstad all followed their own historical development path. They each hold unique economic, spatial and socio-cultural characteristics. For this reason, we now wish to analyse gentrification in each neighbourhood separately. The findings presented in this chapter allow us to identify the specific actors that are most relevant for each neighbourhood.

We can also identify factors contributing to gentrification resistance. As we mentioned before, this research focuses on the consequences of gentrification. For this reason, it is valuable to explore ways in which undesired effects can be diminished or eradicated. We therefore end this chapter, and our research, with a discussion on gentrification resistance.

5.1 Punda

5.1.1 A ghost town

For a long time, Punda mainly has been utilised by retail facilities. As more and more people settled outside the inner-city, new investment opportunities came up, via an emerging demand for products and services in these new residential locations. New shopping areas sprouted across the island. Back in the days, ‘you could go nowhere else. There was no Jan Noorduynweg, no Sambil. Saliña did not offer much. There was no Caracasbaaiweg, no Rooseveltweg, no Santa Rosaweg. These all became shopping centres’ (CTB, interview).

An insufficient and ineffective supply of parking space poses a barrier in Punda. ‘People say parking in Punda is annoying because you have to pay. […] They will not come to the city to pay for an hour of parking. […] Knowing our people, they are not going to do that.’ (Unidat di Bario, interview). Punda used to be one of the islands’ most vibrant places. But nowadays, it is difficult for Punda merchants to compete with the new shopping areas. ‘There is a substantial amount of vacancy. Around 20 percent of buildings are currently empty’ (DMO, interview).

60 percent of the 1,057,414 tourists that visited Curacao in 2017 came in via cruise (“Total tourist arrivals 2015-2017”, n.d.). They come ashore at one of two cruise terminals in Otrobanda. The lack of local demand for Punda products has led to a greater dependence on demand from these tourists.
‘Cruise tourists are very important for Punda. They arrive via the [Queen Emma] bridge, a huge amount every year. They are here for only one day, so we try everything in our power to lure them to Punda’ (DMO, interview).

This implies changes to the Punda urban environment are triggered by the purchasing power of visitors. With a main focus on tourism, we expect Punda businesses to increasingly offer products catering to tourist consumer preferences.

The consequences of urban sprawl are especially noticeable in the evening. After six o’clock – when stores are closed – the streets in Punda become empty. Punda resulting earned the nickname ‘ghost town’ (Ministry of ED, interview). The desolated streets create feelings of unsafety. ‘Simply because too few people are present, it becomes unsafe’ (Ministry of ED, interview). A lack in perceived safety has a negative effect on the tourist experience. ‘During opening hours, it is fine. But I do not recommend people to stroll through the city at night, when nothing is going on. During Punda Vibes there is for example no problem, simply because more people are present’ (CHATA, interview).

Every Thursday evening, the Downtown Management Organisation organises Punda Vibes in order to promote livelihood. ‘They are bringing life back to Punda’ (Federashon Otrobanda, interview). The event mostly revolves around the hospitality industry. ‘There are cocktail bars, DJs here and there. That is when Punda lives’ (DMO, interview). Punda Vibes offers a pleasurable experience. ‘You always see that tourists love it, because they get an insight into a vivid and bustling city, and get a glimpse of the Curaçaoan culture’ (DMO, interview).

5.1.2 Tourism gentrification
A dominating presence of tourists results ‘in the expansion of retail facilities, restaurants, nightlife pubs and other opportunities for entertainment, and […] to the displacement of the working class and local stores used by the indigenous residents’ (Cocola-Grant, 2018a; p. 294). Stores that have been in Punda for many years – such as Ackerman, Boolchand’s and Palais Hindu (“Palais Hindu weg uit Punda”, 20-07-2018) – are closing their doors and moving to new locations elsewhere on the island.

There are furthermore plans to make Punda an area for tax-free shopping (DMO, CHATA, CTB, Ministry of ED, interviews). ‘It is not duty free for everybody, it really is duty free for
tourists’ (Ministry of ED, interview). When visitors are exempted from paying commodity tax, and the local population is not, the relative purchasing power of tourists will increase. Direct commercial displacement will intensify.

We furthermore believe Punda Vibes contributes to indirect neighbourhood resource displacement. ‘If you go to the city on a Thursday, it feels like you are sitting on a terrace somewhere in The Hague’ (Unidat di Bario, interview). The terraces are mainly used by Western tourists.

‘The local people generally do not sit on terraces. They reside in a snack, or at little snacks further away in Saliña for instance. For locals, going out in the city is completely something else’ (Unidat di Bario, interview).

The Curacaonian population feels ‘out-of-place’ (Davidson, 2008; p. 2392). Locals are welcome to visit Punda Vibes, but they are not the main priority.

5.1.3 Heritage gentrification

The old age of monumental buildings puts pressure on the ability of Punda businesses to compete with commercial areas elsewhere on the island. Retail establishments have been suffering, and landlords need to ‘drop their rent price in order to prevent further vacancy’ (Heritage consultant, interview). But a large share of Punda buildings are monuments. ‘The concentration of monuments is higher in Punda [compared to Otrobanda]’ (current management Monument Fund, interview). The Downtown Management Organisation argues that ‘you could ask lower rents, but this will ultimately impair maintenance. This will not be good for the UNESCO World Heritage area in the long run’ (DMO, interview).

Restauration criteria are quite strict. Monuments have to be restored and maintained in the traditional style (current management Monument Fund, Heritage Foundation, interviews). ‘The maintenance of these buildings is very expensive’ (DMO, interview). More efficient restoration and maintenance might result in lower rents. However, high rents are not solely caused by high maintenance costs. Service costs play a significant role, ‘because the buildings are very old. So, you indeed have more maintenance costs, but also more air conditioning costs, lighting costs, et cetera’ (DMO, interview).
In order to cope with expenses, owners ‘are converting their upstairs into apartments’ (Heritage consultant, DMO, Heritage Foundation, current management Monument Fund, Ministry of ED, Ministry of TT&UP, interviews). The realisation of these upper-floor apartments could help preserve the Punda Heritage.

Hidalgo et al. (2014; p. 238) mention ‘the activities of ruthless developers who buy up buildings with speculation in mind, leaving them vacant, or refurbishing them only to sell them to incoming yuppies.’ The supply of residential housing in Punda is intended for incoming (young) professionals and tourists. ‘If we discuss living above stores I think right now we are talking more about young professionals who indeed have a job, or Airbnb’ (current management Monument Fund, interview).

While these developments ensure the preservation of buildings, there is little consideration for low income groups. The preservation of Punda buildings could result in the ‘musealisation’ of the neighbourhood (Hidalgo et al., 2014; p. 232). ‘It is crazy to renovate the city and subsequently say, allow me to exaggerate, the last authentic Curacaolenean has left the building’ (Ministry of TT&UP, interview).

5.1.4 New-build gentrification

The majority of retail establishments in Punda is housed on the ground floors. ‘In the past, the upper floors were often used as a repository’ (current management Monument Fund, interview). With new storage facilities outside the inner-city, a large share of the upstairs in Punda became vacant (DMO, current management Monument Fund, interviews). The redevelopment of these upper-floors could be seen as a process of residentialisation – the return of residents to a core urban area (Lambert & Boddy, 2002; p.18, cited in Davidson, 2018; p. 251). ‘If there is more living, people will come home after six, and you will see the vibrancy return as well’ (DMO, interview).

To discover whether a case for new-build gentrification can be made, we must focus on displacement. The residentialisation of Punda is not an extremely rapid or rigorous transformation. ‘In the coming months another ten apartments will easily come online’ (Heritage Foundation, interview). In the short run, we do not expect that the realisation of apartments in Punda will have significant consequences for communities in the adjacent
neighbourhoods. Also, because nobody was living in Punda, direct residential displacement will not accompany these developments.

New-build gentrification critics often use this absence of direct displacement as an argument against gentrification. However, Davidson (2018; p. 253) claims that this denial rests on ‘a fundamental misunderstanding about how gentrification generates multiple forms of displacement’. We believe that indirect economic displacement in the form of ‘price shadowing’ (Davidson, 2010; p. 398) – where low-income groups are excluded from occupying property – is playing a role in the new-build developments in Punda. Exclusionary displacement appears to affect the local middle-class as well.

‘It is too expensive. […] They have beautiful apartments, but they cost over 3,000 Guilders. I am not going to pay that much to live on my own. For that amount you could live in a good neighbourhood. […] It is beautiful, but for 3,000 Guilders it is more appealing to get a mortgage and own your own house’ (CHATA, interview).

Local demand for new Punda residencies will mostly come from high income groups. Since this group is small, we believe landlords will explore potential foreign markets in order to attract members of the global middle-class.

5.1.5 State-led gentrification

With empty streets, the government naturally yearns for the re-establishment of a residential function in Punda. ‘It is an old policy aspiration. It is also in the Island Development Plan [=EOP], getting back the residential function’ (Ministry of TT&UP, interview). The government praises the realisation of new residential apartments. ‘If it brings more life to the place, I say people knock yourself out’ (Ministry of TT&UP, interview). The government is not actively guiding the process. ‘It is a purely private initiative. They simply let us know that they are working on it. But it runs separately from us’ (Ministry of ED, interview).

Punda holds a substantial number of state-owned monuments. The Heritage Foundation has ‘received management over many state-owned buildings. They must maintain the buildings and subsequently receive a government subsidy’ (Ministry of ED, interview). Afterwards, it is the responsibility of the Heritage Foundation to rent out these premises ‘to other parties or sometimes the government itself.’ (Ministry of ED, interview). The state hands out its own
properties in order to preserve the built environment. In some cases, they occupy these same premises against a hefty rent.

‘You give it away and they have to preserve it. But in order to do this, they have to generate an additional income next to what they receive in government subsidies. This subsidy alone is not enough to cover all expenses. For this reason, they have to receive rent in order to generate a sufficient revenue stream’ (Ministry of ED, interview).

These constructions ensure the viability of heritage businesses. But additional rents put further pressure on the already scarce government budget. This impairs the ability of the state to promote social development and protect vulnerable groups against displacement.

5.1.6 Planetary gentrification

A significant number of inner-city buildings ‘is owned by really wealthy people. Several do not even live on the island anymore’ (CTB, interview). Many building owners in Punda do not consider this urban environment as a place to live. Instead, the buildings became a means for making a profit. Vacancy is often preferred over asking lower rents. ‘Once you allow a cheaper tenant in your building this will actually lead to a decline in the value of your real estate. So, it sounds like a good solution in the short-run, but [not] in the long-run’ (DMO, interview).

Planetary gentrification builds on the conception that urban development projects are increasingly being facilitated via the exploitation of planetary rent gaps (Slater, 2017). ‘Of course, maintenance is minimal when it is empty’ (CTB, interview). Due to the relatively high concentration of monuments in Punda, overall deterioration sets in rapidly. When a monument is empty, ‘it goes really fast. You would think that it would go fast when inhabited. […] Of course, if more people live there you have to maintain [the building], but in that case you will do it’ (current management Monument Fund, interview).

As the realisation of new high-end residential triggers renewed interest in Punda living, the value of land and buildings goes up. The Ministry of Economic Development states that ‘you would have more Dutch people. […] They are already used to live in dorms or apartments in the Netherlands’ (Ministry of ED, interview). We believe the developments in Punda will result in an extension of the already dominating Dutch presence on the Punda side of the St. Anna Bay.
5.1.7 Gentrification in Punda: Overview

While still at a relatively early stage, gentrification processes are starting to play a role in urban developments in Punda. Multiple factors are connectively pushing the gentrification process. With a lack in demand from local consumers, Punda retail establishments increasingly focus on tourists. Together with the introduction of tax-free shopping for visitors, the increased reliance on tourists further promotes direct commercial displacement, via the moving away of stores that mainly cater to the indigenous population (Cocola-Grant, 2018a).

With high service and maintenance costs for monuments, vacancy did not result in lower rent prices. For owners, lowering rents hampers the ability to carry out maintenance. Furthermore, in light of possible future profits obtained from selling their properties, it is often financially more feasible for the wealthy owners to leave a building empty. Heritage and planetary urbanism jointly contribute to the gentrification process. The combination of high heritage preservation costs, together with an increased significance of the exchange value of buildings, promotes the emergence of planetary rent gaps in Punda. In the future, we anticipate a higher influx of Western migrants.

The rent gaps are currently exploited via the realisation of high-end apartments. Tourists are an important target group. The current transformation of vacant upstairs into apartments therefore further enhances the significance of tourism for Punda gentrification. The government lets this development mainly run its course.

The realisation of high-end apartments allows the preservation of the Punda heritage. But these developments simultaneously result in the displacement of locals. Although the new-build redevelopment of brownfield upper floors does not promote direct displacement, new-build gentrification is still going to be relevant. Low income groups, and even the local middle-class, are subject to indirect exclusionary displacement. Without intervention, Punda can be expected to turn into a museum.

5.2 Pietermaai

We turn our attention to Pietermaai. The majority of inner-city investments since the 1990s were made in Pietermaai. We expect gentrification to be most advanced in this neighbourhood.
5.2.1 The redevelopment of Pietermaai

At the onset of the 1990s, Pietermaai completely lay in ruins (Heritage consultant, interview). It ‘really was a deteriorated part of the inner-city, there were broken down buildings all over’ (CTB, interview). The physical landscape was in a dire state. Even the local population generally avoided the area. ‘Most of the mansions were uninhabited, they just stood there’ (Unidat di Bario, interview). Multiple developers have acquired and redeveloped properties in Pietermaai.

<table>
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<tr>
<th>Phase</th>
<th>Period</th>
<th>Investments (million US$)</th>
<th>Developers</th>
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<tr>
<td>1</td>
<td>1993-1995</td>
<td>3</td>
<td>Bokhorst, Drenth</td>
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<tr>
<td>2</td>
<td>2000-2005</td>
<td>3</td>
<td>Baljet, Faneyter</td>
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<td>3</td>
<td>2003-2015</td>
<td>15</td>
<td>Jewel Investment Group</td>
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<td>4</td>
<td>2008-2017</td>
<td>18</td>
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<td></td>
<td>2008-2017</td>
<td>30-35</td>
<td>Other entrepreneurs</td>
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<tr>
<td>Total</td>
<td>1993-2017</td>
<td>69-74</td>
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The neighbourhood re-emerged as an area dominated by tourism, exchange students, catering establishments and a bustling nightlife. ‘It has a good mix of houses, cafes, restaurants, and tourists’ residencies’ (Siebinga & Vecco, 2016; p. 625). Nowadays, Pietermaai is presented as one of the main tourist attractions, offering a vast array of leisure activities. ‘They took a place that was basically forgotten, crossed out, and put it back on the map’ (Business owner Otrobanda, interview).

