The Transformation of Tourism and Urban Space in Havana, Cuba

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ABSTRACT
This paper analyses tourism-related transformations in Habana Vieja, the historic district of Cuba’s capital Havana, over the last three decades. It demonstrates the political background that fostered touristic development in Cuba besides its socio-cultural and economic consequences. While the expansion of tourism and the creation of private and market-based touristic segments were economic necessities in times of crisis, they also had negative impacts on the dwellers of Habana Vieja, such as increasing inequalities, the redistribution of social positions and opportunities as well as new forms of marginalisation. Our research indicates that the Office of the City Historian plays an outstanding role in both, Habana Vieja’s restoration and tourification. Furthermore, we show that tourism’s economic opportunities are spatially distributed unevenly, entailing increasing inequalities and dissatisfaction among the populace. Residents of tourism-favoured areas can even be affected by top-down displacements, excluding them from possibilities to earn decent incomes in tourism.

KEYWORDS
Urban tourism; Cuba; cultural and social impacts of tourism; heritage conservation; local development; transformation

Introduction
Habana Vieja, the historic district of Cuba’s capital Havana, is experiencing a multi-layered, socio-economic and structural transformation, mainly driven by rapidly intensified tourism, governmental programmes for reconstruction and heritage conservation as well as the local population trying to improve its living standards. Habana Vieja’s rich heritage of colonial architecture—bestowed with UNESCO cultural heritage status in 1982—forms a major tourist attraction in Cuba, albeit building conditions initially were in a very bad state. As the revolutionary government primarily concentrated on housing and industrial projects in the suburbs of Havana during the first decades after the Cuban Revolution in 1959 (Foster, 2003, p. 788), public infrastructure and buildings in Habana Vieja were neglected, resulting in progressive decay. The conditions of the Periodo Especial (Special Period) in the 1990s, which were mainly characterised by the omission of subsidised imports formerly provided by the extinct USSR and members of COMECON (Council for Mutual Economic Assistance), further worsened the

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situation, with water, gas, electricity, public transport and sewage systems affected by an investment bottleneck (Torres, 2016). Consequently, in 2008, approximately 60% of the buildings in Habana Vieja were in a bad condition (Chinaa et al., 2008), with about 3,850 buildings collapsing totally or partially in Habana Vieja between 2000 and 2013—up to 689 annually in the early 2000s (OHC, 2016, p. 42).

Governmental programmes for renovation and refurbishment, passed sporadically since the 1980s, and increasingly—and intertwined—with the rise of Habana Vieja as a tourism hotspot since the mid-1990s, fostered the area’s substantial spatial, social and economic transformation. Especially those areas of high potential for touristic commercialisation now display significant improvements in the conditions of buildings and infrastructure, while areas of lower touristic interest still remain ruinous (Völkenning et al., 2019). Hence, a striking contrast is observable between areas designated for touristic development by the central government and those that are not so.

The aim of the paper is to analyse the tourism-related socio-economic and spatial transformations that have happened in Habana Vieja over the last three decades. We argue that these developments are models for the tourification of other city centres and urban spaces throughout Cuba, and therefore deserve closer examination. Although the term “tourification” is criticised for being vague and insufficiently portraying urban reality (Novy & Colomb, 2019, pp. 358–359), it properly condenses the displacement of parts of the local population in favour of gastronomy, accommodation, shopping and entertainment, which in Habana Vieja are almost exclusively aimed at tourists. However, tourification may be understood as not merely the uncontrollable output of the interplay between supply and demand but as the (not always intended) result of purposeful decisions and actions taken by various actors within a legal framework provided by politics (Slater, 2017). Consequently, the political and economic background that fostered touristic development of Habana Vieja is reflected upon, as well as its social and cultural consequences. Additionally, the tourification of urban space is not merely a process based on pure touristic attractiveness and tourists flocking in, but is also preceded by complex, multidimensional processes that comprehend concurrent or opposing economic and social intentions and decisions. Hence, this contribution seeks to shed light on the economic-political rationales and necessities that have led to the ambiguous rise of Cuba and Habana Vieja as an outstanding destination for international tourism since the early 1990s.

This paper contributes to urban transformation research in the Global South and (post-)socialist countries, as well as to discussions on the impacts of tourism on urban space and society. Questions on the unequal distribution of profits and costs of urban tourism in Habana Vieja will be addressed herein. Although negative socio-economic consequences of urban tourism have evoked a lot of interest among researchers, some analyses fall short regarding explanations of the causes behind them. Especially the concept of overtourism, which is often criticised as oversimplifying, diffuse and lacking explanatory value (Koens et al., 2018; Milano et al., 2019; Muler Gonzalez et al., 2017), and which sometimes ascribes the negative ramifications of tourism to the unspecific explanation of “too many” tourists, thwarts the revelation of responsibilities and the actual causes of the undesirable effects of tourism. We want to circumvent this concealment of responsibility with a precise analysis of the causes as well as the facilitators, the winners, and losers of Habana Vieja’s tourification.
Post-Soviet socio-economic crisis and governmental countermeasures

The collapse of the USSR and COMECON in the early 1990s confronted socialist Cuba with a near-complete breakdown of its socio-economic system. As trade with members of COMECON had previously accounted for roughly 85% of the country’s trade volume (Zeuske, 2016), and it was highly dependent on imports, this event had disastrous economic effects and led to shortages in food, energy, machinery and medical products (Borowy, 2013; Hoffmann, 2009a; Morris, 2014). Between 1989 and 1993, Cuban GDP dropped by 35% (Borowy, 2013; Morris, 2014). Consequently, Cuba witnessed a grave decrease in productivity, widespread deindustrialisation and infrastructural decay that further reinforced its import dependency (Hoffmann, 2011).

