THE INFORMAL GENTRIFICATION HYPOTHESIS

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2026

INFORMAL GENTRIFICATION AND THE RIGHT TO STAY: HOUSING INEQUALITY IN GLOBAL SOUTH CITIES

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Abstract

Housing inequality in Global South cities is increasingly shaped by processes of urban revalorisation that do not necessarily produce immediate eviction, yet progressively undermine the ability of long-term residents to remain in place. Drawing on a comparative qualitative analysis of Mumbai, Mexico City and Johannesburg, this paper examines how informality, hybrid tenure arrangements and fragmented housing governance reshape the right to stay. The study focuses on three neighbourhood transformations: Bhendi Bazaar/BDD Chawls, Colonia Doctores and Victoria Yards/Lorentzville. Across these cases, informal housing practices, everyday livelihoods and popular economies are not simply removed; they are selectively formalised, aestheticised or incorporated into new circuits of urban value. The paper conceptualises this process as informal gentrification: a form of revalorisation that produces indirect displacement, economic pressure and everyday insecurity without necessarily requiring direct eviction. It argues that housing policy must move beyond formalisation and affordability metrics to address residential permanence.

Keywords: Informal gentrification; Right to stay; Housing inequality; Global South; Indirect displacement.

Introduction

Housing inequality in Global South cities is increasingly shaped by processes of urban revalorisation that do not always operate through direct eviction or large-scale clearance. In contexts marked by informality, fragmented governance and insecure tenure, residents may remain physically in place while the conditions that make everyday life viable are progressively undermined. Rising land values, redevelopment schemes, cultural rebranding and market-oriented urban policies can transform neighbourhoods through gradual mechanisms such as increasing rents, loss of affordable commercial spaces, disruption of livelihoods and weakening of social networks.

This paper examines these dynamics through the lens of the right to stay. While housing debates often focus on ownership, affordability or formal tenure, the right to stay draws attention to the broader conditions that allow long-term residents to inhabit, work in and socially reproduce their lives in neighbourhoods undergoing revalorisation. Physical presence alone does not guarantee residential security; remaining in place may coexist with economic pressure, legal uncertainty, symbolic marginalisation and the erosion of everyday infrastructures.

This problem is especially relevant in cities of the Global South, where informality is not an exception to urban development but one of its constitutive forms. Informal housing practices, semi-formal commercial arrangements, hybrid tenure regimes and popular economies are deeply embedded in the production of urban space. Yet conventional gentrification frameworks, largely developed from North Atlantic urban experiences, often assume relatively formal property relations, recognisable housing

markets and clear sequences of reinvestment, displacement and class substitution. Although gentrification literature has expanded from classical accounts of neighbourhood change (Glass, 1964), through rent gap theory (Smith, 1979), cultural approaches to authenticity and consumption (Zukin, 2010), and debates on planetary gentrification (Lees, Shin and López-Morales, 2016), the relationship between gentrification and informality remains insufficiently theorised.

This is the central gap addressed by the paper. In many Global South neighbourhoods, revalorisation does not simply eliminate informality. Rather, informal practices may persist, be selectively formalised, aestheticised, incorporated into place-branding strategies or reorganised within new circuits of urban value. The paper conceptualises this process as informal gentrification: a mode of urban revalorisation in which informality is not immediately eradicated but becomes a resource, condition or object of selective governance within the production of urban value.

The paper develops this argument through a comparative qualitative analysis of three neighbourhood transformations: Bhendi Bazaar/BDD Chawls in Mumbai, Colonia Doctores in Mexico City and Victoria Yards/Lorentzville in Johannesburg. These cases illustrate three different pathways: institutional formalisation, hybrid neighbourhood revalorisation and creative aesthetic curation.

The research question guiding the paper is: how do processes of urban revalorisation in Global South cities selectively incorporate informality while undermining the right to stay? The analysis focuses on three dimensions: tenure arrangements and housing security; the everyday viability of remaining in the neighbourhood; and the reconfiguration of informal practices under conditions of revalorisation.

The contribution of the paper is conceptual, empirical and political. It advances the notion of informal gentrification, compares three Global South cases and argues that housing policy must move beyond narrow metrics of formalisation, homeownership or affordability. The central argument is that informal gentrification produces spatial inclusion without residential security: residents, workers and popular practices may be incorporated into revalorised urban spaces while remaining exposed to precarious tenure, economic pressure and weakened everyday viability. The paper then develops the theoretical framework, methodology, case studies, comparative analysis, policy discussion and conclusion.