5.2.2 Tourism gentrification

Van den Bergh (2018; p. 26) identifies four general redevelopment phases. The first phase of renewal is marked by the efforts of one individual developer. During the second phase, several additional developers entered the neighbourhood, and new apartments were mostly intended for foreign exchange students. In the third phase, emphasis shifted from housing exchange students towards housing ‘professionals and consultants who had to live and work on the island for some months’ (Van den Bergh, 2018; p. 26).

Nowadays ‘a lot of the buildings have been sold to developers’ (CTB, interview). They are trying to realise ever larger and more ambitious projects. For instance, Bas Fillippini ‘bought
almost the whole strip of 9 houses along the coastline. These houses were restored and turned into hotel rooms, apartments for the tourists and restaurants’ (Van den Bergh, 2018; p. 25).

‘Gradually, the apartments were rented out to tourists for a short period of time (1 day to two weeks) and less to persons who rented the premises for a couple of months. The owner and/or operator could earn a lot more by renting the apartment to tourists at, for example, US$ 75-125 a day instead of renting it for US$ 1,000-1,250 a month to a temporary foreign labourer or for US$ 400 a month to a student.’ (Van den Bergh, 2018; p. 26).

Most developers no longer focus on long-term occupants. Instead, they provide accommodations for short-term use. Traditional homes are increasingly converted into tourist lodges.

5.2.3 Heritage gentrification

There are 109 monuments in Pietermaai ("Visuele inspectie monumenten 2016", 2016). The CTB states that ‘living as a family is really hard. The buildings often cost thousands, tens of thousands of Guilders a year to maintain. […] Often the family cannot handle it.’ A solution to
this problem was found in the hospitality industry. ‘Because of the hospitality function, and mainly restaurants, the buildings are bought up and renovated. Now they get a function that allows them to be maintained’ (CTB, interview). There has been a rapid transformation in how the built heritage in Pietermaai is used. Nowadays, ‘most of the monuments are used for the nightlife. They are restaurants, bars and B&Bs’ (Unidat di Bario, interview).

The Monument Fund played a significant role in attracting developers. ‘We established the Monument Fund in order to conserve the monuments. That was the primary goal. If this creates revenue, it is a nice bonus’ (former management Monument Fund, interview). At the beginning of the restoration era, ‘favourable conditions were introduced by the Monument Fund. You could get a loan at very favourable terms’ (Heritage Fund, interview). Redevelopments were triggered by these financial options provided by the Monument Fund. ‘It was needed back then, because interest arose to develop Pietermaai. It was dilapidated, so most people who are there now got a subsidy and financing to do their thing’ (former management Monument Fund, interview).

While ‘has in fact been revitalised, a whole new ambiance, a tourist attraction’ (current management Monument Fund, interview), previously existing inhabitants are overlooked. ‘If we only stare ourselves blind: “oh, we renovated the buildings”, we forget the soul of our society. And of course, this cannot be. I always get a little sullen when I see those discussions regarding Pietermaai […] it is not about the people anymore’ (Ministry of TT&UP, interview).

There heavy focus on heritage preservation promotes a ‘musealisation’ process (Hidalgo et al., 2014; p.232). There is a loss to the intangible value of the urban environment.

5.2.4 New-build gentrification

Many monuments in Pietermaai were vacant at the start of the 1990s. Still, ‘there were some people who lived in small houses’ (Unidat di Bario, interview). At the onset of the redevelopments in the early 1990s, around one hundred people were still living in the area (Central Bureau of Statistics, 2001). At the time, ‘nobody really wanted to live there. The people who lived there were simply unable to leave, they did not have an alternative. Many of them are still living there’ (Heritage Fund, interview). We must keep in mind that ‘there are […]
wider and more nuanced processes and costs involved in displacement’ (Gordon et al., 2017; p. 768).

In any case, the redevelopment of Pietermaai seems to have a significant influence on the surrounding areas. ‘You also see that areas that are not Pietermaai want to characterise themselves as being Pietermaai. So, Avila-Hotel [in Penstraat] also positions itself under Pietermaai district’ (Heritage Fund, interview). Davidson and Lees (2005, p. 1184) argue that new-build developments can trigger a process ‘from which gentrification can reach outward into the adjacent communities.’

A popular form of commercial exploitation is ‘the restaurant business in Pietermaai, judged by the growing number of restaurants’ (Van den Bergh, 2018; p. 27). Ten new restaurants opened in the neighbourhood between 2000 and 2017 (Van den Bergh, 2018). Local residents witnessed rapidly occurring neighbourhood changes. ‘In Pietermaai they bought the places and made businesses out of them. they made coffee-places and restaurants and everything. One day we woke up and that is what happened’ (Pietermaai resident, interview).

Local commercial facilities have been disappearing. ‘Where Mundo Bizarro [a catering establishment] is now, there was this small business. This man had the best Ham and Eggs in town. Moi was known for his Ham and Eggs. The Best. Very local’ (Pietermaai resident, interview). Van den Bergh (2018, p. 28) argues that ‘the cost price of restored properties […] is higher compared to the suburban areas. […] That means that entrepreneurs in Pietermaai must earn relatively more to recover their costs.’ As a result, catering establishments in Pietermaai maintain high consumption prices.

‘With respect to locals for instance, we try to be really diverse and innovative. However, tourists are very easy to please. They are already in a good mood when they arrive, you know. That is perfect. And they all pay in Euros or Dollars, so they spend’ (Bar27, interview).

While tourism allows Pietermaai businesses to survive, the purchasing power of tourists promotes direct commercial displacement. There have been significant increases in rent and real estate prices. ‘Pietermaai is gaining interest because a lot is happening there’ (Heritage consultant, interview). Nowadays, it is financially attractive for homeowners to either sell their property, or rent it out to tourists.
Working-class tenants are at the mercy of landlords. In the prospect of significantly higher profits obtained from housing tourists, the working-class in fact increasingly risks residential displacement.

Table 5.2 – The price development of real estate at the Pietermaai district 1990-2017 (Van den Bergh, 2018)

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2005</th>
<th>2017</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>M² Ocean front</td>
<td>$ 40-50</td>
<td>$250-300</td>
<td>$800-1000</td>
<td>+/- 225%</td>
</tr>
<tr>
<td>M² in Pietermaai</td>
<td>$ 20-30</td>
<td>$75-100</td>
<td>$275-425</td>
<td>+/- 225%</td>
</tr>
<tr>
<td>Renovated house</td>
<td>n.a.</td>
<td>$215,000</td>
<td>$305,000</td>
<td>+/- 40%</td>
</tr>
<tr>
<td>Office space M²/month</td>
<td>n.a.</td>
<td>$17</td>
<td>$17-20</td>
<td>+/- 5%</td>
</tr>
<tr>
<td>Shops</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>Most closed</td>
</tr>
</tbody>
</table>

While the initial redevelopment of brownfield monuments did not result in residential displacement, working-class inhabitants nowadays do run the risk of having to move somewhere else. A few already left.

‘Yes, in some houses people were renting. […] Of course, they left. […] [they] sold the building and the new owner is not going to develop it into housing. He is going to do something else with it’ (Pietermaai resident, interview).

Evidently, we have to approach displacement as ‘an active and permanent extractive process’ (Harvey, 2003). Pietermaai has been, and still is transforming into a ‘tourist bubble’ (Chan et al., 2016; p. 1265). This leads to significant changes in the socio-cultural urban character (Hillmer-Pegram, 2016). It is easy to find a connection between surging real estate prices and indirect economic displacement in the form of ‘price shadowing’. Members of the working-class are unable to acquire or rent property in Pietermaai (Davidson, 2010).

5.2.5 State-led gentrification

In Siebinga & Vecco, (2016; p. 625-6), a government official argued that the redevelopment of Pietermaai ‘fits right in the vision that the government has for the historical inner-city.’ Government involvement was practically non-existent. ‘In the beginning there was no government’ (Heritage fund, interview). Developers had few regulations to consider. They were able to transform Pietermaai to their own liking.
‘Jewel Investments did not think that they were actually building a city. […] They thought; we are going to develop something here. Subsequently they thought well, maybe also a student house. Oh, maybe we can attract artists. […] Let us rent out apartments. And first we are going to rent them out as residencies. And then Airbnb became an option to rent out for short-term holidays’ (Heritage fund, interview).

Evidently, the government ‘just let it run its course. Admittedly, here and there with permits, though not always’ (Ministry of TT&UP, interview). The consequences of this absence of governance are surfacing today. ‘You should have guided the process. […] [Instead] we now have to deal with a massive parking problem and noise pollution’ (Ministry of TT&UP, interview).

There have been ongoing discussions about the closing down of alleyways by developers. ‘We have been hearing it for ten years, but what are we doing about it? We are beating around the bush’ (Ministry of TT&UP, interview). Furthermore, heated discussions recently emerged regarding noise pollution and permits. Permits were often issued after constructions already commenced (former government official, interview). In fact, for many ‘places the request for permits came out only afterwards, when they were well established’ (Pietermaai resident, interview). It was seen as a lost part of the city. The government ‘did not really have an idea or a vision. You want a permit? Take it, because that area is rundown’ (Otrobanda business owner, interview).

Dealers and addicts already have a negative image. The government thus did not need to actively stigmatise the victims of redevelopment. All that needed to be done was to promote the image of Pietermaai being a very dangerous neighbourhood, completely occupied by junkies and dealers. While the concentration of addicts was relatively high, ‘regular’ neighbourhood inhabitants still very much enjoyed living in Pietermaai.

‘Those drug addicts, they are my people. […] If they asked for bread and I had bread I gave it to them. When they steal, we scream hell, we call the police and it is handled. So, it was really not a big deal. We did not have a stressed life. […] I mean, I could have friends over, they could come to my place. No problem at all’ (Pietermaai resident, interview).
5.2.6 Planetary gentrification

Dutch developers took advantage of the rent gap that existed in Pietermaai. ‘The advantage of Pietermaai has been that it is a prime area. It lies directly by the sea. So, capital gladly moves there. Because you buy a wreck and you are by the sea’ (Ministry of TT&UP, interview). Nowadays, the largest part of the southern coast has been taken over by Western immigrants and hotel establishments. ‘That whole southern coastal area, it is really beautiful, great hotels as well. […] Very beautiful, but the local people are moving away. They do not go there and are also no longer living there’ (Unidat di Bario, interview).

In contrast to Pietermaai, there was no significant rent gap in Penstraat. Instead, global financial markets promoted gentrification in this area.

‘Pietermaai was really deteriorated. But in Penstraat there were middle-class houses, smaller houses. But it was back when the Euro was paying well. […] Dutch people had the money, because with maybe 100,000 Euro you could buy a beautiful estate at sea. A little wooden house. And later you could make something nice there’ (Unidat di Bario, interview).

Compared to the local population, it is much easier for people coming from the Netherlands to obtain property. A favourable exchange rate between the Euro and Guilder plays an important role. ‘It is an unfair advantage that the Dutch have got, and will continue to get in order to invest anything in Curacao’ (Federashon Otrobanda, interview).

Pietermaai Smal still houses a significant amount of Dutch exchange students. ‘The Dutch student pays around 500 Euro to live in Pietermaai’ (Heritage Foundation, interview), the equivalent of ANG. 1,000. The area is very popular among exchange students. ‘Yes, it is going really well. 140 are already on the way again’ (Heritage Fund, interview).

In shaping their surroundings, developers are naturally influenced by their personal cultural knowledge and understandings. ‘The buildings are owned by Dutch people. Many Dutch people go there for a drink because it is cosy’ (former management Monument Fund, interview). It does not come as a surprise that products offered by Dutch entrepreneurs are popular among Dutch consumers on the island.
This dominating presence of Dutch people is justified by the general belief that their activities promote economic development. ‘They pay rent, and there is a degree of participation in my economic development’ (former management Monument Fund, interview). While it is of course important to have economic growth, ‘it is not only about economic development. It is about a balanced development’ (Ministry of SD, interview).

Because most Pietermaai catering establishments make use of temporary foreign workers, we seriously question the extent to which Pietermaai businesses contribute to raising the economic standard of the local working-class population.

‘The general public does not benefit from it. I do not see it. Because who work in the catering establishments in Pietermaai? Interns. I do not see local people go there. There are a few who dare to mix, but those are the middle-class and high-class. The working-class does not go there’ (Ministry of SD, interview).

Catering establishments in Pietermaai mainly employ Dutch workers. ‘Local people […] are the most beautiful people when they are on your side. But I must admit that it is much easier to work with Dutch people. They know the ropes’ (Pietermaai business owner, interview).

5.2.7 Financial markets

Financial markets are getting more involved in Pietermaai gentrification processes. The Curacao Financial Group (CFG) launched the Curacao Heritage Fund (CHF) on June 1st, 2018 (Heritage Fund, interview). This real estate investment fund ‘provides investors with a unique opportunity to participate in the preservation of the precious monuments and heritage of Curacao while earning an attractive and stable return’ (“The Curacao Heritage Fund’, 05-04-2018). The Heritage Fund bought a substantial number of renovated buildings.

‘We took over a boutique hotel, existing of 35 rooms. Those all used to be residencies that were transformed into a boutique hotel. Four commercial units that are rented out. […] And we also took over two student houses, with 40 rooms in total’ (Heritage Fund, interview).

The fund offered shares for ANG. 100,000 a piece, and 10 million Guilders was raised (Heritage Fund, interview). The developers who sold these buildings were looking for new liquid assets (Heritage fund, interview). They now ‘have a bag of money’ that can be used for starting new
projects (Heritage Fund, interview). Evidently, the fund gives developers new opportunities for enhancing gentrification.

Shareholders naturally wish to see a high return on investments. The fund is going to work hard to achieve this (Heritage fund, interview). High-spending tourists and members of the global middle-class are the target group, rather than local working-class neighbourhood residents. The sole focus is maximising returns. The money decides the way the wind blows.