Thus, scholars and political advisors foresaw a “collapsing Cuba” (Kaufmann Purcell, 1991), but the total demise of the country did not happen. Although the United States tightened sanctions against Cuba to inflict “a final push” (Helms, 1995) to Fidel Castro’s leadership, the socialist system proved to be stable. The Cuban government recognised the threat of the crisis to the survival of the revolutionary project and reacted with drastic measures that Fidel Castro described as actually “thought up in the case of war” (Castro Ruz, 1990). Castro named it a Período Especial en Tiempo de Paz (Special Period in Times of Peace), which was, in fact, “a period of acute crisis” (Rodríguez Rivera, 2007, p. 114).

Within the Período Especial, the Cuban government implemented various measures to tackle the crisis. Many of these reforms were intended to dissociate the economy from the crumbling COMECON and to re-anchor it in the global economic system. Consequently, most of the major reforms comprised monetary, economic and market-oriented measures.

In general, the government promoted economic sectors aiming at hard currency income to finance imports. These sectors included the export of mineral resources, agricultural products and biopharmaceuticals, and especially the development of international tourism, a central pillar of the new Cuban economy. These measures marked the beginning of the Cuban “tourism revolution” (Jayawardena, 2003, p. 56).

This was linked directly with measures to facilitate foreign direct investments (FDIs) in Cuba through Decreto-Ley 77 in 1995 and Decreto-Ley 118, adopted in 2014 (Solorza Luna, 2016, pp. 154–155). The laws contributed to the convalescence of the Cuban economy (Solorza Luna, 2007, p. 183), with the latter enhancing the country’s attractiveness to FDIs by permitting 100% foreign ownership in joint ventures for the first time (Feinberg, 2017). Along with subsequent amendments it enabled joint ventures to become a “key source of capital, management expertise, and markets for the international tourism industry” (Díaz-Briquets & Pérez-López, 2010, p. 277).

As the socio-economic situation had improved since the late 1990s, the transition of power from Fidel Castro to his younger brother Raúl in July 2006 “was smooth and uneventful” (LeoGrande, 2015, p. 378; for an in-depth analysis see also Hoffmann, 2009b). Raúl, who was “more capital-friendly” (Roland, 2010, p. 14) than his older brother, successively introduced further market mechanisms into the Cuban economy (LeoGrande, 2015; Nau, 2016) and widened the possibilities for foreign investors (Salinas et al., 2018, p. 226). Taylor and McGlynn (2009) describe Raúl’s measures as using “capitalism to save socialism” (p. 412). State enterprises were henceforth supposed
to work profitably (LeoGrande, 2015, p. 392), and Raúl no longer accepted the previous inefficiencies of an exuberant bureaucracy (Maihold, 2014), leading to hundreds of thousands of civil servants being dismissed to engage in the newly widened private sector (Rojas López, 2018, p. 227).

These and further measures stabilised the Cuban economy, and thereby the regime, while doing comparatively little harm to important social achievements of the revolution, namely the educational and health systems (Borowy, 2013). Thus, not only did the steps taken increase the competitiveness of the Cuban economy, but they also evoked “frustrations” (Gold, 2014, p. 50) among large parts of the population, as they were accompanied by negative social effects for families (Skaine, 2004).

The legalisation of private businesses and self-employment in 1993—initially starting with 117 occupations for a limited circle of people (Henken, 2004) and expanded to 201 occupations in 2010 (Mesa-Lago, 2018)—created relatively high-income opportunities and reduced the financial strain on the national budget. In this course, the opening of private restaurants (known as paladares) was legalised in 1995, as well as the renting of guest rooms (in so-called casas particulares) in 1997. Subsequently, many Cubans used these possibilities and obtained a licence. In 2016, 1.14 million Cubans were engaged in private businesses (ONEI, 2017, Table 7.2), representing the highest rate since more than 50 years (Torres, 2016).

Miguel Díaz-Canel, who was elected Cuban President in April 2018, is currently pursuing the path of cautious economic liberalisation Raúl Castro took previously. Consequently, 30 years after Cuba entered the Período Especial, one may conclude that the measures taken by the government—introducing elements of the market and private economies, i.e. fostering tourism and international FDI—have indeed preserved the socialist system from collapse but coincidentally significantly altered its appearance.

**Characteristics and dynamics of tourism in Cuba**

In the 1940s and 1950s, international tourism (especially from the United States) was already a major industry in Cuba. However, international tourism virtually ended after Fidel Castro’s revolution in 1959, mainly because of the US embargo that forbade US citizens travelling to Cuba (Salinas et al., 2018, p. 220), on the one hand, and the perception of international tourism as a “hedonistic vice” (Sharpley & Knight, 2009, p. 242) by the revolutionary government, on the other. Consequently, the number of international tourists arriving in Cuba dropped to as low as 1,600 in 1970 (Wehrhahn & Widderich, 2000).