2. Theoretical Framework: Informal Gentrification and the Right to Stay

2.1. From Classical Gentrification to Planetary Gentrification

The concept of gentrification was introduced by Ruth Glass (1964) to describe the transformation of working-class neighbourhoods in London through middle-class reinvestment and the displacement of existing populations. Since then, it has become a central concept for analysing the relationship between housing markets, class restructuring and urban change.

Smith's (1979) rent gap theory shifted the debate from residential preferences to the structural dynamics of capital investment and land valorisation. From this perspective, gentrification is not only a demographic or cultural process, but a mechanism through which capital returns to previously devalued urban areas. Cultural approaches later showed how symbolic value, authenticity and

consumption also shape neighbourhood revalorisation, as Zukin (2010) demonstrated in relation to heritage, place branding and urban lifestyles.

More recent debates on planetary gentrification have challenged the idea that gentrification is primarily a North Atlantic phenomenon. Lees, Shin and López-Morales (2016) argue that gentrification must be understood as a global and uneven process, expressed through diverse institutional, political and socio-spatial configurations. However, this geographical expansion has not always been accompanied by an equally sustained theorisation of informality, despite its centrality in many Global South cities.

2.2. Informality, Housing Precarity and Southern Urbanism

Conventional gentrification frameworks often assume relatively formal property relations, stable housing markets and clearly defined systems of urban governance. These assumptions are difficult to apply to many Global South cities, where informality is not a marginal exception but a central condition of urbanisation. Housing, work, commerce and tenure are frequently organised through hybrid arrangements that do not fit neatly into the categories of formal ownership, legal tenancy or fully regulated land markets.

Southern urban theory has questioned the tendency to interpret cities of the Global South as incomplete versions of Northern urban models. Robinson (2006) argues that all cities should be treated as legitimate sites of theoretical production rather than as empirical deviations from Euro-American urban trajectories. This perspective is essential for analysing gentrification in contexts where informality is not merely a background condition, but one of the mechanisms through which urban space is produced, governed and valued.

Roy (2005) provides a particularly influential account of urban informality. Rather than defining informality as the absence of planning or regulation, she understands it as a mode of urbanisation and a system of norms that governs urban transformation itself. Informality is therefore not outside urban development; it is often produced through state practices, discretionary regulation, legal ambiguity and selective recognition.

Ghertner's (2015) critique of gentrification theory is also useful because it highlights the property-centrism of conventional approaches. In many urban contexts, land and housing are shaped by mixed tenure regimes, public land, collective claims, customary practices, rent-controlled housing, informal occupation and partial forms of recognition. These arrangements are not simply imperfections of a formal market, but contested systems of access to urban space.

This matters for housing research. In many Global South cities, access to shelter depends on informal rental markets, self-built housing, shared dwellings, mixed residential-commercial spaces and negotiated forms of tenure. These arrangements may allow residents to remain in central or well-located areas, but often without long-term security. Bhan (2016), McFarlane (2011) and Simone (2004) all show how urban life is sustained through precarious institutional arrangements, everyday infrastructures and social practices under conditions of uncertainty.

Latin American debates further reinforce this point. Informality in the region has long been linked to self-construction, popular urbanisation, social production of habitat, regularisation policies and struggles over the right to the city. Recent work has also shown that informality cannot be understood

only as poverty or survival. It is increasingly entangled with land markets, speculative practices, state tolerance, clientelism and the production of urban value. This prevents a romantic reading of informality while also challenging policies that treat formalisation as an automatic solution (Calderón Cockburn, 2019; Di Virgilio, 2025; Dammert-Guardia et al., 2024).

From this perspective, housing precarity is not simply the absence of formal tenure. It is produced through the unstable articulation between formal and informal systems, between recognition and exclusion, and between access to place and insecurity within it. Informality may provide access, flexibility and proximity, but without guaranteeing permanence. This is precisely why it becomes central to the analysis of informal gentrification.

2.3. Displacement Beyond Direct Eviction

Displacement has always been central to gentrification research, but it should not be reduced to direct eviction. Marcuse (1985) distinguished between different forms of displacement, including direct and exclusionary displacement, allowing us to identify processes of exclusion that do not necessarily involve immediate physical removal.

Slater (2006, 2009) has criticised the tendency to minimise displacement in gentrification research, arguing that it obscures one of the defining features of the process. Rising rents, commercial restructuring, loss of affordable services, symbolic marginalisation and the erosion of community infrastructures can all undermine residents' ability to remain in place.