‘[When the buildings] yield an amount as student houses that is good for the fund, in that case they will [remain student houses]. But if it turns out that in the future less students come to the island, […] it will get a different function’ (Heritage Fund, interview).

Evidently, financial markets are getting more involved. ‘And the idea is indeed […] that the fund will expand. But in that case, we are not going to buy one building. Then it has to be a wallet with a few objects as well’ (Heritage Fund, interview). The Heritage Fund is occupied with profit generation, and is thus not concerned with subtle, indirect forms of displacement affecting low-income populations.

5.2.8 Indirect neighbourhood resource displacement
The hospitality industry completely changed the function of Pietermaai. ‘Pietermaai has turned into a nightlife area. It is no longer a residential location. There is no peace and quiet’ (Unidati Bario, interview). Even houses that were restored for residential purposes in the early phases of redevelopment are being transformed into catering establishments. ‘For instance, Cantina del Patron, it was one of those houses. It was an apartment, there were students living there. So, one day to the next we started seeing demolition and […] within two weeks it was a restaurant’ (Pietermaai resident, interview).

Heretofore existing residents are insufficiently informed about the developments in Pietermaai. The result is severe indirect neighbourhood resource displacement. This form of displacement is highlighted by feelings of ‘out-of-placeness’ experienced by indigenous inhabitants.
‘In 2003 we were walking around during monument day, a colleague and me. Back then you really heard people say; yes, but ‘e bario no ta di nos mas’ [the neighbourhood is no longer ours]. They already felt alienated back then, when it was far from being as advanced as it is now. You indeed end up in some kind of enclave’ (Ministry of TT&UP, interview).

Back in 2003 residents already expressed their concerns regarding a loss of ownership in their neighbourhood. Previously existing meeting places disappeared. Nowadays, local residents reside on small patches of the public area.

‘Locals living there, […] they use less of the space. It is amazing. It is an interesting thing. You see […] they miss their neighbourhood. They have certain areas they use and the rest is off limits to them. You could see them all over [before]. Right now, when I get on the street I know where I can find some locals, I see them. And in between them there is one place, a bistro, is a local guy. And he is the only local you see around that has a business’ (Pietermaai resident, interview).

Gentrification shaped a new socio-cultural context where indigenous residents got ‘a sense of dispossession from the places they inhabit’ (Cocola-Gant, 2018a; p. 295).

5.2.9 Indirect community displacement

While there is a high presence of Dutch people in Pietermaai, former management of the Monument Fund (interview) argues that ‘just as many Curacaoleneans are going there.’ A Pietermaai business owner (interview) correspondingly argues that ‘there are many locals in the neighbourhood.’ While this is true, the neighbourhood is mainly reserved for satisfying Dutch needs. ‘Now and then, for instance during [Dutch] Kingsday, I feel very ashamed with all those boneheaded Dutch people’ (Pietermaai business owner, interview). A Scharloo resident (interview) mentions: ‘Dutch people, clubs, bars, I also go there. I am used to them […]. But what I am seeing, wow, what is this? They bought every house.’

The large presence of transnational migrants promotes indirect community displacement in Pietermaai. ‘There are a lot of white people walking around’ (Pietermaai resident, interview). These ‘transnational migrants are more visibly distinct from the local population in terms of status, behaviour, language or cultural values’ (Cocola-Gant, 2018a; p. 295).
'You started to hear from the Afro-Curaçaoans, let me call them Afro-Curaçaoan because the white Curaçaoan thinks it is great, they feel welcome. They feel at home. But the Afro-Curaçaoan with all his issues says it is too white there, that area is for Makambas [Makamba = Papiamentu for Dutch person], I will not go there’ (Fundashon Seru Otrobanda, interview).

Evidently, the large presence of Dutch people enhances tensions in Pietermaai. Displacement seems to be more severe due to the colonial history.

5.2.10 The power to (re)create space

A lack of empowerment among Pietermaai residents becomes evident when we focus on the discussions regarding the closing down of public space and noise pollution. ‘Alleyways [leading to the sea] are closed off by developers. […] It triggers this feeling, this emotional response. It is a piece that belongs to us, and then a foreigner comes and takes it away’ (CTB, interview). Pietermaai residents and other Curacaoleneans have expressed their discontent with the closing down of alleys for many years. ‘They have been taking about it since 2013. The minister came to walk around and see those doors. Up until this day those doors are still there, they are still closed’ (Pietermaai resident, interview).

Residents feel powerless against a coalition of developers and the government. The Curacao Tourist Board (interview) believes that ‘a large share of the community shares these feelings.’ The appropriation of public space creates tensions between residents and visitors. ‘The segregation is very noticeable. Physical, atmosphere, and practical with barriers et cetera’ (Ministry of TT&UP, interview). Closing down certain public areas promotes segregation. This ultimately increases the gap between different ethnicities. ‘If you start to close down certain areas, people do not really feel welcome anymore. Of course, it has become your property, but because of these actions you are also communicating that some people are not really welcome here’ (Fundashon Seru Otrobanda, interview).

Unified in the organisation ‘Pietermaai District’, developers form a powerful front with good connections and much lobbying power with the government. ‘You see it with the discussion about access to the sea, placing those fences’ (Unidat di Bario, interview). The second national debate – revolving around noise pollution – also shows the relative strength of (Dutch) developers.
Originally, there were many places across the island where loud music played late at night, in little parks called a “Hòfi”. However, as more people started living around these areas, noise complaints started raining in. Nowadays, many restaurants in Pietermaai transform into musical venues at night, offering live music.

‘The discussion with noise disturbance in Pietermaai is an elitist discussion in my opinion. We already had that discussion on the island with all those Hòfi’s, that made too much noise. They were all closed down. […] Especially Dutch people found the music too loud. Right now, they do it themselves in Pietermaai to local people. And now it is becoming a whole discussion’ (Unidat di Bario, interview).

There have been many complaints from Pietermaai residents regarding the noise produced by catering establishments. The interests of developers are favoured over those of local residents. Politicians often side with developers. ‘Local people who find it annoying have to move out of the neighbourhood. A politician said that; ‘in that case you have to move’ (Unidat di Bario, interview).

5.2.11 Gentrification in Pietermaai: Overview

Gentrification in Pietermaai is at an advanced stage. Here, tourism recently became the main driver behind gentrification. Traditional homes are increasingly transformed into tourist lodges. Heritage played a significant role in the exploitation of rent gaps. The transformation was facilitated by financial incentives introduced by the Monument Fund. Most monuments became entertainment venues, mostly appealing to foreign exchange students and tourists.

The influx of Dutch exchange students and professionals allowed for large increases in rent and real estate prices. With favourable exchange rates between the Euro and Guilder, many Dutch managed to acquire properties along the southern coast towards Penstraat.

The government did nothing to guide the redevelopment of Pietermaai. They generally side with developers. As a result, Pietermaai gave rise to national debates regarding closed off alleys and noise pollution. If the government follows the same strategy in Punda as it has done in Pietermaai, we can expect similar problems to arise in the Punda area.
Real estate and rent prices have exploded. Local stores have been moving away, and catering establishments offer their products against high prices. Direct residential displacement and direct commercial displacement are taking place. Pietermaai Residents feel powerless against the disruptive effects of gentrification. These discussions illustrate the displacement caused by these gentrification processes. There is indirect neighbourhood resource displacement. We also see severe indirect community displacement, due to the fact that there are many transnational migrants in the area.

With the establishment of the Heritage Fund, Pietermaai seems to have entered a new era. As financial markets increasingly get involved, even more emphasis will be placed on profit generation for shareholders. The negative consequences of gentrification will be of less concern.

5.3 Scharloo

5.3.1 Tourism gentrification
Similar to the trajectory we observed in Pietermaai, widespread migration towards the suburbs triggered a process of rigorous decay in Scharloo. However, where a huge amount of capital has been invested in Pietermaai over the past 20 years, Scharloo received much less attention from developers. We already mentioned that Pietermaai is located directly by sea, and discovered that sea is important for tourists. They generally favour locations that are close to the beach. With many beach facilities on the Southern coast, there seemed to be a more favourable tourism investment climate in Pietermaai.

The Downtown Management Organisation furthermore argues that Punda ‘is a very important holiday attraction for Curacao. […] Every tourist coming to the island visits Punda’ (DMO, interview). Since Pietermaai is directly adjacent to Punda, tourists are likely going to stroll from Punda towards Pietermaai. But to get to Scharloo, visitors have to cross a small bridge. There are furthermore no clear signs that leads tourists towards the area, leaving tourist masses in Punda and Pietermaai.

A neighbourhoods’ geographical location has economic and socio-cultural consequences. More remote communities ‘have their own culture, own economy, own way to interact with each other’ (Unidat di Bario, interview). Scharloo developed as a neighbourhood with strong social
ties. ‘The whole neighbourhood is like family. You cannot easily intrude. Even if you get a girlfriend from the neighbourhood, you have to ask for permission’ (Scharloo resident, interview). Tight-knit communities pose a barrier for outside influences.

Neighbourhood image is another important factor determining the level and impact of tourism. Scharloo has as bad reputation. There still is a lot of decay, a substantial presence of undocumented people, and illegal economic activity (Unidat di Bario, SKO, Heritage Foundation, interviews). The ghetto image is stuck in the heads of dominant actors in the Curacao tourism industry. Decision-makers believe the majority of Scharloo – Scharloo Abou being the exception - is not tourist material. ‘We talked with the Curacao Tourist Board; ‘no, it is a no-go area’. Fleur de Marie is a no-go area, a local person says this’ (Unidat di Bario, interview). It seems that tourism has not really promoted gentrification in Scharloo in the past twenty years. ‘They are working hard to get Scharloo up and take that image away of chòlers [=drug addicts]’ (SKO, interview). We anticipate a more significant role for tourism gentrification as new developments are underway.

5.3.2 New-build gentrification

At the corner of the St. Anna Bay and the Waaigat lays what they call ‘the ‘Head of Scharloo’, [here] there are plans for tourism purposes, hotels and such’ (Ministry of ED, interview). These plans, which are part of the St. Anna Bay and Waaigat masterplan mentioned in Chapter 4, are at an advanced stage. ‘We are currently finalising a development agreement so that they can start constructing within one year, if I am not mistaken’ (CPA, interview). In the first phase, three high-end apartment complexes will be realised. The second phase is marked by the construction of a hotel (CPA, interview). Connected to these developments, a small marina and beach facility will be developed in the Waaigat.

Figure 5.2 – Head of Scharloo project (Source: CPA, 2018)
The development of this brownfield area creates a landscape offering ‘side activities such as restaurants, entertainment and a boulevard that connects ‘Head of Scharloo’ to Pietermaai and the Handelskade’ (CPA, interview). CPA came to an agreement with ‘well-known companies with a good reputation. They are local companies that have much experience with these kinds of projects. And for the hotel they will have a globally renowned operator’ (CPA, interview). While the redevelopment of Pietermaai was triggered by the efforts of individual investors, the Curacao Ports Authority seeks corporate investors able to make large investments for the Head of Scharloo project.

The neighbourhoods’ relative remoteness and bad reputation prevented gentrification triggered by tourism activities. However, future developments will increase the connectivity between Scharloo and the rest of the inner-city.

‘It connects the water-bound area to Fleur de Marie behind it. It connects to the inner-city. You have people living there who wish to do something at night. They can simply walk towards Pietermaai or the Handelskade, because they are connected’ (CPA, interview).

The new-build constructions will resultingly increase the accessibility of the neighbourhood, which leads to a higher tourist influx. While Scharloo has been relatively untouched by tourism gentrification, we expect corporate developments and state involvement to promote corporate tourism gentrification in the future.

5.3.3 Heritage gentrification
The majority of the 87 appointed Scharloo monuments reside on the Scharlooweg. They ‘were almost all falling into ruin in the mid 80s’ (Heritage consultant, interview). Their large size and
old age make them difficult to be used as residencies. However, the buildings are perfectly suited for office use, ‘because they are built in this traditional style, with those great halls’ (Heritage Foundation, interview). The business world prevents these monuments from falling victim to decay. Some Scharloo monuments do serve a residential function, but ‘supply is still very limited’ (Heritage Foundation, interview). ‘We have professionals here, young professionals and professionals who demand housing. The spaces we have here are all rented out. [...] it is really hard to make monuments sustainable. The rents are often relatively high’ (Heritage Foundation, interview).

We see a direct link between the Scharloo heritage and the influx of middle- and high-income gentrifiers. To fully understand this connection there is a need to look beyond the scope of the monuments themselves. The entire historic inner-city is listed as UNESCO World Heritage Site. This means that even buildings that are not on the monument list are part of the protected inner-city landscape. Since heritage preservation is concerned with the entire built environment, preservation businesses play a decisive role in altering spatial and socio-cultural characteristics. One organisation in particular is heavily involved with the promotion of direct residential displacement.

‘The Heritage Foundation. They bought those houses. But the people did not return, the people left. They bought their houses. I do not know if they said that they could come back, but nobody did. Even if they wanted to come back. Originally, they might have paid 50 Guilders rent. Now they have to pay 750 Guilders. You see? A woman or man with a social benefit or pension. A social benefit of 150 Guilders. How could they live like that?’ (Scharloo resident, interview).

The Heritage Foundation and N.V. Stadsherstel jointly bought the land in Fleur de Marie. Both enterprises have the same president. They are currently renovating some of the houses. After restorations, rents generally go up and previous inhabitants cannot afford this higher rent.
In February 2018, the joint venture of the Heritage Foundation and N.V. Stadsherstel sent a letter to some of the residents in Fleur de Marie. This letter informs residents that their house is ‘probably going to be fully renovated in 2019’ and that they ‘will have to vacate the house before start of these renovations’. The manner by which the organisation informs tenants, says much about their personal involvement with residents. ‘It goes by letter, they did not even call a meeting’ (Unidat di Bario, interview). Residents are naturally very displeased with the actions of the Heritage Foundation. ‘They get a lot of negative reactions from the neighbourhood. […] When you sent a letter to someone who lived here for years, and that person has to look for another place in 2019, it does not work like that’ (Unidat di Bario, interview).