However, the attitude towards international tourism changed considerably during the Período Especial, when Cuba tried to benefit from international guests while avoiding the downturns experienced before the revolution (Sanchez & Adams, 2008). Initially, the main goal of reintroducing tourism was to earn hard currency to support the political and social systems (Jatar-Hausmann, 1999); it was a “means to sustain the system” (Roland, 2010, p. 4). To secure foreign currency earnings from tourism for the state, semi-autonomous holding companies were founded, mostly under the control of the Cuban armed forces, covering almost every related offering along the tourism value chain (Miller et al., 2008, p. 268).

To avoid some negative effects of the “capitalist evil” (Espino, 2000, p. 362) of tourism “undermining” the socialist society (Taylor & McGlynn, 2009, p. 407), it was originally
spatially limited to certain enclaves. As early as in the Second Five-Year Plan (1981–1985), Habana Vieja and Varadero were designated as the first top priority destinations for development (Colantonio & Potter, 2006a). In a top-down approach in 1996, the central government declared a total of 67 “poles” for the further development of the industry (Colantonio & Potter, 2006b). However, the separation of tourists and Cubans was viewed as “tourism apartheid” (Espino, 2000, p. 362) by many of the populace. Although the political intention of this separation was more of an “economic firewall” (Mazzei, 2012, p. 92) intended to keep this capitalist niche from subverting a socialist society, it was juridically rescinded in late March 2008 (Sullivan, 2011, p. 7). Nevertheless, even today, a stay in an average hotel by Western standards is financially not affordable for the majority of the Cuban population.

Even though many scholars considered the chance of Cuba creating a “significantly” (Espino, 1993, p. 54) rising share in the Caribbean tourism market as “unlikely”, international tourism turned out to be an ostensible economic success. Arrivals of international tourists rose from roughly 340,000 in 1990 to over 4.71 million in 2018, representing a national record (ONEI, 2019; Table 15.4, 15.5). The year 2019, however, saw a decline in tourist arrivals of about 9.7% (ONEI, 2020a, Table 3), due to the Trump administration’s restrictive policy on Cuba, which primarily affects US citizens, aligned with a drop in tourist numbers from Europe, kickstarted by the bankruptcy of the Thomas Cook Group in September 2019 (ONEI, 2020a, Table 6). Nevertheless, most foreign tourists travel to Cuba from Western countries (ONEI, 2020a, Table 3).

While initially the development of tourism capacity focused on Havana and Varadero, during recent years, the expansion of accommodation possibilities has increasingly included other towns and more remote locations (Map 1). For instance, the valley of Viñales, in western Cuba, and the historic city centre of Trinidad, on the southern shore, are now popular destinations. Unlike the recently erected beachfront resorts and hotel complexes on the islands of the Jardines del Rey or in Guardalavaca, the developments in Viñales and Trinidad are traceable mainly to private and local initiatives (Simoni, 2017; Scarpaci, 2012, pp. 80–82). The nominations as UNESCO world heritage sites have certainly contributed to the touristic success of the latter locations, too (Map 1).

Although tourism was initially thought up as a provisional strategy, the Cuban government recognised its importance and contribution to the survival of the revolution (Babb, 2011), and turned tourism into a long-term solution during the early 2000s, increasingly incorporating it into the economy and society (Salinas et al., 2018). Since then, it has become an important driver for social and economic transformation (Hingtgen et al., 2015). Simultaneously, the population has increasingly perceived it as a potential source of hard currency income it can earn through private businesses (Látková et al., 2017). With a turnover of over three billion US$ per year, tourism is now the largest generator of foreign currency income in Cuba (Martínez Hernandez & Puig Meneses, 2018; Morris, 2014; Salinas et al., 2018).

Nonetheless, tourism has also had negative effects on the economy and socio-cultural fabric, for instance by endangering Cuban “solidarity” and “generosity” (Simoni, 2017, p. 303) and leading to tensions as well as conflict and contestation. Since the acquisition of foreign currency is an existential necessity for many Cubans, and legal access to activities in tourism in some cases is hampered (e.g. due to expensive licences), there are numerous semi-legal or illegal offers for tourists (Nau, 2016, p. 14). From selling cigars


on the street to the offer of overnight stays at the homes of Cuban “friends”, some locals are taking advantage of opportunities for unlawful participation in order to participate in this competitive market (Taylor & McGlynn, 2009, p. 409).

However, conflicts and possible resistance against tourism are certainly not a phenomenon limited to Cuba. While the first years of the 2010s were almost globally characterised by a positive attitude towards the industry, recent years have increasingly seen the surfacing of controversies (Novy & Colomb, 2019, p. 2). This applies especially to urban areas, where the intensification of tourism and a growing number of actors (among others: local dwellers, tourists, investors) claim limited public space for their different interests (Koens et al., 2018).

Apart from economic and sociocultural consequences, tourism also stimulates the spatial processes involved in change, as illustrated by the example of Habana Vieja. In observing the touristic onslaught at the end of the 1990s, Wehrhahn and Widderich (2000, pp. 102–103) predicted fundamental transformations of spatial use patterns in Habana Vieja. Additionally, they outlined possible areas of conflict amongst locals and the Oficina del Historiador de la Ciudad de La Habana Vieja (Office of the City Historian of Havana; subsequently: Oficina del Historiador or OHC) (Wehrhahn & Widderich, 2000, pp. 102–103).

