

SELLING CHICAGO AS A GLOBAL CITY: REDEVELOPMENT AND ETHNIC NEIGHBORHOODS

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Abstract

Chicago is in the dynamic process of redefining itself in the national and international urban hierarchy within the new era of globalization. Globalization in Chicago can be understood in multiple contexts. The following analysis reduces globalization to tangible processes of community revitalization in ethnic neighborhoods in Chicago. The Pilsen neighborhood will be used as a case example of how the city's political economy and the rise of tourism are shaping the fate of its residents.

Chicago's Pilsen neighborhood is located on the city's southwest side. Founded in 1878 by a settlement of Czech families who named their neighborhood after Pizen, a city in what is now the Czech Republic, Pilsen became home to a European immigrant community comprised of Poles, Croatians, Lithuanians, and Italians by the 1930s (Gramennos, Wilson and Wouters 2004). These ethnic groups came to work in the steel mills, meatpacking plants, and stockyards located in and around the neighborhood during Chicago's industrial development. Pilsen emerged as a distinctly Czech area after Mayor John Wentworth instigated the "Battle of the Sands" campaign, which was launched on April 20, 1857 (Kearney 2008). The "Sands" was a growing Bohemian Czech neighborhood on Chicago's Near North Side, and in order to contain the growth of this neighborhood, the mayor used the Chicago Police Department to displace Czech families. The police descended upon the neighborhood, "burning houses and beating and sometimes killing residents. The Bohemian population fled the neighborhood and settled south... in a neglected area of the city they named Little Pilsen" (Kearney 2008, 7). Spared by the Chicago Fire of 1871, Pilsen subsequently received another massive influx of residents, this time, homeless families who had lost everything in the fire. Overcrowding quickly became an issue. It is estimated that in 1901, 7,000 people resided within just nine city blocks (Kearney 2008). As a consequence, many of the Protestant Churches in Chicago started Settlement Houses—such as Erie Neighborhood House, Howell Neighborhood House (now Casa Azatlan), and Gads Hill Center—to address social problems in the neighborhood.

Although Mexican workers employed by the railroad or by International Harvester began moving into Pilsen as early as the 1920s, it was not until the 1960s that the Mexican population Pilsen is now known for started to grow in great numbers. Between 1960 and 1980, the Mexican population of Pilsen and the adjacent neighborhood, known as Little Village, grew from 7,000 to more than 83,000 (Wight 2006). Several factors contributed to this increase. Richard J. Daley became Chicago's Mayor in 1955 and collaborated with the University of Illinois at Chicago to build the West Loop campus in an area largely inhabited by Mexican families, leading them to migrate further south and west.

Second, President Lyndon B. Johnson signed the Immigration and Nationality Act of 1965 (the Hart-Cellar Act), which led to the abolishment of nation-origin quotas. During the 1970s and 1980s, Mexico experienced a demographic explosion while simultaneously struggling with a drop in oil prices, high inflation, and mounting foreign debt. These “push” and “pull” factors of migration contributed to 18 million immigrants from Mexico entering the United States legally between 1965 and 1995, triple the amount admitted during the previous thirty years (Center for Immigration Studies 1995), and an estimated 485,000 immigrants from Mexico entering the United States illegally each year (Passel 2005).

While immigrant neighborhoods and ethnic enclaves have historically been viewed as overcrowded, decaying sites of contagious social pathology, often tagged as “ghettos,” “slums,” or “barrios” (Charles 2000), Pilsen is currently a target for development. Its low land-values, proximity to downtown, and connections to public transportation have made it attractive to developers. Perhaps more importantly, Pilsen has an identity that can be packaged and sold. It contains a colorful mixture of multi-family apartments, small cottages, flats, and commercial buildings, and many of its buildings have architectural adornments—such as cornices, pediments, and mansard roofs—that suggest the “old country.” There are several historic churches (St. Paul and St. Adelbert), and numerous mosaics and murals, in addition to Mexican bakeries, Mexican restaurants, and Mexican grocery stores, all of which are named after specific cities in Mexico. In recognition of the rich cultural history of the neighborhood, Pilsen was named a National Register Historic District on February 1, 2006. The National Museum of Mexican Art, located at the intersection of W. 19th Street and Wolcott, is the largest Latino arts institution in the country and the only accredited Latino museum according to the American Association of Museums. All of these cultural expressions and amenities create the sense of being in an authentic, “old world” neighborhood.

Three key figures have factored into an emerging struggle over the future of Pilsen’s potential development and role within the city. First, there are local developers who seek to make Pilsen an attractive destination for outside consumers. Second, there is the City of Chicago Office of Tourism, which aims to advertise Pilsen as the Mexican gem of Chicago.

Finally, there are the Pilsen residents themselves, who generally want to preserve the current immigrant character of the neighborhood and the availability of affordable housing.