The renovation of the Fleur de Marie building stock, will ‘change the neighbourhood’ (Heritage Foundation, interview). The Heritage Foundation mostly focuses on middle and high-income classes and ‘basically does not see the lower social classes. These are not appealing to the Curacao Heritage Foundation’ (Unidat di Bario, interview). Preservation of the UNESCO inner-city landscape evidently promotes the influx of gentrifiers, which leads to direct residential displacement. Hidalgo et al. (2014; p.232) correspondingly argues that restauration has been the starting point of gentrification, steered by developer-led investments.
5.3.4 State-led gentrification
The government has taken on a leading role in Scharloo, and actively intervenes in order to attract middle-class gentrifiers.

‘We have renamed Scharloo “Scharloo Creative City”. […] The idea was to decorate the buildings with Murals to allow it to become really creative. Or at least to give it the image of the most creative street of Curacao or something like that. However, it did not really unfold and therefore we came up with incentives to incentivise people to enter the area’ (Ministry of ED, interview).

These actions correspond with the argument that public policy seeks ‘to use “positive” gentrification as an engine of urban regeneration. This includes the use of public art and cultural facilities, sponsored by local government and other public agencies, as a promoter of regeneration and associated gentrification’ (Cameron and Coffee, 2005; p. 40). The government tries to attract Yuppies ‘by subsidizing artists and organizing creative festivals’ (Ministry of ED, interview). It envisions creative developments for the entire inner-city.

‘Our vision within the ministry is to transform the entire inner-city into a smart city. […] Sometimes we expressed the desire to transform the city into the New Orleans of the Caribbean.’ New Orleans is a jazzy musical bustling city. Very creative, because you have people with real talents and performances, and people everywhere. I envision the same for our inner-city. It needs to be lively’ (Ministry of ED, interview).

Gotham (2005; p. 1100) highlights the role of state policy in encouraging both gentrification and tourism development in New Orleans (Gotham, 2005; p. 1100). Evidently, the Curacao government also encourages gentrification, and even argues that Willemstad should become the ‘New-Orleans of the Caribbean’.

5.3.5 Indirect economic displacement
The ‘Head of Scharloo’ project will most certainly induce indirect economic displacement. The planned constructions ‘will be [for] a high-end market. They are not cheap apartments’ (CPA, interview). Members of the working-class will have no opportunity to obtain these new houses. Exclusionary displacement in the form of price shadowing will thus definitely play a role. If the area is further developed, ‘you introduce many other functions to the neighbourhood. You
turn it completely around. […] There will be another type of person, a different need’ (Heritage Foundation, interview). Readily present commercial establishments are going to disappear. New commercial activities will result in ‘a different type of allure, a more high-end allure’ (MED, interview). Large sections of the local population do not desire such changes.

5.3.6 Indirect neighbourhood resource displacement
With the influx of middle-and high-class groups, the contrast between these new global gentrifiers and current residents is going to be enormous. ‘Based on conversations with neighbourhood residents […] poverty is mentioned as one of the biggest problems in the neighbourhood’ (“Buurtprofiel Scharloo: Een beeld van de zone Scharloo te Curacao”, 2011; p. 13). Indirect economic displacement also promotes indirect neighbourhood resource displacement. ‘At the edges you would have more expensive units, but you still have Fleur de Marie. These are low-income houses and should remain so’ (Heritage consultant, interview). Still, even if Fleur de Marie residents are able to stay put, they will experience significant feelings of ‘out-of-placeness’ (Davidson, 2008; p. 2392).

‘You already notice it. This is a small example of what it is going to become. People here already do not wish to go in the direction of Bitterstraat, where there is now a bagel restaurant. People from the neighbourhood do not want to go there. You see that they travel via the other side. […] It is not intended for our people, it is not intended for this target audience’ (Unidat di Bario, interview).

Residents are already avoiding certain areas that show initial signs of gentrification. The new developments will further promote a ‘loss of place’ (Davidson, 2008; p. 2391) for current inhabitants, especially in the adjacent areas Scharloo Abou and Fleur de Marie.

5.3.7 Indirect community displacement
Scharloo is a unified neighbourhood. Residents look out for each other. ‘[My dad] watches television at night with the door open. Sometimes he falls asleep, but nothing happens to him’ (Scharloo resident, interview). As the neighbourhood changes, ‘that would no longer be possible. You no longer have that trust. You no longer have that protection’ (Scharloo resident, interview). Keene and Ruel (2013; p. 10) stress the importance of ‘geographically rooted social ties for low-income populations.’ Evidently, losing these social ties will diminish the living quality of Scharloo residents.
The people in Scharloo are not against redevelopment per se. ‘Of course, it needs to be restored’ (Scharloo resident, interview). However, they feel excluded from the process. Rather than being treated as the heart of the neighbourhood, inhabitants are seen as a side issue, an externality.

‘When for example Dutch people come here with the idea that you are poor and we have the money, we come up with the plans and you guys come after. People are really sensitive for those kind of things’ (Unidat di Bario, interview).

‘Of course, it attracts tourists. […] But to simply say that everything has to be redeveloped the same way because of that? I mean, what about the rest of the people?’ (Ministry of TT&UP, interview). The inability to influence neighbourhood developments enhances indirect community displacement. ‘Social segregation occurs even before anything happens’ (Ministry of TT&UP, interview).

5.3.8 Gentrification in Scharloo: Overview
Gentrification currently has a greater impact in Scharloo than in Punda, but the process is not as dominant as in Pietermaai. Tourism plays a meagre role, but the new-build development of apartments and a hotel will promote tourism gentrification in the future. The effects of these developments will mostly be felt in the adjacent area of Fleur de Marie.

The heritage foundation is already promoting gentrification in Scharloo. With an increasing demand for housing from young professionals, houses in Fleur de Marie are renovated and subsequently rented out against higher prices. Hidalgo et al. (2014; p.232) correspondingly argues that restauration has been the starting point of gentrification, steered by developer-led investments.

In contrast to the other neighbourhoods, the government plays an active role in attracting middle-class gentrifiers. Creative Scharloo aims to attract wealthy residents. This goes at the expense of existing low-income residents, who experience indirect economic displacement, indirect neighbourhood resource displacement, and indirect community displacement.
5.4 Otrobanda

5.4.1 Gentrification levels in Otrobanda
Otrobanda consists of approximately 12 sub-neighbourhoods (“Curacao census 2011 neighbourhood data viewer”, 2011b), ‘nobody knows the exact boundaries. Sometimes they say the end is at Colon, others say at Mundo Nobo, again others say no the border is at Wishi’ (former resident Otrobanda, interview). Compared to the other three historic inner-city neighbourhoods, Otrobanda is huge. ‘There are so many neighbourhoods’ (SKO, interview). While their characteristics vary, our respondents give the overall impression that gentrification processes are much less disruptive here as in the other three inner-city neighbourhoods. ‘Otrobanda is more the real thing, you know. It really is the life, where you find the people’ (CTB, interview).

Otrobanda ‘has the advantage that the people are very involved, and really a bit chauvinistic’ (Unidat di Bario, interview). Fundashon Rif (interview) further complements that ‘those old people who used to live there, they are still there.’ While the larger part of Otrobanda gentrification is less advanced than on the other side of the St. Anna Bay, we find that also here, in the ‘kurason di nos pueblo [heart of our people]’ (SKO, interview), gentrification is affecting the lives of working-class residents in some areas. Due to our limited resources, our discussions mostly focus on developments in Seru Otrobanda, Rif and Kura’I Shon Fil. Still, we believe the findings presented in this section contribute to a better understanding of gentrification for Otrobanda as a whole.

5.4.2 Tourism gentrification
Otrobanda still mainly serves a residential function. ‘The commercial part is 20 percent, and 80 percent is people living’ (Federashon Otrobanda, interview). The local population are the main consumers. ‘People like it more to go shopping in Otrobanda. Otrobanda has a different vibe. It is much more pleasant to walk there’ (Unidat di Bario, interview). Retail establishments in Otrobanda depend much less on tourist demand in order to survive. In Chapter 3. we learned that 1,311 of the 1,932 inner-city inhabitants were living in Otrobanda in 2011, approximately 68 percent of the entire inner-city population. For this reason, the presence of tourists has a smaller impact on the socio-cultural character of Otrobanda compared to the other three inner-city neighbourhoods.
Similar to our discoveries in Scharloo, a bad neighbourhood image is an important reason why tourism gentrification advanced less in Otrobanda. Punda got a make-over which makes it looks nice. And people love going to Punda. But when you look at Otrobanda, a lot of people are like; “Otrobanda is dangerous”. That is the image Otrobanda has’ (Federashon Otrobanda, interview). Cruise ships moor in Otrobanda. To get to Punda, visitors need to cross the floating Queen Emma bridge that runs across the St. Anna Bay. ‘When they are standing at the bridge and look this way, they are like; “uh no, let me go to Punda, it looks nicer”. […] All you see is […] ghetto’ (SKO, interview).

Cruise operators deem Otrobanda unfit for tourism exploitation. ‘You find that even on the ships, they will tell people not to go to Otrobanda because it is dangerous, but it is not true’ (Federashon Otrobanda, interview). The tourist masses arriving by ship are guided to Punda. ‘They tell them not to come to Otrobanda’ (SKO, interview). After tourists arrive at the Mega Pier, ‘the walkway leads them directly to Punda’ (Federashon Otrobanda, interview). Cruise tourism resultingly has little influence on the economic and socio-cultural reality in Otrobanda. However, with the redevelopment of the area surrounding the mega pier, cruise tourism might promote tourism gentrification in the future.
5.4.3 Heritage gentrification

With 465 monuments ("Visuele inspectie monumenten 2016", 2016) scattered across the neighbourhood, Otrobanda holds a larger share of the protected inner-city heritage than Punda, Pietermaai and Scharloo combined. ‘Of all monuments on Curacao about 60 percent stands in Otrobanda’ (‘Buurtprofiel Otrobanda’, 2011; p. 9). There are a great many vacant buildings, often in a dilapidated state. ‘Most of these are monuments’ (Ministry of ED, interview). Many ‘families just do not have the means to perform maintenance’ (Ministry of ED, interview). When heirs cannot agree on sharing the generally high maintenance costs, monuments resultingly turn to ruin.

With a large collection of monuments, local preservation businesses are heavily involved in Otrobanda developments. ‘The Heritage Foundation has often taken the lead in Otrobanda’ (Heritage consultant, interview). Renovations generally require large amounts of capital. While organisations like the Heritage Foundation make sure the buildings receive an upgrade and become aesthetically pleasing, ‘they charge a hefty rent’ (Heritage consultant, interview).

In the Rif area for example, the Heritage Foundation ‘offers space for 600 Guilders, but that is really small, a tiny room. One room, 600 Guilders’ (Fundashon Rif, interview). We already mentioned in Section 4.2 that the Monument Fund applies favourable interest rates for the Heritage Foundation. These rates should enable working-class groups to occupy a house belonging to the Heritage Foundation, but the policy has evidently not (yet) resulted in lower rents.

5.4.4 Direct displacement: Seru Otrobanda

We find evidence of a direct link between the preservation of monuments, and a focus of landlords on tourists. We believe this promotes direct residential displacement and gentrification. Seru Otrobanda holds a significant number of monuments that were originally built and inhabited by wealthy families. When these families started moving towards the suburbs, their large estates either remained empty, or were rented out to immigrants.
‘There was a time when a lot of immigrants from the Dominican Republic, Haiti and Jamaica came to Curacao. They rented these houses for a certain amount. They divided the house in ten or twenty small rooms for undocumented people, who pay less. […] [The people] paid less and less because [owners] were not carrying out maintenance duties’ (Fundashon Seru Otrobanda, interview).

Overtime, the lack of maintenance resulted in even lower rents for occupants. But in recent years, new interest emerged for living in Seru Otrobanda. ‘Hoogstraat, Ferdinandstraat, […] a lot of people have started moving there’ (Heritage Foundation, interview). After developers acquire and restore buildings that were readily inhabited, former residents often cannot afford to pay a higher rent.

‘When they renovate one of the villas, do you think somebody who lived there and paid for instance ANG. 5/600, can now afford to pay ANG. 2,500? It does not work. […] Those houses are now rented out to actors who can afford it; tourists and businesses.’ (Former Otrobanda resident, interview).

Private developers increasingly supply tourist accommodations. ‘I think in this street [Hoogstraat], approximately twenty-five tourist apartments were realised during the past five years’ (Fundashon Seru Otrobanda, interview). Former residents cannot afford a price equal to what tourists are willing to pay. ‘The people who have lived there for a very long time, the immigrants who moved in, have to leave as well. Some people are talking about gentrification, that it is really bad’ (Fundashon Seru Otrobanda, interview).

Evidently, Seru Otrobanda is becoming more and more tourist geared. ‘This is basically the heart of the city. And if you can improve the whole area with this. There are parking spots nearby, so it is the ideal location for an Airbnb market’ (Heritage consultant, interview). Renovation activities on long-neglected monuments and their subsequent renting out to tourists contribute to direct residential displacement.

### 5.4.5 New-build gentrification: Kura Hulanda

In the Management plan (2016) gentrification is identified in one part of Otrobanda, i.e. Kura Hulanda. Here, a small hotel village was created right at the heart of the neighbourhood.
Prior to the realisation of Kura Hulanda, the location mostly housed members of the working-class. The buildings in this area were in a dire state. ‘When we started the whole UNESCO story, we walked through the area with people from UNESCO. They said it looked like the place had been bombed, it was that bad’ (Heritage consultant, interview). A Dutch businessman finally decided to transform these houses into a boutique hotel during the 1990s.

‘The 4.5-star Kura Hulanda Village & Spa, GHL Hotel offers a boutique village experience in the centre of Willemstad […]. Spread over an eight-block area, the resort village includes two pools, multiple restaurants and bars, shops, a world-acclaimed anthropological museum, spa, courtyards, gardens and more - everything at your fingertips’ (“Botique village experience”, n.d.).
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The area ‘was really bad. It was even worse than Pietermaai’ (Heritage consultant, interview). There was much ‘illegality and filthiness’ (Ministry of TT&UP, interview). Before redevelopment could commence, the new owner first had to make sure existing residents would vacate the premises.

‘Most of them were not the owners, but in order to construct and such, he offered these people money as well. He offered them money because; “hey, I bought it, but I want to have access as quickly as possible. I will give you this amount of money, for you to search for another house.” Or he talked directly with FKP in order to replace people’ (Fundashon Seru Otrobanda, interview).