Novy and Colomb (2016) describe two main reasons for conflicts related to urban tourism: first, the unequal distribution of the benefits and costs associated with the industry, and second, the perceived prioritisation of tourism and related issues over the interests of the local population, often in combination with an often-experienced neglect of tourism control and regulation (Novy & Colomb, 2016). To develop these thoughts
further, it would be too short-sighted to link tourism-related conflicts solely to the vacation industry and the visitors themselves. Instead, such conflicts are always embedded in certain socio-economic, political, and spatial circumstances, which constitute the framing context for tourism and the possibility space for all actors involved. Consequently, it is necessary to address these framing parameters as well to understand the multidimensionality of such conflicts. Even the displacement of local dwellers and the concomitant touristification of urban space are not uncontrollable outputs of sheer market forces; instead, conflictual urban restructuring is subject to decisions made by local dwellers, investors, tourism companies and, ultimately, politics providing legal frameworks (Slater, 2017). Hence, the salient role of the Oficina del Historiador, its interests and agendas as well as its influence on the tourism-focused urban development of Habana Vieja shall be considered.

The decay and restoration of Habana Vieja

During the decades following the Cuban Revolution in 1959, the socialist government sought to develop rural areas to break Havana’s role as a primate city, to level living conditions in urban and rural areas (Segre, 2006) and to spread industrialisation across the island (Cederlöf, 2020). Consequently, the buildings and public infrastructure in Habana Vieja decayed increasingly. This was, however, contradictory to the government’s forced tourism expansion strategy it had followed since the 1990s.

To increase touristic attractiveness, and to meet tourists’ expectations of picturesque colonial towns, as well as to comply with the UNESCO world heritage site requirements, large-scale old-town upgrading and restoration programmes were launched. They aimed at developing the touristic potential of Habana Vieja, a site of rich history and a unique stock of buildings, about 90% of which are considered of high historical or architectural value (Peters, 2001, p. 5). The Oficina del Historiador plays a central role in the transformation of Habana Vieja. It holds most of the decision-making and planning powers and coordinates most of the building activities, investment allocations and operative construction works, while it is also bestowed with several special rights and privileges.

The first measures aiming at the restoration of individual buildings in Habana Vieja were launched long before the Periodo Especial in the wake of the first heritage protection laws of 1977 and the declaration of Habana Vieja as an area of National Cultural Heritage (Chávez et al., 2019). The first Five-Year Restoration Plan for Habana Vieja (1981-1985) designated 11 million pesos to the restoration of 30 buildings in the surroundings of Plaza Vieja, conducted under the auspices of the Oficina del Historiador (Gil, 2011, pp. 304–305), which soon became the “most powerful organization” in Habana Vieja (Wehrhahn & Widdersich, 2000, p. 102). The Oficina del Historiador, founded as early as 1938, changed its role from working on documentary tasks to functions of preservation and, finally, to central elements of structural and communal development throughout the years (Toft, 2011, p. 34).

The onset of the Periodo Especial enforced a temporary stop to all restoration measures (Gil, 2011, p. 305). To overcome this gridlock, the Oficina del Historiador was commissioned to oversee the elaboration of a comprehensive city development plan (Plan Maestro) and entrusted with its implementation via Decreto-Ley 143 (Chávez et al., 2019). The first Plan Maestro (1994) aimed at preserving and restoring built cultural heritage as well as the development as a touristic destination. In doing so, an essential
objective of the OHC is to enhance the living conditions of the local population and to preserve Habana Vieja’s cultural heritage by means of a portion of the revenues generated in tourism (Donaghy & Carr-Lemke, 2020, pp. 119–121). It defined a priority zone for restoration within Habana Vieja, which concentrated the first stages of the restoration process in and around plaza areas in the north-eastern parts of the enclave (OHC, 2016, p. 187; Scarpaci, 2000, p. 728).

In several subsequent volumes of the Plan Maestro (most recently in 2016), the focal zones for restoration were gradually widened to the eastern parts of the old town, in the vicinity of the harbour area and along the main axes Calle Obispo and Prado (OHC, 2016). The renovation measures resulted in strong economic success in terms of increasing tourist numbers and related revenues in Habana Vieja, which increased from 11 million US$ in 1995 (Wehrhahn & Widderich, 2000, p. 101) to more than 390 million US$ in 2016 (ONEI, 2017, Table 10.1).

Besides the restoration of culturally valuable architecture, the Oficina del Historiador is often applauded for the positive side-effects its undertakings had for the economic situation of the local population, for instance by creating jobs, fostering local artists and artisans and benefiting entrepreneurs (Pérez Cortés & Iglesias Pérez, 2014).