Elliott-Cooper, Hubbard and Lees (2020) further expand this understanding through the notion of "un-homing", in which residents may remain physically present while losing security, familiarity and control over their living environment. This is especially relevant in informal or semi-formal contexts, where displacement may operate through regulatory pressure, selective formalisation, loss of livelihoods or the reorganisation of everyday urban practices. The absence of mass eviction, therefore, does not imply the absence of displacement.

2.4. The Right to Stay as an Analytical Lens

The right to stay offers a useful lens for analysing these processes. While Lefebvre's (1996) right to the city foregrounded participation, appropriation and collective control over urban space, the right to stay focuses more specifically on residential permanence and protection against displacement.

Newman and Wyly (2006) developed the idea of the "right to stay put" in relation to gentrification and resistance to displacement in New York City. Their contribution shifts attention from formal occupancy to the broader conditions that make permanence possible. To remain in a neighbourhood is not only to avoid eviction; it is also to retain access to affordable housing, social networks, local services, livelihoods and familiar spaces of everyday life.

Rolnik (2019) shows how housing financialisation has transformed housing into an investment asset, intensifying insecurity and weakening the social function of housing. Under these conditions, residential permanence depends not only on legal status, but also on the capacity to sustain life in place. In this paper, the right to stay is understood as the capacity of long-term residents to maintain

meaningful and viable forms of urban life in their neighbourhoods, including housing security, economic viability, social reproduction, local belonging and everyday access to infrastructures of life.

2.5. Defining Informal Gentrification

Recent scholarship has begun to identify situations in which informal settlements, popular neighbourhoods and informal economies are not simply erased by urban revalorisation, but incorporated into it. Ascensão's work on slum gentrification and Cummings' analysis of favela gentrification show that informal settlements can be revalorised without immediate demolition (Ascensão, 2015, 2018; Cummings, 2015). In these cases, informality may persist while becoming exposed to land speculation, tourism, state intervention, aestheticisation and new forms of residential and commercial pressure.

These contributions are crucial precedents. However, this paper uses informal gentrification rather than slum gentrification because the analytical focus is not the slum as a specific settlement type, but informality as a broader regime of tenure, regulation, symbolic value and urban governance. The cases analysed here are not all slums in a strict sense. Bhendi Bazaar involves dense mixed-use fabrics, bazaar economies, cessed buildings, tenants, traders and redevelopment institutions; Colonia Doctores combines vecindades, workshops, markets, street economies and cultural rebranding; Victoria Yards/Lorentzville involves former industrial spaces, craft economies, urban agriculture and curated forms of productive informality.

This paper therefore defines informal gentrification as a process of urban revalorisation in which informal housing arrangements, popular economies and symbolic identities are selectively incorporated, formalised, aestheticised or commodified, producing indirect displacement and insecure permanence without necessarily requiring immediate eviction.

The concept rests on four elements. First, informality persists rather than disappearing entirely. Second, it becomes economically or symbolically instrumentalised. Third, it is selectively reconfigured through regulation, design, branding, redevelopment or cultural valorisation. Fourth, displacement becomes indirect, gradual or hidden, affecting the conditions of permanence rather than only physical occupation.

Informal gentrification therefore does not describe the simple replacement of informal urban life by formal urban development. It names a more ambiguous process: one in which informality itself becomes a source of urban value, while the residents, workers and practices that produced that value become increasingly vulnerable. The result is not necessarily immediate expulsion, but a condition of insecure permanence: residents may remain physically present while losing affordability, autonomy, recognition, access to livelihoods or control over the everyday infrastructures that sustain life in place.

3. Methodology

3.1. Comparative Qualitative Research Design

This paper adopts a comparative qualitative research design to examine how urban revalorisation interacts with informality and housing insecurity in Global South cities. Rather than seeking statistical

generalisation, the aim is to identify common mechanisms across different urban contexts while remaining attentive to local specificities.

The study compares three neighbourhood transformations in Mumbai, Mexico City and Johannesburg. The cases differ in historical trajectory, governance structure and urban morphology, but share a common analytical feature: the coexistence of informal or semi-formal urban practices with processes of redevelopment, cultural valorisation or creative regeneration. The analysis therefore follows a most-different systems logic, using contrast to identify recurring mechanisms of informal gentrification.

3.2. Case Selection: Mumbai, Mexico City and Johannesburg

The three cases were selected through purposive sampling. Each represents a distinct pathway through which informal urban environments become incorporated into processes of revalorisation.

Bhendi Bazaar/BDD Chawls in Mumbai illustrates a formalisation-oriented pathway, where dense mixed-use fabrics, long-standing residential arrangements and popular economies are reorganised through redevelopment, rehabilitation and verticalisation.