Evidently, previous inhabitants benefited from the development of Kura Hulanda. ‘Some were like; If I can get a better house from FKP, whoopee. And some money? Fantastic’ (Fundashon Seru Otrobanda, interview). Some might therefore argue that it is more accurate to talk of replacement instead of displacement.

We find that the realisation of Kura Hulanda significantly contributed to indirect neighbourhood resource displacement. ‘All those alleys, you cannot go there. You can walk there, but it is actually private’ (Fundashon Rif, interview). The realisation of Kura Hulanda has led to emerging feelings of ‘out-of-placeness’ (Davidson, 2008; p. 2392) experienced by remaining Otrobanda residents. While renewal is supposed to create overall benefits, there is a sharp contrast between Kura Hulanda and the state of houses in the surrounding streets.

‘It has become sterile. I am not saying you should not do it, but what about the rest? That has to become nice as well. Because now you literally got an enclave where it is nice, and the rest is still sloppy’ (Ministry of TT&UP, interview).

Instead of applauding the physical upgrades, there has been a ‘decline and disassociation occurring contemporaneously with ostensible built environment improvements’ (Gordon et al. 2017; p. 769). Formerly public space has been appropriated, while the benefits for residents are few.

‘Many streets that used to be part of the neighbourhood, where people walked all the way down towards Breedestraat or even drove through by car, were closed off. So, everybody has to move around Kura Hulanda. The whole experience of these developments by the neighbourhood is that you actually take away a piece and close it off’ (Fundashon Seru Otrobanda, interview).
While gentrification in Kura Hulanda ‘replaced’ some inhabitants and improved their living conditions, surrounding inhabitants experience feelings of ‘out-of-placeness’ (Davidson, 2008; p. 2392), and are powerless against the loss of previously existing meeting places (Davidson, 2008). Hotel Kura Hulanda went bankrupt in December 2018. It ‘was really a typical European hotel. And nowadays Europeans, or at least Dutch people, often […] go to resorts, bungalows and such’ (Ministry of ED, interview). As a result, there are currently no transnational tourists that trigger ‘place-based’ displacement. However, this could change in the future.

‘Jeanette Bonet is currently managing Kura Hulanda, because Gelt Dekker wishes to sell the whole property. […] They built it, and in principle you subsequently rent out the entire place to a Sonesta or a Hilton or whatever’ (Fundashon Seru Otrobanda, interview).

We know that tourism decision makers are focused on bringing in wealthy tourists. If Kura Hulanda is sold to a large global hotel chain, this might promote a higher influx of Western tourists. This will increase indirect community displacement in Otrobanda.

5.4.6 Gentrification in highly vacant areas

There are many vacant buildings in Otrobanda. ‘In Rif there are many empty houses. And we are also facing a great many vacant houses [in Seru Otrobanda]’ (Fundashon Seru Otrobanda, interview). Lambert and Boddy (2002) would argue that there is no gentrification here, due to a lack of direct displacement. Our respondent from Fundashon Seru Otrobanda (interview) correspondingly argues that ‘this is not gentrification, because nobody is living in them.’ While it is true that a large share of the renovated houses has been empty for many years, redevelopment of these empty premises also promotes the selling of houses that are in fact currently inhabited by members of the working class.

‘it has already happened. Where somebody enters, an investor buys the building, of course he does not want to be the neighbour of a socially challenged family. Because his business will not be thriving if you have a chôl-house [=house occupied by addicts] next to his house. So first he is going to try to buy up the whole street. Or he is going to try to buy that particular house so that people can move’ (Federashon Otrobanda, interview).

The redevelopment of vacant houses in Seru Otrobanda promotes interest in readily occupied houses. As a result, working-class residents are falling victim to direct residential displacement.
Seru Otrobanda is becoming more popular. ‘Now that almost all impoverished [buildings] are gone and people want to come live here and such, I believe there might be new shifts again. […] some people are afraid that they might have to leave at some point’ (Fundashon Seru Otrobanda, interview).

Evidently, displacement is a constant threat, and needs to be considered as ‘an active and permanent extractive process’ (Harvey, 2003). Adjacent to Seru Otrobanda lies what is called the ‘coral area’, which consists of ‘Kortijn, Kura’I Shon Fil, Witteweg, Brionweg and Panama’ (Komishon di bario Kura’I Shon Fil, interview). This area largely consists of working-class residents, and a lot of houses are in a poor state.

The redevelopment of houses in Seru Otrobanda can have far-reaching consequences for the people living in the coral area, where residents currently have little housing costs.

‘More investors are going to arrive, they purchase, and the people can no longer afford the rents. That is going to happen now. It might happen here in Kura’i Shon Fil. […] In Kura’I Shon Fil a little more towards the back, you see many houses which were sold and they wish to start developing’ (Komishon di bario Kura’I Shon Fil, interview).

We expect the interest in houses in Seru Otrobanda will slowly spread further towards the coral area, as ‘gentrification can reach outward into the adjacent communities’ (Davidson and Lees, 2005; p. 1184).
5.4.7 State-led gentrification

The passive attitude of the Curacao government contributed to emerging rent gaps in Otrobanda. ‘At the end of the 1980s the government bought about ten to fifteen buildings, the Kura Hulanda area was one of these locations’ (Heritage consultant, interview). Instead of halting decay, the government ‘did not have the capacity or the state apparatus to renovate’ (Heritage consultant, interview). Government involvement in fact sped up dilapidation. This is a prime example of how state negligence of buildings led to the emergence of a state-induced rent gap in Otrobanda. The lack of effort by the Curacao government resulted in the realisation of Kura Hulanda.

‘When it is being abandoned and deteriorating, and it does not come from the government, you have to hope that somebody says “I am going to do it”. And that happened for instance with Kura Hulanda. That is also from a private initiative who said I like this and want to do this. And he subsequently put a hotel there’ (Heritage Fund, interview).

In Chapter 4, we briefly mentioned that many vacant buildings in the inner-city are part of an undivided inheritance. ‘One of the biggest problems in Otrobanda is undivided inheritances’ (Komishon di bario Kura’I Shon Fil, interview). These problems promote the decay of buildings. ‘Especially in Otrobanda, many buildings are still deteriorating. A lot of these houses are part of an undivided inheritance’ (former management FKP, interview). Undivided inheritances are hard to deal with, since ‘it often revolves around a small lot with one building and five hundred heirs’ (Ministry of TT&UP, interview). While it requires a substantial amount of effort, ‘you can tackle this. However, the government itself, or at least FKP, apparently does not pay much attention to the inner-city’ (former management FKP, interview).

Areas such as Kura’I Shon Fil and Kortijn could very well become the next Kura Hulanda. ‘The law states that […] if something is suspected to have no owner, it falls to the state’ (Ministry of TT&UP, interview). There are many vacant houses in Kura’I Shon Fil. A substantial share of them are without an owner. The previous owner passed away, and ‘they are not part of an inheritance. So, they belong to the government. The government has to create a policy on what they are going to do with those houses’ (Komishon di bario Kura’I Shon Fil, interview). Kura’I Shon Fil is predominantly inhabited by members of the working class.
In Kura’I Shon Fil ‘there are much more [Latin-American] immigrants than Curacaoleneans’ (Komishon di bario Kura’I Shon Fil, interview). Currently, ‘no tourists are coming here [in Kura’I Shon Fil]. […] They are advised not to come here, because it is believed to be unsafe’ (Komishon di bario Kura’I Shon Fil, interview). In addition to safety, language poses another barrier for tourism. Most people living in Kura’I Shon Fil are unable to speak English or Dutch (Komishon di bario Kura’I Shon Fil, interview).

Our respondent from the Ministry of Economic Development believes that the people of Otrobanda want their neighbourhood to become ‘kind of a tourist product in itself. They would be up for that’ (Ministry of ED, interview). The Ministry aims to ‘link the inner-city to tourism development, because you are really close to the Mega piers there. And then to view the entire inner-city as kind of a cruise village’. Gentrification in Kura’I Shon Fil could promote the realisation of a tourist village.

Seru Otrobanda (Fundashon Seru Otrobanda, interview) ‘was really a prostitution area. So, cars passed by, drugs, this was present at the time.’ With the influx of middle-class gentrifiers, ‘there have been a lot of restorations, there is more lighting, it is cleaner, more beautiful. And they significantly tackled the problems with drug addicts’ (Fundashon Seru Otrobanda, interview). While gentrification led to these improvements, they can also be achieved with an active government and significant investments for social development. Areas like Kura’I Shon Fiel have to be weary not to accept gentrification, even if it is presented as the only choice (Lees, 2014).

5.4.8 Global capital
An influx of the global middle-class will have a less significant impact on existing cultural practices and know-how in Otrobanda. ‘It will be a nice mix of all kinds of people. Because we have all nations in Otrobanda’ (SKO, interview). Whitehead & More (2007; p. 2434, cited in Slater, 2017; p. 128) argue that ‘the state government has changed to become an organisation attracting off-shore and domestic investment to the island city, while service provision becomes secondary.’ The Curacao government indeed seems to focus heavily on attracting foreign capital. ‘That has to do with the mentality we have here. That we think foreign people are the gods. Only they can do the good things. Local people cannot’ (Federashon Otrobanda, interview).
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While foreign capital has taken a hold of Pietermaai, there is still hope that Otrobanda will not be consumed by global capital.

‘Pietermaai was attractive because of course, they have the beach, they have the water. Everybody wants something that is alongside the beach. So, of course they are going to pick that first. The big investors look at those areas first. And because they did not completely turn their sights on Otrobanda yet, we have to take advantage of this period to make sure that, when it becomes that attractive, it is already taken’ (Federashon Otrobanda, interview).

However, the Rif Seaport plans of CPA mentioned in Chapter 4, and the construction of a new large hospital, will likely open up the neighbourhood. ‘When the hospital and the development in Rif [are completed], […] that is when they are going to open their eyes towards Otrobanda more’ (Federashon Otrobanda, interview). Urban renewal can still occur without planetary gentrification and displacement.

5.4.9 Gentrification in Otrobanda: Overview

Gentrification levels are lowest in Otrobanda. The majority of low-income classes in the neighbourhood are able to stay put and enjoy the neighbourhood facilities. Tourism activity is mainly concentrated in the Punda-side of Willemstad. Still, private developers increasingly supply tourist accommodations in protected Otrobanda monuments. This is sometimes accompanied by the direct displacement of former residents. They cannot afford the higher rent tourists are willing to pay.

The large collection of monuments requires expensive maintenance. This contributes to the emergence of rent gaps throughout Otrobanda. There is a lot of decay. Redevelopment for tourism exploitation can help preserve these buildings from falling to ruin, as has been the case in Kura Hulanda. Still, these renovations can have consequences for the socio-cultural character of the neighbourhood as a whole. The enclosed compound of Kura Hulanda for example promotes indirect neighbourhood resource displacement.

While there is a high vacancy rate in Otrobanda, renewal and the influx of gentrifiers still promote gentrification and displacement. As the neighbourhood becomes more popular, low income classes will increasingly face direct displacement. The main focus is not on Otrobanda yet. But if the government remains absent, and does not actively govern Otrobanda
developments, gentrification processes will surely play a bigger role in Otrobanda developments in the future.

5.5 Government induced resistance

We end this research with a discussion on gentrification resistance. We explore the role of rent schemes and public housing in each of the four neighbourhoods. For a discussion on social housing, we analyse the presence of Fundashon Kas Popular. Furthermore, we look at alternative ways the government inhibits or could inhibit gentrification. In Section 5.6 we focus on non-government forms of resistance.

5.5.1 Rent stabilisation schemes

Newman and Wyly (2006) stress the importance of rent regulations as an intervention tool for inhibiting gentrification. Rent stabilisation schemes generally allow poor renters to stay put (Deverteuil, 2012). In Chapter 3 we identified the ‘huurcommissieregeling’ as an active rent regulation scheme on Curacao. While this policy was one of the main causes for urban decay in the inner-city, we believe that a properly designed rent stabilisation policy could be an important tool in the fight against historic inner-city gentrification.

Under the original huurcommissieregeling from 1939, ‘the maximum rent price has to be calculated on the basis of the value of the ground and the construction costs’ (De la Fuente, 17-12-2009). From the 1980s onward, houses ‘with historical foundation costs of over 100,000 Guilders no longer fell under the huurcommissieregeling and for those houses the landlord could determine a rent price himself’ (De la Fuente, 17-12-2009). Since this alteration only took buildings with ‘historical’ costs into account, old homes with a low construction value and high market value were regulated, while houses with high construction costs but low market values were not (De la Fuente, 17-12-2009).

The original ‘Huurcommissieregeling’ dating from 1939 was ultimately revised in 2012 (“De huurcommissie en het huidige recht”, 03-04-2014). ‘The rental commission no longer looks at the construction costs, but the current market value of the house. This renewal offers the possibility to alter rental agreements in order to realise a better maintenance of rental homes’ (“De huurcommissie en het huidige recht”, 03-04-2014).
While the huurcommissieregeling is still active, only the rent price of houses with a market value up until ANG. 150,000 are regulated ("De huurcommissie en het huidige recht", 03-04-2014). ‘In determining the maximum rent price, the law stipulates that the yearly amount cannot exceed 12 percent of the current market value of the house’ ("De huurcommissie en het huidige recht", 03-04-2014). Ten years ago, De la Fuente (17-12-2009) already noted that most houses on Curacao have a higher market value. Table 5.2 for example shows that the value of a renovated house in Pietermaai was already $215,000 in 2005, and even exceeded $300,000 (more than ANG. 500,000) in 2017.

The huurcommissieregeling currently does not ensure low rents for working-class occupants. This has become evident throughout our research. After renovations, many former residents cannot afford the higher rents. If the Curacao government wishes to prevent direct residential displacement and indirect economic displacement in the form of price shadowing, the rent regulation law should once more be revised.

5.5.2 Social housing

If the Curacao government is willing, it has the power to actively promote the provision of social housing in the inner-city. More social housing in the inner-city could simultaneously ensure the survival of the working-class, the preservation of the multicultural society, and could furthermore help solve the mismatch on the Curacao housing market.

‘There is little government land in the inner-city. But if we use an expropriation procedure in a few vacant places, because they will become nothing by themselves. It will take some time but then you have potential lots where you can say FKP, we are going to construct social housing there’ (Ministry of TT&UP, interview).