The Decreto-Ley 143 also endowed the Oficina del Historiador with wide-ranging political authority, subordinating it directly to the State Council—thus making it independent from the municipality of Havana—and allowing it to negotiate directly with international investors, by-passing local authorities and the Ministry of Foreign Investment (Bailey, 2008, p. 1087). Furthermore, the Oficina del Historiador may raise a turnover tax of 10% from businesses in Habana Vieja and is entitled to run a separate corporate network consisting of various businesses (Scarpaci, 2012, p. 73). Unlike most other governmental organisations creating profit, the Oficina del Historiador does not need to commit revenues to the National Assembly but possesses fiscal autonomy (Scarpaci, 2000, p. 728). Other privileges refer to the Oficina del Historiador’s direct and preferential access to imports, and to enter international joint ventures under greatly eased conditions. Due to accusations of corruption and self-enrichment, the control over parts of the Historiador’s corporate network was conveyed to the Cuban military (Pentón & Escobar, 2016). Although the ramifications of this transfer are yet to be assessed, fears of increasing commercialisation abound (Pentón & Escobar, 2016).

**Methodology**

Beyond an extensive review of official statistics, planning guidelines and scientific literature, this analysis is based upon comprehensive empirical elicitations conducted in Habana Vieja. Substantial mapping works provided the basis for this endeavour, accomplished with the assistance of students from the University of Augsburg. The mappings were conducted in 2017 and encompassed the intramuros territory of Habana Vieja plus the Consejo Popular “Prado” area, as displayed in Map 2. In order to observe medium-term dynamics of space utilisation in general, and touristicification in particular, the mapping results were compared with a map made by Wehrhahn and Widderich in 1997 (2000), thus enabling a comparative analysis of spatial and socio-economic consequences and the manifestations of political decisions that have fostered the expansion of tourism in Habana Vieja and all of Cuba.
Map 2. Touristic core, fringe and periphery in Habana Vieja.
Source: Authors’ own design, 2020.

Although the mapping was closely guided by the 1997 investigation, some alterations were necessary; for instance, casas particulares were introduced in Cuba shortly afterwards. Furthermore, the introduction of the Peso Convertible (CUC) as a replacement for the US Dollar in 2003 superseded the attribution of “Dollar shops”, and the formal repeal of separate venues for tourists and Cubans obviated the need for a distinction
between hard currency restaurants (for foreigners) and Peso restaurants (for Cubans). Instead, the new mapping made no distinction between state-run restaurants and paladares, but used the target group as a distinctive factor; put differently, does a restaurant offering high-price food target tourists and the relatively small Cuban upper class, or does it rather cater to comparatively low-income Cubans?

Additionally, qualitative, semi-structured guided interviews were conducted to substantiate the findings derived from the mapping works and the literature review. As a result, 22 persons were interviewed in Habana Vieja, most of them working in tourism in roles such as tour guides, souvenir vendors or landlords of casas particulares (Table 1). Operators of paladares are not represented in the sample. The study adheres to a qualitative-interpretative research design following an extended case approach (Burawoy, 1998). Based on the principles of Grounded Theory (Glaser & Strauss, 2012) the interpretation of the interviews primarily concentrated on the perception and assessment of international tourism in Cuba and its socioeconomic and spatial implications in Habana Vieja by the interview partners. The interviews were performed along with the mappings in 2017 and in February and March 2019. For deriving the findings for this paper, the mapping and the interviews had the greatest significance.

**Findings**

**Tourism-induced spatial transformations in Habana Vieja**

As a consequence of touristic expansion and restoration efforts since the late 1990s, changes in usage patterns and infrastructure have accelerated over the last 20 years in Habana Vieja. Tourism-oriented hard currency-earning businesses especially have mushroomed, such as souvenir shops, restaurants (both state-run and paladares), bars, cafes,
hotels and casas particulares. While in 1997 not a single casa particular existed, their number had sharply increased to 284 in 2017 (Völkening et al., 2019, p. 90). The quantity of high-price restaurants also multiplied (from 44 in 1997 to 214 in 2017), as well as the number of hard currency-oriented shops (from 66 in 1997 to 341 in 2017) and art galleries (from 12 in 1997 to 27 in 2017) (Völkening et al., 2019, p. 90). In turn, bodegas serving the supply of the local population strongly decreased from 117 in 1997 to less than 20 in 2017, particularly in the newly touristified zones. Similarly, the resident population in Habana Vieja decreased from 61,100 to 48,300 between 1981 and 2012 (OHC, 2016, p. 37), and further to about 40,830 in 2016 (ONEI, 2017, Table 2.10)—the lowest level for 80 years, indicating a re-designation of particular quarters from residential areas to touristic use. An interviewee critically remarks that these areas “are turning into exclusive money zones. And this is complicated, because I am critical of this, I don’t like it, but there is no other option” (interview #21, see Table 1). These changes are most pronounced in the touristic development zones determined in the Plan Maestro and other planning documents, such as Acuerdo No. 2951, often issued by the Oficina del Historiador in a top-down approach (Colantonio & Potter, 2018).