Perhaps nothing explains the lure of Pilsen as a site of development more than the following: there are market initiatives now employed to “renew” such neighborhoods and Pilsen itself can be packaged and sold as a site of culture. The market initiatives include local tax subsidies, the designation of business improvement districts (BIDs), and tax increment financing (TIF). Although the stated purpose of these strategies is to resuscitate declining communities, they have become catalysts for gentrification, which often forces out current residents when a neighborhood is redeveloped. According to Arlene Davila (2004), an anthropologist at New York University, “Gentrification... is also characterized by the re-signification of neighborhoods to be rendered attractive and marketable to new constituencies” (3). This process explains how Pilsen’s ethnic attributes became a significant component of the so-called “community revitalization.” Neighborhood reinvestment and redefinition is generally crafted to attract a new class of urban residents, a class “significantly interested in consuming cultural offerings as part of their quest for authentic experience” (Lloyd 2004, 346) and “experiential intensity” (Peck 2005). Wicker Park, Bucktown, and Ukrainian Village serve as examples of such development strategies in Chicago. These rapidly changing neighborhoods even attracted the attention of the *Chicago Tribune*, which launched an “unprecedented investigation” in January 2008 on community development, or rather “how aldermen ignore city planners and frustrated residents as they frequently permit new and bigger buildings that leave neighbors in their shadows” (Becker, Little, and Mihalopoulos 2008).

In the following examination of Pilsen, two different gentrification approaches will be addressed. First, the commodification of Pilsen’s local culture will be shown to be a vehicle of gentrification. Second, urban planning and development initiatives like zoning and tax increment financing (TIF) will be contextualized within the revitalization dynamics of the community. The analysis will conclude by reflecting on the definition of community within the globalized market.

CHICAGO'S REDEFINITION IN THE POST-INDUSTRIAL ERA

Chicago was once an iconic powerhouse of steel and stockyards, a Fordist city characterized by mass production and mass consumption. Industrial decline significantly impacted Chicago's economy beginning in the late 1960s. Between 1967 and 1982, 250,000 manufacturing jobs, 46% of the city's total, were lost and one million White workers fled the city (Abu-Lughod 1999). Forced to respond to the collapsing economic core, city leaders focused investments on the beautification of downtown in order to promote the city's attractiveness and on development strategies to expand the business service sector and the tourism industry. Mayor Richard M. Daley's investments in Navy Pier, McCormick Place, Millennium Park, the United Center, and Soldier Field are all concrete symbols of this development model.

In addition to these development strategies, consumerism and the promotion of culture have also played important roles. Chicago has been effectively reoriented to become an expansive site for tourism and consumerism. This is most evident in the development of neighborhoods like Wicker Park and Bucktown. Their tree-lined streets were adapted to a new retail constellation of cafes, used bookstores and boutiques, all introduced as tools for attracting a "creative class," an upwardly mobile demographic associated with consumerism and fluid social networks (Peck 2005).

COMMODIFICATION OF CULTURE

The creation of retail-oriented neighborhoods is paralleled in ethnic neighborhoods, but with a distinct difference. Ethnic neighborhoods are redeveloped in and around cultural symbols. This money comes from City Council approved ordinances provided to fund exterior improvement of homes and businesses in order promote development. With City money, external developers encourage local businesses to announce and display the culture of neighborhood residents (Betancur 2005). This is done to draw in outsiders who come as both spectators and consumers. Amenities, the physical or intangible benefits that render property more attractive, are the critical unit of analysis within ethnic neighborhood redevelopment. For example, Chicago's

Greektown features Ionic columns on Halsted Street to demarcate the entrance and exit points of the neighborhood, along with a liberal amount of Greek flags, Greek restaurants, Hellenic patterns laid into the cement on the sidewalk, and pseudo-ethnic stores, like Athenian Candle Company. Greektown demonstrates how “ethnic packaging is now working like art did—a way to anchor bohemian culture for an outside community looking for something unlike the suburbs” (Hackworth 2005, 220).

This marketing of culture is a hallmark of neoliberal economic development of cities, which emphasizes the creation of a good business climate and conduits for tourism. Chicago’s own Office of Tourism (2008) states on its website, “Chicago’s downtown area and lakefront can keep you happily occupied for days, but you haven’t really seen Chicago until you’ve visited some of our distinct and culturally diverse neighborhoods. They’re fun and fascinating—and they’re just minutes away from downtown on public transportation. There are 26 ethnic groups in the Chicago area with at least 25,000 members each. We’ve counted 132 languages that are spoken in Chicago, but almost everyone speaks English, as well.” Over the past decade, the Chicago Office of Tourism has made several attempts to support the development of Pilsen by targeting shops and stores for low-interest “rehabilitation” loans (Curran and Hague 2006). These investment sites are encouraged to display the ethnic identity of the neighborhood, using culturally distinctive amenities in order to attract outside consumers. The end result of such directed development efforts is the promotion of Chicago’s “culturally diverse neighborhoods” and the city’s overall identity as a multi-ethnic destination.