According to Shaw (2005, citation from Walks & August, 2008; p. 2597) ‘the protection and expansion of non-market forms of housing and interventions which encourage the production of low-cost affordable private housing, are the most important policies that might be implemented in order to reduce wholesale gentrification of the neighbourhood and avoid displacement.’

New large-scale state investments in public housing are uncommon in the currently prevailing neo-liberal global policy environment (Walks & August, 2008). Expropriation procedures are
also not likely going to play a major role in future developments to the historic inner-city of Willemstad.

‘It is unpopular, because before you know it you hear people mention the word communist. Government changes furthermore make it difficult for the average civil servant to do something. Because today it is this, and tomorrow it is that. So, continuity is very important, simply because these are long-term processes’ (Ministry of TT&UP, interview).

A stable political climate could promote the availability of social housing. Simultaneously, we must be weary of the fact that state stability could contrastingly result in an intensification of gentrification. There are wealthy Curacaolenean families ‘who rather invest in Miami than Curacao. […] Because apparently there is no trust yet. […] A stable government is also part of that’ (Heritage consultant, interview). The paradox found by Ross and Jamil (2011; p. 23) seems to be relevant for the historic inner-city of Willemstad as well.

Punda
The provision of social housing in Punda could diminish indirect economic displacement in the form of price shadowing among the working-class. However, ‘the problem is that we do not possess the legislation to enforce this in private ownership’ (Ministry of TT&UP, interview). The state does not hold much land in Punda. Furthermore, there is no mandatory zoning programme. Even if the government wishes to realise social housing in Punda, this seems to be an impossible task. ‘It is almost impossible to realise social housing there. […] [Because of] the real estate prices’ (Ministry of TT&UP, interview).

The argument is put forward that Fundashon Kas Popular did provide social housing in Punda in the past.

‘Herman George proved that it is possible. That man realised new constructions, in addition to making purchases. In Punda as well. So, it was possible. And maybe it happened partly with Dutch funds and partly their own, but it happened’ (former government official, interview).

When it comes to inhibiting gentrification, Gordon et al. (2017; p.768) argue that ‘the provision of public housing often prevented desirable areas from becoming gentrified’. FKP could thus play a key role to prevent gentrification from fully infecting Punda.
Pietermaai
Fundashon Kas Popular has a few buildings in Pietermaai. ‘When you hear FKP, usually people think it is low-middle-class and middle-lower class. But the middle-class and upper-middle class are living there’ (Pietermaai resident, interview). This fits with the direction FKP policy has taken, providing houses for the middle-class. The fact that these buildings belong to FKP seems to prevent direct residential displacement of these middle-class inhabitants.

The complaints regarding noise pollution and the closing down of alleys mostly come from the residents in these buildings (Business owner Pietermaai, interview). So, if FKP decides to sell them, ‘who do you think is going to make the phone call to any minister? And they want to have the first bid to it?’ (Pietermaai resident, interview). The close ties between Pietermaai developers and the government means that these developers will have a much better chance of acquiring the building than the current residents. Furthermore, developers can generally put in a higher bid. Evidently, the fact that these buildings belong to FKP prevents them from falling victim to gentrification.

Scharloo
FKP built many houses in St. Jago during the renewal process towards the end of the 1990s. However, their asking price is unaffordable to the working-class population. ‘They have houses of 900 guilders that have been empty for years’ (St. Jago resident, interview). FKP hopes to attract the middle-class. However, ‘that middle-class has no need for FKP houses, because they are too small, too ugly, et cetera’ (Former government official, interview). While the size and shape of social housing prevents the influx of middle-class gentrifiers, the working-class cannot occupy these houses either. This results in unnecessary high vacancy rates. The situation will eventually lead to the emergence of a new rent gap in St. Jago.

Zwaan is located directly adjacent to Sint Jago. However, in contrast to the developments in Fleur de Marie and Sint Jago, urban renewal has not resulted in investments to housing and infrastructure in Zwaan. At the beginning of the 1990s, the government bought all the land in Zwaan with ‘the intention to create a city district’ (Ministry of SD, interview). However, the plans for neighbourhood development have not yet been realised. Recently, the actions of Tirzah Libert – a motivated local inhabitant – triggered renewed interest for the development of Zwaan (Eikelenboom, 29-06-2018). ‘FKP can build there. So, it is our intention to sit down with FKP and tell them that it is government property and they should start building here’
(Unidat di Bario, interview). With the right plans and constructions, a significant amount of affordable social houses could be realised in Zwaan.

**Otrobanda**

FKP realised a lot of new residencies in Otrobanda during the process of urban renewal in the 1980s. ‘A lot of new small houses were actualised within the existing building stock, which clearly resulted in more living in the inner-city’ (current management Monument Fund, interview). In addition to building new houses, ‘FKP also bought monuments in those days, and renovated them to serve a residential function’ (current management Monument Fund, interview). Evidently, FKP played an important role in attracting and retaining members of the working-class.

‘At the time, there was kind of an integral approach. Good cooperation between FKP, the Heritage Foundation, N.V. Stadsherstel. Everybody did their thing. […] But they are subsidised houses. And [they argue that they] are not receiving the subsidy from the government. […] So, the construction and placing people was ok, but maintenance is an issue’ (Fundashon Seru Otrobanda, interview).

As a result of the subsidy issues between FKP and the government, FKP is not fulfilling their maintenance duties. ‘They have a lot of monuments, but they do not have the money to maintain them’ (Federashon Otrobanda, interview). Former management of FKP (interview) argues on the other hand that ‘FKP must have the means to carry out maintenance. […] [But] they do not want to, they do not have the same vision we have, to develop the inner-city.’ Whatever the reasons, FKP buildings in Otrobanda are deteriorating. In the Rif area, there are 78 vacant monuments (Fundashon Rif, interview). Half of these buildings are owned by Fundashon Kas Popular. ‘You could easily house 100/150 families in there. But they simply do not’ (former government official, interview).

In leaving their buildings empty, FKP also contributes to the emergence of new rent gaps throughout Otrobanda. Management is currently looking to ‘transfer the existing monuments owned by FKP to the Monument Fund’ (Ministry of TT&UP, interview). If this happens, we can expect more involvement from organisations such as the Heritage Foundation, the ‘collegiate foundation’ of the Monument Fund (current management Monument Fund, interview). We already discovered in Section 5.4.2 that the working-class cannot afford
Heritage Foundation houses. Evidently, the current actions and future plans of FKP regarding monuments contribute to the emergence of a rent gap, and lead to exclusionary displacement in the form of price shadowing.

### 5.5.3 Legislation and incentives

In urban areas with low concentrations of non-market housing, governments can introduce inclusionary zoning regulations. ‘But as long as there is no basis for enforcing that, you are begging’ (Ministry of TT&UP, interview). Newman & Wyly, 2006; p.48) argue that a mandatory zoning programme ‘could produce units for low-income residents, rather than simply assuming that units will trickle down by increasing supply.’ Before mandatory zoning can be implemented on Curacao, new laws must be introduced. ‘Suppose that it is government land. In that case, you can go really far in setting conditions. [...] [But] you need legislation for those private lands. Otherwise, you cannot enforce it’ (Ministry of TT&UP, interview).

Walks and August (2008; p. 2612) found that ‘the presence of less attractive housing did play some role in reducing the number of potential dwellings available for gentrification’. In this respect, we believe the UNESCO cityscape and the monuments themselves are significantly contributing to gentrification. ‘All those monuments are standing there. People are squatting these houses and are subsequently taken out’ (Unidat di Bario, interview). You should ‘built different types of houses, or redevelop your houses’ (Unidat di Bario, interview). One owner-occupant in Fleur de Marie is having trouble in customising his own home.

‘Every time he wishes to refurbish, somebody from the Heritage Foundation comes by and says: “Hey listen, that wall cannot be higher than so many meters. And the rooftiles have to be like this and that. [...] We mentioned it to a woman from the Heritage Foundation. She said their wish is to maintain a certain structure in the neighbourhood’ (Unidat di Bario, interview).

The Heritage Foundation has a say because they own the land in Fleur de Marie. The actions of the Heritage Foundation reinforce our earlier findings that the organisation aims to promote the influx of gentrifiers.

The government could take measures to protect these residents. They can inhibit gentrification and displacement by revisiting ‘heritage legislation and aesthetic controls on inner-city housing
and encourage working-class ethnic communities to customise their living environments to their own tastes’ (Walks & August, 2008; p. 2618).

Walks and August (2008, p. 2614) found that ‘local demand for blue-collar labour was clearly a factor in maintaining a core working-class population’ in a neighbourhood. In Willemstad, ‘Otrobanda was traditionally the place where people, also from Banda Abou, went to live to work in the oil refinery or somewhere in the city. so, around Otrobanda you had different developments because of the refinery’ (Unidat di Bario, interview). Otrobanda still houses a relatively large share of the working-class.

‘Fleur de Marie is a working-class neighbourhood that emerged from the migration of Shell-workers’ (Ministry of Social Development, Labour and Well-being, 2011; p. 12). Fleur de Marie also still houses relatively many working-class residents. The proximity of the oil industry inhibited gentrification. With the current operator of the refinery leaving in 2019, the government must do everything in its power to find a proper successor. Furthermore, it could try to expand the maritime sector, instead of focusing on the development of a creative city.

The government can also introduce incentives aimed at retaining local businesses, or encouraging them to return to the inner-city.

‘You have to incentivise them. That will cost money. If you introduce such a scheme, how would the government come up with money to finance education, finance roads, finance health care? Things they cannot even handle right now. Because health care is not good, the roads are not good, education is not good’ (CTB, interview).

While the budget deficit is significant, there are obtainable funds out there. ‘There is 100 million on the streets in uncollected ground lease. […] And that of course applies for more taxes, wage tax, income tax, profit tax’ (Ministry of TT&UP, interview). Outstanding taxes should be collected at last.

Furthermore, a well-functioning ‘revenue model needs to be developed. Earn money in one place, and spend it in another place. Go back to the ‘Head of Scharloo’. Take it back, build those high-end apartments, invest the money in an adjacent neighbourhood’ (Ministry of TT&UP, interview). If the Scharloo project is going to be executed, it should at least be
compensated by new investments for the surrounding working-class neighbourhoods. Even if the government keeps outsourcing responsibilities to privatized organisations, you could say ‘this percentage goes to neighbourhood development. But you have to have the courage to do that’ (Unidat di Bario, interview).

### 5.6 Non-government resistance

We explore possible forms of gentrification resistance where little or no government assistance is needed, and analyse the extent to which these non-governmental forms of gentrification resistance are readily present.

#### 5.6.1 The market for housing

Table 5.3 shows that the share of inner-city rental homes was extremely high compared to the island-wide average prior to the urban renewal processes in the 1980s. Ownership prevents houses from entering the real estate market, ultimately halting gentrification (Shaw, 2005; p.176, in DeVerteuil, 2012; p. 209).

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<td>79.5%</td>
<td>74.1%</td>
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<td>70.5%</td>
<td>65.3%</td>
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<tr>
<td>Scharloo</td>
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<td>57.7%</td>
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<tr>
<td>Curaçao</td>
<td>33.0%</td>
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In Section 2.7.2, we mentioned that gentrification often instigates a shift from renting towards a domination of owner-occupied housing (Hamnett, 1991). It seems that gentrification also diminished the number of rental homes in the historic inner-city of Willemstad. Our research showed that gentrification processes in Pietermaai are highly developed, while gentrification is less advanced in Otrobanda. The data correspondingly show the highest drop in rental homes occurred in Pietermaai, while Otrobanda still holds a relatively large share of rental homes.

With large numbers of rental homes, gentrification can still be halted. Landlords are not always profit-seeking (Deverteuil, 2012). This also seems to be the case in Otrobanda. ‘What happens
here is that there are a lot of people with much love for Otrobanda. People who might not immediately think about profits, but they are making small investments’ (Fundashon Seru Otrobanda, interview). gentrification can be inhibited ‘by getting local people with the right attitude, with love for the neighbourhood, the area, the history, the love for Curacao’ (Federashon Otrobanda, interview).

Still, inhabitants must remain vigilant, since ‘these are tenuous relationships that end as landlords pass away or sell their buildings.’ The manner by which a former Otrobanda resident (interview) left the neighbourhood illustrates this.

‘When my uncle died there was something with the government. I am not entirely sure what the deal was. […] They said that he had given it to the government. Then they tell you that it belongs to N.V. Stadsherstel. Afterwards FKP comes and says it is theirs. […] They all came by to collect rent. I said ok, I will pay if you prove me that it is your property. Nobody could show me anything. So, then I decided to leave. Because it is an old building, you get rotting walls and stuff. When it rains it was better to stand on the streets than to be inside. So, I just left. […] I am not going to invest my own money if I do not know to whom to present the check.’

5.6.2 Individual action
When it comes to inhibiting gentrification, individual action has often been more effective than large-scale organised forms of resistance (Vinthagen and Johansson, 2013; p. 2016, in Lees et al. 2018). Lees et al. (2018) focus on survivability as a means for inhibiting gentrification. They argue that a focus on the intertwined effects of both public actions and day-to-day activities ‘enables us to focus both on the survival of the collective and also critically of the individual’ (Lees et al., 2018; p. 350).

In Fleur de Marie, gentrification is slowed down by the day-to-day living activities of inhabitants.

‘In this neighbourhood we have a bit more trouble. Simply because there are a few aggressors here that are difficult to control. And those mostly have to do with, you know the Barkjes [Venezuelan floating market], the Venezuelans, who simply have a different norms and values system. This does not connect to what we perceive as pleasant living. When we go to the neighbourhood at 8.30 am, the Bachata is already roaring.’
The Heritage Foundation views the lifestyle of current residents as an externality that needs to be dealt with. They have no interest in retaining the current population of Fleur de Marie. However, their lifestyle is in fact posing a barrier for attracting the middle-class.

We see a similar role for day-to-day activities in Kura’I shon Fil (Otrobanda). The customs and lifestyles of inhabitants in Kura’I Shon Fil make this area less attractive for gentrifiers.

‘In Jan Thiel or Pietermaai, you cannot simply blow the radio through your speakers. But here you can. […] Are you willing to come live in a neighbourhood where there is a risk that you will hear Bachata at 10 or 11 o’clock, or a party from your neighbour? Do you tolerate this? That is our product’ (Komishon di bario Kura’I Shon Fil, interview).