The core areas of touristification in Habana Vieja are shown in Map 2. The subdivision of Habana Vieja into core, fringe and periphery as shown in the map is based on the density of tourist facilities identified during the mapping process. Hence the core areas mentioned are situated in immediate proximity to the four squares in the north-east, namely Plaza Catedral, Plaza de Armas, Plaza de San Francisco, and Plaza Vieja. The streets around these squares, and the ample plazas themselves, are some of the main attractions frequented by international tourists. Besides its historical significance, the streets around the plazas impress with elaborately restored colonial buildings and an abundance of tourist facilities. The “Sierra Maestra” cruise terminal, located across the street from the Plaza de San Francisco, ensures also that increasing numbers of cruise tourists flock through Habana Vieja. This was further stimulated by the decision of the Obama administration in 2015 to facilitate travel by US tourists to Cuba, resulting in the number of pleasure cruise tourist arrivals rising from 8,085 in 2014 to 130,002 in 2016 (Perelló & Betancourt, 2019). The 2019 verdict of the Trump administration to prohibit US citizens from travelling to Cuba and to hinder cruise tourism reduced the number of tourists entering Habana Vieja via cruise ships. In the same year, the number of US-American visitors fell by 21.9% compared to the previous year (ONEI, 2020a, Table 3).

The highly frequented street Calle Obispo offers a dense array of tourist venues similar to the four plazas, although it mostly lacks representative architectural highlights. The high touristic importance of this pedestrian area mainly derives from its role as a connection between the plazas in eastern Habana Vieja and Parque Central in the west. This square and its surroundings benefit from the manifold adjacent tourist sights, for instance the Cuban Capitolio, the Museo de la Revolución and the Gran Teatro. Additionally, the opening of multiple high-class hotels in refurbished colonial buildings around Parque Central (e.g. Hotel Manzana and Hotel Parque Central), and more recently along Prado/Paseo de Martí (e.g. Grand Packard Hotel and Hotel Paseo de Prado), has increased the number of tourists who roam these areas and expedited their touristification. During the last few years, the spaces along the Paseo de Martí, which begins at Parque Central and heads north towards the Malecón, have been of specific interest for international tourism companies, especially for hotel developments.
The narrow streets nearby, between Parque Cespedes and the small Plazuela del Santo Angel Custodio, are also heavily visited. Besides a high number of tourist venues, this is reflected in the large proportion of restored and renovated buildings in the area. However, the main impetus for the touristic development of this area came from the local population recognising its economic potential resulting from the neighbouring Museo de la Revolución and the bus park for coaches dispatching daily visitors to Habana Vieja from Varadero. Today, many casas particulares, paladares and souvenir shops are located in northern Habana Vieja.

The areas mentioned have mostly been refurbished and rededicated to touristic use, resulting in a complete transformation of appearance and use. Thus, one informant reckons that “there are no people living. Havana is a museum” (#21). Former dwellings, workshops and shops for local supply have been turned into exclusive hotels (mainly run by international joint ventures), restaurants, bars and cafes, art galleries and souvenir shops (Völkenning et al., 2019, pp. 90–92). As in many other cities worldwide (Brenner et al., 2012), capital seeking for profit maximisation and investment opportunities has become one of the commanding forces for urban development in Habana Vieja, too, increasingly replacing socialist concepts of city planning. This evokes fears among some interview partners, who dread that “Havana will no longer belong to the people of Havana, it will belong to the tourists” (#21). However, many also see no alternative to revaluing Habana Vieja, otherwise its “destruction will be irreversible” (#1).

On the fringes of the official touristic planning zones, and in areas spatially connecting them (Map 2), a kind of bottom-up touristification can be observed, which is driven by the initiative of the local population to open up privately operated touristic ventures. Here, the partly liberalised business and employment laws have allowed for a limited rule of market forces, providing a small proportion of locals with opportunities to participate in and assess their share of the Cuban tourism boom. These opportunities, often made possible by remittances from relatives abroad, can be interpreted as “spatial fixes” (Harvey, 1982) for capital-seeking new investment opportunities (Arias-Sans & Quagliieri-Domínguez, 2016), emphasising the revenue-oriented character of Habana Vieja’s transformation. Such opportunities also exist within the “official” touristic development zone, reflected in the high numbers of casas particulares and small private shops there (Völkenning et al., 2019, p. 92).

The legalisation of various private occupations in the industry, along with tourists’ interest in Habana Vieja, provides some agency for the local population. Young western tourists particularly increasingly want to experience a destination from the perspective of locals (Cohen & Cohen, 2012), with “avoiding ‘touristy’ areas and blending in” (Lim & Bouchon, 2017, p. 14) acting as maxims for a meaningful vacation. This in turn offers chances for Habana Vieja’s residents to earn their livelihoods separately from government-controlled tourism. According to #20, indeed “everybody has found their way into tourism […] because money is there”.

Nevertheless, this happens in a limited capacity, as the government encourages the touristic domination of parts of Habana Vieja by restricting the presence and activity of Cubans (Taylor & McGlynn, 2009, p. 409). Especially in the area around the four plazas, there have been increasing restrictions for Cuentapropistas since 2018. For example, the book market, which is popular with tourists, is no longer allowed to operate on the Plaza de Armas, by order of the authorities; instead, it has to take place in an assigned
area in a location that is more difficult to find. Providers of city tours by vintage car or coach are also permitted to promote their services only at selected locations. This leads to declining revenues among the Cuentapropistas, stirs up dissatisfaction, and leaves them “disappointed” (#3), as the positive effects of the renovations in Habana Vieja thus primarily benefit state providers, while private providers are increasingly pushed out of the market.