Terry Clark, a University of Chicago sociologist, explains the important role played by the amenities designed to mark and distinguish neighborhoods in a multi-ethnic city. Manufactured by the city, they are, says Clark (2002), a globalization power tool that produces what he calls “taste cultures,” which are consumer patterns reflective of an individual’s demands for public goods (e.g., landscaping, transportation, art, etc.) and private goods (e.g., jobs, property rights, etc.). According to this framework, advertising the Mexican-ness of Pilsen is meant to create a commercial theme for the district, a theme designed to appeal to the various taste cultures of a new consumer class. Mexican parades and festivals, restaurants, shops, and murals are expressions of the

cultural identity of the neighborhood's current residents. However, the Chicago's Office of Tourism, the Pilsen Together Chamber of Commerce, and the Pilsen-based 18th Street Development Corporation have all appropriated these cultural symbols into a redevelopment scheme designed to attract middle-class consumers to partake in the "local culture." Specifically, there are policies in place to facilitate the development of Pilsen into an ethnic tourist neighborhood and to contribute to Chicago's global city campaign.

REDEVELOPMENT TOOLS

In 1998, Pilsen was declared an industrial Tax Increment Financing Zone (TIF). A neighborhood becomes eligible for TIF if it is determined to be a "blighted" area according to an extensive survey performed by a private consultant hired by the City. The Mayor and City Council make final decisions on TIF proposals and redevelopment plans drafted by the Department of Planning and Development and the Community Development Commission. An area is designated as an industrial TIF zone with the specific goals of strengthening industrial businesses and protecting employees in the neighborhood. In 2003, Pilsen Alderman Danny Solis told the *Chicago Sun-Times*, "My vision for Pilsen is to become the best Mexican-American community in the Midwest, where you can come, taste the food and experience the culture" (Webber 2003, 49). In November 2005, however, Alderman Solis proposed the construction of a 391-unit condominium development and several commercial sites at the intersection of 18th Street and Peoria, an area within the TIF Zone (Curran and Hague 2006). While many residents and community activists questioned how dense residential development would promote industry, it was sure to increase property taxes, shut down local businesses, and potentially displace residents. While it is questionable whether or not these results were Solis' motivation for permitting the condominium development, it is clear that he favors the use of culture as a medium of entrepreneurship. The taxes generated from this condominium site would be added to Pilsen TIF revenues, the majority of which are dormant and controlled by the aldermen and Mayor Daley. In addition to the proposals for real estate development, Alderman Solis has also encouraged retail development in similarly protected industrial zones. The official 2005 City Hall TIF Report lists 143

tax increment-funding districts in Chicago, as well as nineteen vendors that received TIF funding, many of whom were welcomed into the “protected” industrial zones of Pilsen and almost all of whom were discovered to have contributed money to the campaigns of either Mayor Daley or Alderman Solis (Joravsky 2006).

This Pilsen zoning dispute illustrates the rising tension between neighborhood residents, the City, and outside developers. Zoning was originally a tool used to classify and manage building density and land use, but in Chicago, the aldermen are primarily responsible for assigning zones and making zoning changes, and political interests heavily influence their decisions. According to the building inventory conducted by DePaul University’s Geography Department, Pilsen is over-zoned, which means that the zoning designation for the neighborhood permits far more development than can be accommodated. According to the DePaul geographers, “This mismatch between zoning and actual use means that developers can buy a single family home, demolish it, and rebuild three to four story rentals or condominiums in its place, all without any community or city zoning board approval” (Curran and Hague 2006, 9). When multiple housing units or significant portions of neighborhoods are redeveloped into rentals or condominiums there is a significant impact on property values. As a result of over-zoning, public and subsidized housing has diminished, homeowner taxes have increased up to 150% within the past five years (Pilsen Alliance 2009), and local businesses have shut down. Solis’ efforts to develop Pilsen as a Mexican neighborhood are having the opposite effect. Pilsen’s residents are slowly being displaced and living cultural expressions are being replaced by ornamental expressions fit for consumption. In 2005, these changes put Pilsen on the “endangered site” list by Preservation Chicago (Curran and Hague 2006).