Evidently, small customs like playing music or organising festivities play an important role in lowering the influx of gentrifiers.

Shaw (2005; p. 177-9, cited in Walks & August, 2008, p. 2610) identified the presence ‘of local political capital and “a culture of resistance” as among the main factors impeding gentrification.’ Otrobanda is much less affected by gentrification because ‘people in Otrobanda love their Otrobanda, and they want to keep it the way it is. So, they stand up for that as well’ (Federashon Otrobanda, interview). It will therefore not be easy for gentrifiers to take over this neighbourhood.

It appears that tight-knit, relatively remote communities are better capable of fending off middle-class gentrifiers, compared to more visible and centrally located neighbourhoods. Areas that are situated in the corners of a city, are usually not visited by passers-by. For this reason, residents in these remote locations exactly know who is and who is not part of the neighbourhood. If you walk through Otrobanda or Scharloo, Kura’I Shon Fil and Fleur de Marie respectively are both relatively concealed. It is in these corner areas, where we find aggressive community resistance against possible gentrifiers.

In Kura’I Shon Fil, neighbourhood residents made sure that the presence of a new Dutch inhabitant was short-lived. ‘He was constantly calling the police on the youngsters. They broke into his home, and they stole his stuff. They broke his air conditioning, his car. He eventually left [the neighbourhood]’ (Komishon di bario Kura’I Shon Fil, interview). There are other
Dutch people who came to live in the area. However, these people have adapted to the existing lifestyle (Komishon di bario Kura’I Shon Fil, interview) and have been accepted into the community.

In Scharloo, middle-class gentrifiers started entering the area surrounding Fleur de Marie. ‘There are professionals living upstairs. They supposedly work on social goals. That was the intention’ (Unidat di Bario, interview). While these new middle-class residents entered under the premise of promoting the social development of local inhabitants, their presence in fact increased tensions. ‘They are not accepted either. […] It all depends on how you come in. There has been thieving there, breaking into cars. I do not know who does it, […] but it does not happen within this neighbourhood’ (Unidat di Bario, interview). Evidently, individual action hinders the settlement of middle-class gentrifiers. There have been ‘cries from the neighbourhood: “hey, dare touching this house and you are going to see.” Those are cries from angry people. […] It is village-like, a means to protect your property’ (Unidat di Bario, interview).

5.6.3 Self-segregation
With respect to neighbourhood images, Walks and August (2008) mention the link between images and gentrification. A negative image and ‘bad press’ are potential factors that inhibit gentrification. We correspondingly discovered that a bad image inhibited gentrification in Scharloo and Otrobanda. On the other hand, we find that neighbourhood image can also contribute to displacement. ‘It will be hard to change certain images that have already been created, for example in Pietermaai (Federashon Otrobanda, interview). Inhabitants ‘alienate ourselves in the area. The locals, we locals say it is a Dutch area, we will not go there’ (Otrobanda business owner, interview). ‘When you talk with someone about Pietermaai they say; ah no, rich people are living there. We cannot go there. That is the mentality’ (Komishon di bario Kura’I Shon Fiel, interview).

Inhabitants of low-income areas feel excluded from the wealthier neighbourhoods. These more prosperous areas are often linked to (white) Dutch migrants as well as Jewish and Hindi businessmen (Jaffe, 2006). This self-segregation promotes gentrification. ‘We locals also have to be more openminded’ (Otrobanda business owner, interview). NGOs could enhance the development of neighbourhood inhabitants. ‘They do the work where the government cannot reach. The NGOs are present in the neighbourhood on a daily basis’ (Unidat di Bario,
interview). ‘On Curacao, the key is to get NGOs and the government going. Because the NGOs carry a lot of the responsibility of the government’ (Federashon Otrobanda, interview).

5.6.4 Barriers to individual resistance
In recent times, the public became more actively involved in fight against gentrification. ‘They have become quite articulate’ (Ministry of ED, interview). We see this in the discussions regarding noise pollution and the closing down of public alleys. But while the Curacao population is starting to raise their voice against developments, some factors are diminishing the strength of public resistance.

‘You find the government not working the way you want it to work, or not doing what you want them to do. The rules change, and they give advantage to the person handing them money, which is the investor at that time. Then it dies’ (Federashon Otrobanda, interview).

In Pietermaai for example, developers – grouped together in an organisation called ‘Pietermaai District’ – are trying to diminish the vocal strength of neighbourhood inhabitants. After a visit by the Ministry of Traffic, Transport and urban Planning, Pietermaai District issued a report stating that ‘both residents and entrepreneurs of Pietermaai District expressed their concerns regarding, among other things, the aspect of safety if the alleyways that are currently closed off are opened again’ (“Pietermaai District spreekt niet voor alle bewoners”, 28-07-2016). A group of Pietermaai residents subsequently argued that most inhabitants were not informed about the visit by the minister.

‘It is the umpteenth minister who visited the neighbourhood without a large share of the inhabitants getting informed about such a visit. […] It looks like they were very selective with the invitations. From a picture in one of the newspapers, we could distinguish eight people who are not operators. We do not know if they are actually residents. All the while, it comes across as if Pietermaai District speaks for all residents’ (“Pietermaai District spreekt niet voor alle bewoners”, 28-07-2016).

In ignoring the people, the Curacao government is ignoring the negative implications of gentrification and undermines the discontent of the people.
The day-to-day struggle for survival often poses an additional barrier against proper resistance. ‘If you have to fight every day for your basal or primary needs, Pietermaai means nothing to you. Neither does a guys’ fence’ (Unidat di Bario, interview). While survival can be an important tool for resisting gentrification, when the poor are too poor, consequences in the form of displacement are of little concern to them.

‘Neighbourhoods are the playgrounds of politicians. […] At a given moment it is not good for them at all if neighbourhoods are developed. Because in that case they can never give the people bread and circuses. […] Because [now], they can visit the neighbourhoods during campaign times, poor children. Bare feet. And give bags with food, et cetera. It is politics’ (Ministry of SD, interview).

While a large portion of the population might desire change, their voices are not loud enough to be heard.

‘I know, and that shows the power of society and the power of the political system. And it is being greatly abused as well. […] Keep people dumb and you end up with this. So, of course, the power of education and the press is very important. You see it from the recent discussions. You clearly see how the media chooses sides. The word objectivity has since long been thrown into the bin. And this is choking’ (Ministry of TT&UP, interview).

Individual action and survivability are important tools for slowing gentrification. Still, we believe that the Curacao population is currently unable to efficiently block inner-city gentrification. Lees et al. (2018; p. 352) argue that ‘at some point more organised resistance could be needed either to hold on to that survivability or to scale up the fight.’ Organised resistance is greatly needed, and we find that several community organisations are already promoting the fight against gentrification.

5.6.5 Organised resistance: Protecting Fleur de Marie

The infrastructure and built environment in Fleur de Marie received an upgrade over a period of three years, starting at the end of the 2000s (Unidat di Bario, interview). The redevelopment of Fleur de Marie ‘succeeded because the former president of the Heritage Foundation put in a lot of effort.’ (Heritage consultant, interview). There was a good collaboration between the former director, the executive developer, and Unidat di Bario (Unidat di Bario, interview).
current director of the Heritage Foundation argues that ‘Fleur de Marie is an example of integrated city improvement where we focused on social interaction between neighbours, solving traffic and parking issues and incorporated green zones and playground areas’ (cited in De Lima & Van Den Kieboom, 2014; p. 32).

While significant improvements to the physical environment were made, ‘most residents are still living here’ (Unidat di Bario, interview). We believe the close involvement of Unidat di Bario in these developments prevented large-scale gentrification in Fleur de Marie. ‘There were plans to completely knock down the neighbourhood and construct beautiful apartments, because this is a nice spot. […] And we said no, we are happy to take this on as Unidat di Bario, but in that case the people have to be able to stay’ (Unidat di Bario, interview).

The key factor in this success story appears to be the availability of sufficient public funds, which allowed for the close involvement of social organisations.

‘We visited all the houses, and organised a lot of hearings with the people: “hey, come listen to what we are going to do. Do you have any ideas?” Because they heard that Makambas [=Dutch] were going to take over. They were suspicious’ (Unidat di Bario, interview).

Urban renewal in Fleur de Marie was largely fuelled by Dutch development funds provided by AMFO (Dutch foundation for financing NGO projects in the Dutch Antilles) and USONA (Dutch organisation managing donor funds intended for development projects in the Dutch Antilles). ‘Thank god the money came from USONA and the government, otherwise this neighbourhood would no longer have existed’ (Unidat di Bario). Instead of solely focusing on improving the physical environment, significant attention was given to social development.

‘When people are discontent with politics, with themselves, with the neighbourhood because it holds nothing for them, they are going to demolish it. Because we had funds for at least three years, we had the advantage that we also could organise fun activities for the people. The people were isolated, we took them out of the neighbourhood on walks, bus tours, and let other people visit the neighbourhood’ (Unidat di Bario, interview).
THE HEART OF THE PEOPLE

The inclusion of residents averted a ‘decline and disassociation occurring contemporaneously with ostensible built environment improvements’ (Gordon et al. 2017; p. 769). This prevents the emergence of indirect neighbourhood resource displacement.

Unfortunately, AMFO and USONA were both dismantled in 2014 (Management plan, 2016; p. 28). We believe that this creates new risks for gentrification processes to occur in Fleur de Marie. We already saw that the Heritage Foundation promotes direct residential displacement via the restoration of houses in Fleur de Marie. The area transformed from a development site into a battlefield. NGOs are fighting for the survival of residents, while heritage businesses try to diminish the voice of these organisations.

And at one meeting they said something like: “Well, we do not see Unidat di Bario do anything”. […] It is really a way of ignoring you, acting as if you do not exist. Because if the organisation does not exist, neither do the people’ (Unidat di Bario, interview).

The government provides little assistance. After three years, ‘the government was supposed to keep financing this, which became a bottleneck at some point’ (Unidat di Bario, interview). With new cuts on social subsidies, we expect the fight to become even harder in the near future. If NGOs have to discontinue their activities, ‘the Heritage Foundation will take over, that is their intention’ (Unidat di Bario, interview).

5.6.6 Small community organisations and unified resistance in Otrobanda

Fleur de Marie is not the only inner-city location where community organisations are battling against gentrification, induced by preservation businesses. ‘There are also architects that are hunting for those little houses there [in Otrobanda]. Even if it is not a monument, but really something you can renovate and turn it into something nice’ (former resident Otrobanda, interview).

Neighbourhood organisations are important for the preservation of socio-cultural practices and survival of residents. In Rif for example, Fundashon Rif actively safeguards the continued survival of its residents. ‘What I know is that we are going to fight for our people. […] You cannot come here just like Gelt Dekker [=developer of Kura Hulanda], who buys twenty houses and has all the power to decide everything’ (Fundashon Rif, interview). Neighbourhood inhabitants are in close contact with Fundashon Rif.
‘I get so many WhatsApp messages, starting at 6 ‘O clock in the morning, […] “there is someone we do not know in the neighbourhood, and this same person has been looking through the windows for two days in a row now”, or […] “there are a few Makambas [Dutch] who have been walking here two times together with the director of FKP. Do you know about these people? Because these people cannot come live here because we cannot play our music.” That is what they say. So, it will be hard [to take over Rif]’ (Fundashon Rif, interview).

Organisations like N.V. Stadsherstel and the Heritage Foundation are forced to take the wants and needs of neighbourhood residents into account. The actions of Fundashon Rif form an effective barrier.

‘We force them to do this, but they will not do it on their own account. […] They know very well that I am somebody who simply holds a press conference next to their building. So, they are scared of us. That is exactly why they do it, not because they like to involve us, but because they are scared’ (Fundashon Rif, interview).

We already know that a culture of resistance exists in Otrobanda. Where resistance becomes more organised, there is a need for platforms (Butler et al. 2016). ‘Otrobanda is relatively well-organised in terms of residents’ organisations. If there are plans, people are not simply going to run over Otrobanda, neither the government, nor private individuals’ (Unidat di Bario, interview).

Neighbourhood organisations appear to play a significant role in the fight against gentrification. But Otrobanda is really big, and every organisation works in its own area. There is a downside to the existence of a great many separately operating neighbourhood organisations.

‘When it comes to general things there is competition. So, when it comes to infrastructure for example you can see it a bit like competition. […] We all agreed that matters that concern everybody are going to be handled at Federashon [Otrobanda] level. But if you yourself go talking to the minister first, and get the minister into your neighbourhood instead of looking at the bigger picture. […] in Seru Otrobanda the streets can be bad, but if you look at Kura’I Shon Fil and Kortijn, they are worse over there. So, where do you put your priorities?’ (Fundashon Seru Otrobanda, interview).
While the independent neighbourhood organisations are important in the fight against gentrification, they are mostly fighting these battles within small spheres of influence. In reality this means that gentrification can be halted in one part, while it significantly affects the urban developments in another area. Gentrification has for instance occurred in Kura Hulanda, while Rif did not gentrify.

To properly battle gentrification in Otrobanda, there is a need for an overarching platform safeguarding the neighbourhood. We believe that Federashon Otrobanda could fulfil this role. ‘We are working on a major plan for Otrobanda as a whole, between all the organisations. So, not everybody on their own island, but keeping all the needs unified’ (Federashon Otrobanda, interview). While the neighbourhood organisations are key components in protecting neighbourhoods against gentrification, in Otrobanda, [it] is all voluntary. So, we work, and then besides that we have to do all this’ (Federashon Otrobanda, interview). Government cuts on social subsidies are making it increasingly difficult to do the work properly.
6. CONCLUSION AND RECOMMENDATIONS

In this chapter, we provide the final conclusions of this research. We also present several recommendations that can prove to be useful. They can contribute towards a sustainable and pleasant historic inner-city for inhabitants, the Curacao population, and also tourists.

6.1 General conclusions

This research gave an extensive view of gentrification in historic Willemstad. In this UNESCO World Heritage City, a unique multiculturalist society emerged in a natural way. Historically, the inner-city district was a place where different cultures meet and mix. Throughout this research, we found that various cultivations of gentrification too, are meeting and mixing in the historic inner-city neighbourhoods.