In contrast, marginalised areas too far off from the tourisfied zones and their fringes, such as southern Habana Vieja, hardly show any form of touristic development or related spatial transformation, and very few refurbished buildings can be found. This tourism periphery (Map 2) is still characterised by continuing urban decay and empty sites resulting from past building collapses. Hence, #7 acknowledges the achievements of the restoration in northern Habana Vieja, but emotively bemoans that “southern Habana Vieja looks as if a bomb has exploded”. Other than in areas adjacent to official touristic zones, in this periphery opportunities for local tourism ventures are somewhat limited for the resident population. While an economically virtuous circle of touristic potential, increasing income from tourism, construction improvements and a further increase in touristic attractiveness has been put in motion in the core zones and adjacent areas, the periphery has so far been neglected. Therefore, a process of highly unequal transformations has unfolded in Habana Vieja, whereby socio-spatial urban restructuring and changes in socio-economic status and the housing situation are quite unequally distributed across space and inhabitants.

**Consequences of increasing tourism intensity for local dwellers in Habana Vieja**

The consequences of the highly different levels of tourism intensity for dwellers in all three zones, i.e. the core, the fringes, and the periphery, are quite diverse. In the core and fringe areas, local opportunities for participating in the industry do exist for residents, albeit usually high levels of investment, e.g. renovating rooms, licence fees, seed capital, etc., are a precondition for engaging in such ventures, which often can only be mobilised by those with access to remittances sent from relatives or friends abroad (Rodríguez Soriano & Cumbrado Muñiz, 2018).

A representative survey in 2019 among dwellers of Habana Vieja revealed that 57% considered tourism beneficial to their (and their families’) life, while 38% did not or even disadvantageous (Chávez et al., 2019, pp. 12–13). Financial motives are not the sole motivation for working in tourism since 73% of the respondents mentioned an interest in cultural exchange with international tourists as one of the reasons for their engagement (Chávez et al., 2019, p. 12). However, economic considerations appear as the primary driver for engaging in tourism. Exemplary is the informally occupied #10, who explains: “while working with the tourists, I can win some money, get some money. That permits to buy for my family because I do not have any helping money from any other country.”

Nevertheless, the socio-economic gap between those participating in the tourism business and those who, due to lack of financial resources or being located on the periphery, cannot participate has widened considerably over the last few years (Nau, 2016). A hostile stance against tourism does not necessarily need to be motivated by a general rejection thereof, but it may spark off issues adjacent to it, for example the allocation of the profits generated by the industry (Novy & Colomb, 2019, p. 9).
Not included in the above-mentioned survey by Chávez et al. (2019) were those former dwellers of Habana Vieja who—voluntarily or otherwise—have resettled or had to move as a consequence of reassigning former residential buildings to touristic use, be it by the state or by private owners, or as a result of tourism-induced increases in local living costs (Chávez et al., 2019, pp. 13–14). At least 200 residents have been displaced and relocated in Habana del Este across the bay (Scarpaci, 2000). Among those still residing in Habana Vieja, the majority (65% of respondents) mentioned growing concerns about a possible displacement of the local population as a negative side effect of the booming trade (Chávez et al., 2019, p. 13). The resident population in highly touristified quarters significantly decreased between 1995 and 2012, e.g. around the Prado by 29.1%, around Plaza Vieja by 20.5% and around Plaza de la Catedral and Calle Obispo by 20.0% (OHC, 2016, p. 38; data used for own calculations), indicating processes of “tourism gentrification” (Gotham, 2005) taking effect.

Consequently, the displacement of the local population, for instance before or during refurbishments and alternative building utilizations, prevails. While Peters (2001) expounds that preferences for a return to renovated buildings can be articulated, and many residents prefer their new dwellings on the outskirts of Havana, these substitute solutions are often subpar buildings or simple shelters often located in poorly connected locations (Hamberg, 1994).

Following Peter Marcuse (1985) and his detailed analysis of displacement, both “direct displacement” and “displacement pressure” are observable in Habana Vieja. “Exclusionary displacement”, though an integral part of Marcuse’s triad of displacement, plays a secondary role in Havana, as renting living space is rather uncommon in Cuba. While “direct displacement” points out the physical expulsion of dwellers in a certain area (Marcuse, 1985, p. 205), “displacement pressure” describes the progressive decrease in quality of life for present inhabitants, so the area becomes “less and less liveable” (Marcuse, 1985, p. 207), for instance, because social bonds break apart, public amenities close or the possibilities for sustenance deteriorate. In Habana Vieja the cumulative, often chronological occurrence of these forms of displacement that Gant (2016, p. 7) termed “collective displacement” results in a “vicious circle” (p. 7) of further touristicification at the expense of local communities.

Consequently, various concerns regarding the touristification and restoration of Habana Vieja prevail among the residential population. On the one hand, negative effects on the urban environment (e.g. air and water pollution, increased sewage and waste production, and noise) and increasing traffic were mentioned frequently. On the other hand, fears of being displaced as tenants, of rising price levels and supply bottlenecks due to touristic consumption of food, electricity and water are among the misgivings expressed (Chávez et al., 2019, pp. 13–14).