GRASSROOTS RESISTANCE TO DEVELOPMENT

The trend toward gentrification in Pilsen has been met by various grassroots resistance initiatives. For example, Juan Valasquez and Carlos Arango helped organize the Protect Pilsen Coalition (PPC), which seeks to educate residents on the potential consequences of consumer-oriented development. “What I tell residents and neighbors,” says Valasquez, “is straightforward. The chamber

would make Pilsen a community of fake Mexican icons and people. They want sombrero-clad, smiling people who happily munch on tortillas with glittery restaurants and shops selling their products” (Grammenos et al. 2004, 1186). Valasquez and Arango have organized demonstrations at construction sites and used community symbols, such as the Mexican murals, as political icons of empowerment. These murals were created during the Chicano movement of the 1960s and represent different historical events of liberation and resistance. On 1831 South Racine Street there is a mural of Che Guevara, Pancho Villa, Emiliano Zapata, Frida Kahlo, Cesar Chavez, Benito Juarez, and Rudy Lozano. A mural on 1645 West 18th Place reflects similar people, while another close by reads “Viva Mexico.” As a result of their organizing efforts, residents began confronting developers and staging sit-ins. Residents also began approaching neighborhood visitors, mostly those from the city’s own “creative class,” and confrontationally asking their reason for coming into the neighborhood (Grammenos et al. 2004).

Pilsen Neighbors (PN), Pilsen Alliance (PA), and the Neighborhood Resurrection Project (NRP) are other community-based groups working to maintain affordable housing for working-class families and to develop the neighborhood according to the parameters defined by the residents. Pilsen Alliance teamed up with DePaul University’s Geography Department to pitch the Pilsen Is Not for Sale (PN4S) campaign (Grammenos et al. 2004). The Geography Department implemented the “The Building Inventory Project” to produce a comprehensive database of building and property conditions as well as “publicly available information on building permits, property taxes, assessed values, property sales, and ownership” (Curran and Hague 2006). This study produced startling statistics: between 1990 and 2000, house prices rose an average of 68% (Curran and Hague 2006) and, between 1995 and 2002, the average rent increased 44% (Betancur 2003). The information produced by DePaul was integrated into the PN4S campaign to generate several ballot initiatives. In March 2004, Pilsen Alliance organized community members to vote on whether or not aldermen should hold open public meetings on zoning changes in Pilsen (Curran and Hague 2006). The vote passed with 95% voter approval.

As a result of the vote, concerned community members established a nineteen-member Pilsen Community Zoning Board

to further defend the community against private developers and the City. This collaborative effort produced two significant victories in the fight to protect Pilsen from radical change. Pilsen residents, in collaboration with Pilsen Alliance, used public referendums in 2005 and 2006 to bring to awareness to Alderman Solis and Mayor Daley's responsibility for zoning miscalculations and the increasing number of loft conversions in their neighborhood. As a result, Alderman Solis agreed to work with a zoning advisory board composed of Pilsen residents and he publicly announced that he would not down-zone Pilsen.

Despite these grassroots efforts, Pilsen property taxes are rising and over 1200 homes were foreclosed in 2006, a trend initiated by gentrification and aggravated by the most recent subprime mortgage crisis (Ahmed and Little 2009). A disproportionate number of foreclosures are concentrated in immigrant neighborhoods due to predatory loaning in the banking industry. Unfortunately this trend has spread throughout much of the southwest part of Chicago. Many locally owned Latino businesses have shut down due to increased rent and families have been displaced and forced to move into other neighborhoods where they do not have social supports or culturally appropriate public services (Curran and Hague 2006). A recent article in Chicago's Latino periodical, *La Raza*, reported the findings of the United Merchants of Pilsen: 70 Latino businesses left Pilsen within the past year (Zavala 2008). Pilsen's battle with gentrification illustrates the dynamics of revitalization in the neoliberal economy, particularly where ethnicity can be packaged and sold for the sake of visitors. "Building cities for the interests of 'visitors' rather than the concerns of 'residents' translates into a skewed public agenda, declining quality of municipal services for residents, and increasing social division and conflict" (Gotham 2001, 15).

CONCLUSION

Are all development efforts malevolent? Gentrified neighborhoods in Chicago enjoy enhanced municipal services, new businesses, safer streets, and greater political clout. According to Milton Friedman, cultural exploitation for economic gain allows people to become "market actors." Even if one does not accept Friedman's assumptions, according to Duany (2001), urban

gentrification is a “natural” process that cannot be induced or controlled. Shrinking federal resources and an increasing emphasis on market-centered development has perhaps left the City with no alternative than a development plan that caters to neoliberal consumerism. But the effects cannot be ignored. Gentrification in ethnic neighborhoods risks alienating people from their own homes and their own communities.

Chicago Office of Tourism activities, tax increment financing, and zoning practices are creating tourist attractions out of ethnic neighborhoods. Pilsen is a poignant example of how the social, political, and cultural dimensions of a neighborhood are impacted as a city competes in the global economy. Chicago’s efforts to promote itself as a multi-ethnic city are evident all the way down to the sewage drains with Aztec motifs that were installed in Pilsen. In 2001, Christopher Dreher gave post-industrial cities the ultimatum, “Be creative—or die” (Peck 2005, 1); a warning that, unfortunately, is reverberating through Chicago as: go the way of Greektown, or perish.

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