Tourism and heritage preservation are the most relevant factors for gentrification in historic Willemstad. With emphasis on preserving the built heritage, tourist bubbles are emerging throughout the city. Traditional homes are increasingly transformed into tourist accommodations. The actions of both local heritage preservation businesses and foreign developers promote the influx of gentrifiers – who often belong to the global middle-class. The (re)development of greenfield and brownfield areas furthermore promotes (indirect) displacement. Our findings illustrate that a relatively small city can hold a multiplicity of heavily intertwined forms of gentrification. These can significantly alter local economic, spatial and socio-cultural realities.

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<th>Relevance (Low/Medium/High) ↓</th>
<th>Punda</th>
<th>Pietermaai</th>
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<tbody>
<tr>
<td>Tourism gentrification</td>
<td>High</td>
<td>High</td>
<td>Low</td>
<td>Medium</td>
</tr>
<tr>
<td>Heritage gentrification</td>
<td>High</td>
<td>High</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>New-build gentrification</td>
<td>Low</td>
<td>Medium</td>
<td>Low</td>
<td>Medium</td>
</tr>
<tr>
<td>State-led gentrification</td>
<td>Medium</td>
<td>Medium</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td>Planetary gentrification</td>
<td>High</td>
<td>High</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Government gentrification resistance</td>
<td>Low</td>
<td>Low</td>
<td>Low</td>
<td>Medium</td>
</tr>
<tr>
<td>Non-government gentrification resistance</td>
<td>Low</td>
<td>Medium</td>
<td>High</td>
<td>High</td>
</tr>
</tbody>
</table>

Table 6.1 – Current relevance of the different forms of gentrification for each neighbourhood (Low/Medium/High)
Tourism, heritage and planetary gentrification are most relevant in Punda. Commercial establishments and new apartments are focusing on foreign consumers. The high costs for monuments are a relevant underlying factor. The increased relevance of Punda buildings as tools for profit generation furthermore implies a significant role for planetary gentrification. Gentrification resistance is currently low.

Tourism, heritage and planetary are also the most relevant forms of gentrification witnessed in Pietermaai. The neighbourhood transformed into a tourist hotspot. Monument preservation funds made available by the Monument Fund induced gentrification in Pietermaai. The high presence of a Dutch middle-class portrays the relevance of a planetary process. The redevelopment of brownfield monuments furthermore produced significant changes to functioning of the neighbourhood. This contributed significant indirect displacement. While government induced resistance is low, there is some resistance from neighbourhood residents.

Heritage and state-led gentrification are most significant in Scharloo. The Heritage Foundation actively promotes displacement in Fleur de Marie. Social houses in St. Jago provided by FKP are furthermore too expensive for low-income groups. The government actively tries to lure middle-class gentrifiers and developers to the neighbourhood. While new-build gentrification is currently insignificant, the realisation of new apartments and a hotel will produce a high degree of new-build gentrification. While government induced resistance is low, we see high levels of individual and community resistance, especially in Fleur de Marie.

Heritage gentrification is the most relevant form of gentrification in Otrobanda. The large collection of dilapidated monuments contributes the emergence of rent gaps. In some areas, heritage preservation is realised via the redevelopment of houses into tourist lodges. This redevelopment contributes direct displacement. New-build developments in Kura Hulanda promoted indirect displacement in the adjacent communities. A high degree of social housing forms a barrier against gentrification in Otrobanda. High levels of individual and community resistance also inhibit gentrification levels in Otrobanda.

While this compelling story is one of multiplicity and variation, a lead role is reserved for the Curacacao government. The state played a decisive role in the transformation of the historic inner-city into an area where gentrification could thrive. The enormous provision of building permits, and free rein for commercial enterprises to settle wherever, contributed to a significant loss in
residential and commercial relevance of the inner-city for Curacaoan living. Together with the outdated 1939 huurcommissieregeling, this ushered in an era of urban flight and decay. New building permits were steadily granted, even when the island population was declining.

Now that a favourable investment climate is emerging, state interventions further promote gentrification processes in the inner-city. Due to resulting malfunctioning government control systems, developers have free rein, and private market actors are executing their own vision. Speculative developers and wealthy individuals are furthermore hauled in with favourable fiscal incentives, like for example the Penshonado Regulation. The main goal is to attract high-end consumers – most preferably through the influx of globally renown companies – at all cost. The government seems to applaud a developer-led attraction of global middle-class gentrifiers. Social mixing as the rationale behind gentrification in Willemstad (Uitermark, 2003; Davidson, 2008; Lees, 2008; Walks & Maraanen, 2008; Huning & Schuster, 2015) serves as a tool to enhance tourism exploitation. The influx of a global middle-class tears down existing spatial and socio-cultural barriers for tourism– for example in the form of safety, language or lifestyles. Existing cultures of resistance promote the fight against gentrification. This research has furthermore shown that community-based resistance is more effective when neighbourhood access is obstructed on multiple sides, for instance by a river and/or motorway.

There are over 7,000 individual Caribbean islands (Curley, 2017), but there is only one historic Willemstad. Curacao is in possession of an extremely valuable asset. And if properly managed, the inner-city district could be a significant tool for improving the lives of many Curacaoleneans. However, if the city continues on the same foot, Curacao is going to lose its crown jewel. There will be no more Willemstad, Curacao. Instead, the city will transform into an autonomous tropical paradise. A fancy, globally oriented historic tourist village that is mainly reserved for the global elite. Willemstad can serve as a tourist attraction, but should not become a museum. Its historic value can be appreciated, but the city should be more than a mere part of history.

6.2 Recommendations
A financially healthy government is much less dependent on the influx of private and foreign capital. The Curacao government should thus restructure itself to become more dominant in guiding inner-city developments. It should be the main priority of the Curacao government to catch up on outstanding taxes. Furthermore, additional funds can be generated by reclaiming
the lands that were handed out to the Curacao Ports Authority. If the government is able to create a cash cow in these locations, these additional funds can be used to protect and promote the social development of vulnerable groups in the inner-city. With additional funds, the government can also improve the subsidy system. These subsidies can then be used as an incentivising tool to attract Fundashon Kas Popular and local commercial establishments back to the historic inner-city. Together with rent stabilisation schemes, a well-functioning subsidy system can ensure affordable rents for the inner-city population.

The government should work closely together with local NGOs in making development plans for the inner-city. If comprehensive plans are developed, there is a possibility to apply for European Funds. Also, comprehensive plans might give rise to the possibility for receiving new Dutch development funds. It might also be possible to apply for Dutch funds with respect to heritage preservation. Willemstad is included on the World Heritage List as Dutch heritage. A proper management of the UNESCO World Heritage City should therefore also be a Dutch interest. With additional preservation funds, more attention can be given to the intangible part of the Universal Outstanding Value. Relaxing heritage legislations and restoration criteria can furthermore lead to lower preservation costs, and produce more houses that simply do not appeal to middle-class gentrifiers. More state involvement could diminish the power and autonomous handling of organisations such as the Monument Fund and the Curacao Heritage Foundation. A new government developed management plan is desirable.

In addition, the government should start making more use of existing expropriation laws, and tackle properties that are part of an undivided inheritance. Obtained properties can subsequently be sold to interested local private investors. With the introduction of mandatory inclusionary zoning laws, terrains can even be sold to (foreign) financially strong developers and corporations, while still preserving and promoting working-class presence in the inner-city. Finally, decision-makers can look at the possibilities of community-based tourism, more aimed at job creation for the working-class.

Heavy industry in the close vicinity can promote employment and inner-city working-class presence. However, a small island like Curacao cannot generate enough energy to sustain heavy industries. Instead, the government can focus on expanding the maritime sector. Curacao already serves as an intermediary location for transatlantic trade. Expanding and innovating the
maritime industry can promote working-class inner-city presence and create new opportunities for economic growth.

6.3 Limitations and propositions for further research
The scope of this research has been very broad. We consciously chose such an approach because gentrification in a Caribbean context has hardly been investigated. We hope that our research motivates others to get more involved with gentrification on Curacao. Future research can focus on only one of the four inner-city districts. This could give an even better understanding of gentrification in Willemstad, and lead to more concise and effective recommendations for resistance.

A language barrier prevented us from conducting deep qualitative research on displacement. Local researchers can get more involved with the consequences of displacement in one of the inner-city neighbourhoods. This can contribute to a better understanding of subtle displacement processes, and can also focus on the question where the poor go after being displaced.

While language influenced the access to interviewees, it also diminishes the strength of arguments provided by the respondents we do have. Many interviews were conducted in Dutch, while the respondent was a native Papiamentu speaker. This means that they were sometimes unable to fully express their views. Future research conducted in Papiamentu can prove to be helpful. In that case, the researcher also would not have to translate the data into English.

Because our research uses a critical approach to gentrification, in most interviews we decided not to mention that our research specifically focuses on the process. Instead, we argued to investigate ‘developments to the historic inner-city’. Especially in our contact with government officials, tourism and heritage developers we did not explicitly mention the scope of this research. We hope that this thesis opens up the gentrification debate on Curacao, and that involved actors are more willing to enter into open discussions regarding the topic in the future.

It has become evident that tourism is very important for Curacao. In the future, tourism could play a significant role in ensuring a sustainable economic development. Future research should focus on the role of UNESCO and possible contributions of the UNESCO status to a sustainable future tourism product. Research can also look at the possibilities of Pro Poor Tourism, which
can be introduced in ‘developing countries as a means to improve the local economy for local people’ (“Pro Poor Tourism – definition”, 2007).
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## List of respondents

| Ministry of Economic Development (Ministry of ED) | Government official |
| Ministry of Traffic, Transport and Urban Planning (Ministry of TT&UP) | Government official |
| Ministry of Social Development, Labour and Well-being (Ministry of SD) | Government official |
| Former government official | Retired government official |
| Former management Fundashon Kas Popular (FKP) | Formerly in charge of this organisation for social housing |
| Curacao Ports Authority (CPA) | Ports Authority |
| Curacao Tourist Board (CTB) | Tourism organisation |
| Curacao Hotel and Tourism Association (CHATA) | Tourism organisation |
| Downtown Management Organisation (DMO) | Commercial organisation Punda |
| Sosiedat di Komersiante di Otrobanda (SKO) | Commercial organisation Otrobanda |
| Pietermaai business owner | Owner of a business in Pietermaai |
| Otrobanda business owner | Owner of a business in Otrobanda |
| The Curacao Heritage Foundation | Largest heritage preservation organisation |
| Current management The Curacao Monument Fund | Currently in charge of this heritage organisation |
| Former management The Curacao Monument Fund | Formerly in charge of this heritage organisation |
| The Curacao Heritage Fund | Financial Heritage Fund active in Pietermaai |
| Heritage consultant | Private heritage preservation business |
| Architect bureau | Local architect bureau |
| Amigu di Tera | NGO Curacao |
| Unidat di Bario | NGO Curacao |
| Federashon Otrobanda | NGO Otrobanda |
| Fundashon Seru Otrobanda | Neighbourhood organisation Otrobanda |
| Komishon di Bario Kura’i Shon Fil | Neighbourhood organisation Otrobanda |
| Fundashon Rif | Neighbourhood organisation Otrobanda |
| Pietermaai resident | Resident currently living in Pietermaai |
| Scharloo resident | Resident currently living in Scharloo |
| Former resident Otrobanda | Resident formerly living in Otrobanda |
| St Jago resident | Resident currently living in St. Jago, Scharloo |
Interview guide

GOVERNMENT

a. Job description respondent

Inner-city

a. Safety → differences between neighbourhoods
b. Parking
c. Tourism
d. Punda commercial function? → Tax Free?
e. Curacaoleneans in Punda / Commercial activity elsewhere on the island

Living function

a. Which groups
b. Barriers
c. Differences between neighbourhoods
d. Prices real estate
e. Fundashon Kas Popular → Function government
f. Foreign investors
g. Gentrification

Government

a. EOP/Wechi
b. Movement out of the city
c. Financial situation
d. Land and building ownership government
e. Vision on inner-city → plan?

UNESCO

a. Relevance UNESCO
b. Role government
c. Management fund → government involvement
d. Managementplan? → Execution
e. Public-private-partnerships
f. Fiscal incentives
g. Curacao Heritage Fund?

Future for the inner-city?
THE HEART OF THE PEOPLE

PIETERMAAI RESIDENT

Personal information

Pietermaai
   a. Living conditions neighbourhood
   b. Prior situation
   c. Changes
   d. Moving away by inhabitants
   e. New inhabitants

Gentrification
   a. Rent prices
   b. Social network
   c. Feeling at home
   d. Tourism
   e. Commercial prices
   f. Catering / noise pollution
   g. Closing down alleyways
   h. Difference with other neighbourhoods

Government
   a. Action
   b. Problems
   c. Fundashon Kas Popular
   d. Expectations
   e. Investors
   f. UNESCO

Future
   a. Remain living?
   b. What should be changed?
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CURACAO TOURIST BOARD

a. Projects
b. Goals
c. Financing

toerisme

a. Tourism masterplan
b. Current functions historic inner-city. Differences between neighbourhoods
c. Type of tourists
d. Tourist opinion
e. Commercial activity
f. Promotie buitenland/ City Marketing?
g. Belang toerisme voor het volk van Curacao

living

a. How? Which groups?
b. Relation with tourism
c. Differences between neighbourhoods

UNESCO

a. Importance UNESCO
b. Influence on developments
c. Role CTB?
d. Cooperation with other organisations

Vibrancy in inner-city

a. Decay?
b. Safety?
c. Parking
d. Hygiene
e. Commercial activity? → Tax Free?
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CURACAO HERITAGE FOUNDATION

a. How many monuments in possession?
b. Which neighbourhoods most active, where least?
c. Causes vacancy inner-city
d. Restoration activities in past decades

Financing

a. Costs restorations?
b. Destination plans?
c. Abolishment AMFO & USONA? → consequences

Residential function

a. Which groups are interested?
b. Barriers
c. Which neighbourhoods have priority?
d. Local vs foreign demand

UNESCO

a. Importance UNESCO status
b. Consequences for costs restoration
c. Influence on residential function?
d. Management plan
e. Execution management plan
f. What is the ideal PPP for the inner-city?

Gentrification

a. How can an influx of wealthy people affect the multicultural society?
b. Is there displacement? Where? Whereto?
c. Role heritage foundation?
d. Safety in the inner-city?

Overheid

a. Relation heritage foundation
b. Monument Fund
c. Government move out of monuments
d. FKP
e. EOP