However, a certain share of the population also benefits from tourism in Habana Vieja. LeoGrande (2015, p. 395), for instance, assesses bitterly, “there are winners and losers” in this regard. The “restratification” (Nau, 2016, p. 13) of society, which is fostered by international tourism, is a new experience for many Cubans who grew up in a relatively egalitarian system. Furthermore, the spatial consequences of tourism and economic distinction have become increasingly visible. The emerging real-estate market facilitates the spatial segregation of socially high-income groups from those on lower incomes, thereby creating a “class of new rich” (Simoni, 2017, p. 305) concentrated in tourism
hotspots, as they are affluent enough to afford to live in places like Habana Vieja or central Trinidad. #4 describes life in these places as “very expensive for the Cubans. The majority of the Cubans does not have the possibility to pay that.”

As Habana Vieja locals have unequal access to financial resources, the threat of new and deepening social inequalities and a renewed racial bias exists, and even today, “white” Cubans are engaged in tourism in disproportionately higher numbers than their Afro-Cuban counterparts (Rodríguez Soriano & Cumbrado Muñiz, 2018, p. 186), presaging a return to racial discrimination (Hansing & Optenhögel, 2015, p. 11).

Cubans who have no way of earning hard currency, either by working in the tourism sector or via remittances from relatives abroad, have almost no opportunity to effect constructional refurbishments or purchase the licences required to work as Cuentapropistas. Though informal labour in tourism was once widespread during the first years of the tourism boom, local authorities have progressively prohibited certain practices, thus marginalising the informal sector in Habana Vieja. Therefore, many freelance tourist workers focus their activities in areas not clearly regulated, such as guided tours. According to #19, these “are in an alegal—not illegal—alegal situation. […] It is not legal, and it’s not illegal either.”

**Conclusion**

As illustrated herein, transformations in Habana Vieja occur as the result of a multitude of interlinked processes. The main drivers of these transformations and the increasing importance of international tourism in Cuba are the economic-political decisions taken by the national government during the Special Period. Although the expansion of tourism, the associated acquisition of FDIs and the creation of private- and market-based economic segments were (and still are) an economic necessity in times of crisis, they also had negative impacts on the Cuban population and Habana Vieja residents, such as increasing inequalities, the redistribution of social positions and opportunities, tenant displacement and new forms of racialised division and marginalisation. These negative consequences are at least partially the unwanted and equally unintended side-effects of the increase in tourism.

In Habana Vieja, the Oficina del Historiador played a leading role in progressively restoring the ruinous state of many buildings, thus fostering the touristic attractiveness of the area while preserving its architectural heritage. Renovation efforts initially concentrated on historically and touristically valuable spaces, mainly located in the northern and eastern parts of the town. Southern Habana Vieja, however, is still largely characterised by decaying buildings, which makes it much more difficult for the people living in these neighbourhoods to participate economically in tourism. Yet, not everybody in the restored parts of Habana Vieja is able to benefit from these structural improvements.

The findings presented must be considered with some limitations. Thus, the interview sample covers only a part of the spectrum of tourism occupations in Cuba, and people actually affected by resettlement from Habana Vieja could not be interviewed. Moreover, as this is a local case study incorporating particularities of Habana Vieja, full transferability throughout Cuba cannot be guaranteed. This leads to some suggestions for further research: first, it seems worthwhile to conduct comparative studies in further touristic
urban areas in Cuba, such as Trinidad. Second, especially in non-touristic areas, studies on the population’s assessment of tourism would be intriguing. Third, closer examination of the political and administrative complexities and rationales underlying restoration decisions could make a valuable contribution to the understanding of tourism development in Cuba.

The ongoing touristification of several subspaces in Habana Vieja has diverse implications for the local population, although a definitive assessment of these consequences is difficult. Despite increasing tourism contributing immensely to the sustenance of the Cuban state and many individual households, it also leads to negative effects for some sections of the population. This pertains not only to those displaced to other parts of Havana, but also to those struggling to keep up with rising costs of living or feeling like strangers in their own city. Since many inhabitants still hope to benefit financially from tourism, the approval—or at least toleration—of Habana Vieja’s tourism industry is still high (Látková et al., 2017, p. 10). It is unclear how the unification of the monetary system and the removal of the CUC at the turn of the year 2020/2021 will affect Cuba and its tourism. Furthermore, it remains to be seen how stagnating or even declining tourist numbers, for instance, due to the restrictions imposed by the Trump administration in 2019 or the consequences of the Covid-19 pandemic since March 2020, will affect this viewpoint.

Already, the Cuban government is predicting serious consequences of the pandemic for tourism and those employed in the industry throughout Cuba. On 22 March 2020, foreign tourists were banned from entering the country (Correa et al., 2020, p. 2), and the medium- to long-term consequences are currently difficult to assess. However, a significant decline in the number of arrivals can be expected, as already recorded in the first two months of 2020, when the numbers reached only 83.5% of the previous year (ONEI, 2020b). It is also uncertain as to what extent the relatively high acceptance of tourism and its partly negative consequences in Cuba will continue to exist in the face of declining arrival figures and worsening prospects for economic participation afforded to other parts of the population.

Notes

1. The actual number is probably higher, as the building collapses in 2010 and 2011 were not registered by the authority
2. The official data of 2016 is based upon the steady accrual of the population census of 2012. The data of 1981, 2012 and 2016 applies to the intramuros area of Habana Vieja. Intramuros refers to the territory within the former city wall, i.e. the municipality of Habana Vieja minus the Consejos Populares of Prado, Jesús María and Tallapiedra.

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