Colonia Doctores in Mexico City represents a hybrid pathway, where workshops, street economies, vecindades, markets and popular cultural symbols coexist with real estate pressure, creative spaces and cultural rebranding.

Victoria Yards/Lorentzville in Johannesburg offers a third pathway, based on creative regeneration, in which former industrial spaces, craft production, urban agriculture and informal or semi-formal practices are curated into a new narrative of authenticity and urban revitalisation.

Taken together, these cases allow comparison between institutional formalisation, hybrid neighbourhood revalorisation and aesthetic curation of informality.

3.3. Data Sources: Academic Literature, Reports, Media Sources and Remote Visual Analysis

The research relies on multiple qualitative sources. First, academic literature on gentrification, informality, housing precarity, displacement and urban redevelopment provides the theoretical framework and comparative background.

Second, reports, planning documents, institutional publications and project-related materials were used to reconstruct redevelopment processes, policy narratives and the role of public, private and community actors.

Third, media sources and specialised urban publications were consulted to identify debates surrounding housing change, neighbourhood transformation, cultural rebranding and possible displacement pressures.

Finally, remote visual analysis was used as supplementary evidence. Publicly available material from Google Street View, Google Maps and other visual sources was examined to identify visible changes

in the built environment, commercial activities, public spaces and land-use patterns. This material was not treated as standalone evidence, but interpreted alongside documentary and academic sources.

3.4. Analytical Dimensions: Tenure Security, Everyday Viability and Reconfiguration of Informality

The comparative analysis is structured around three dimensions.

The first is tenure security, understood not only as legal ownership or formal tenancy, but as the broader set of protections, recognitions and arrangements that shape residential stability.

The second is everyday viability, referring to the capacity of residents and local workers to sustain everyday life in the neighbourhood through affordable services, livelihoods, social networks and local commercial infrastructures.

The third is the reconfiguration of informality. Rather than treating informality as simply present or absent, the analysis examines how informal practices, economies and symbolic identities are formalised, aestheticised, regulated, commodified or selectively preserved under conditions of urban revalorisation.

3.5. Limitations of the Study

The study has three main limitations. First, it does not include primary fieldwork or interviews with residents, traders or planners. The analysis therefore relies on secondary sources, planning documents, media materials and remote visual evidence.

Second, the cases differ in scale, stage of transformation and institutional context. The objective is not to establish direct equivalence between them, but to identify comparable mechanisms.

Third, remote visual analysis cannot capture all dimensions of housing insecurity, social change or everyday experience. For this reason, it is used only as complementary evidence. Despite these limitations, the comparative design provides a useful framework for analysing how informality, housing inequality and urban revalorisation interact across diverse Global South contexts.

4. Case Studies: Three Pathways of Informal Gentrification

4.1. Mumbai: Bhendi Bazaar / BDD Chawls and the Formalisation of Informality

The Mumbai case illustrates the most institutionalised pathway of informal gentrification analysed in this paper. Unlike more incremental or market-led forms of neighbourhood change, Bhendi Bazaar is shaped by a large-scale redevelopment scheme in which informal and semi-formal urban fabrics are not simply removed, but reorganised through legal, architectural and infrastructural formalisation. The case focuses primarily on Bhendi Bazaar, with reference to BDD Chawls as part of a broader Mumbai context in which older dense housing typologies are being reworked through vertical rehabilitation, redevelopment incentives and state-supported urban transformation.

Bhendi Bazaar is a historically dense, mixed-use inner-city district in south Mumbai, long associated with cessed buildings, tenant occupancies, small commerce, religious institutions and bazaar

economies. Its built environment combined deteriorated chawl-like structures, overcrowded rooms, shared services, street-level commerce and complex tenure arrangements. The Bhendi Bazaar Redevelopment Project, led by the Saifee Burhani Upliftment Trust (SBUT), emerged as an attempt to rehabilitate this dense urban fabric through cluster redevelopment. The project has been enabled by Mumbai's cluster redevelopment regulations, particularly DCR 33(9) and later DCPR 2034, and has involved a multi-agency institutional architecture including state authorities, municipal agencies, MHADA/MBRRB, environmental regulators and the courts.

Official narratives present the project as a model of urban rejuvenation: residents and traders are promised same-neighbourhood return, improved housing units, commercial continuity, better infrastructure, wider roads, open spaces and heritage-sensitive design. Policy documents and redevelopment literature often frame Bhendi Bazaar as an example of inclusive, in-situ urban renewal and as a prototype for transforming deteriorated inner-city areas through higher floor area ratios, value capture and vertical redevelopment (Shenvi and Slangen, 2018; ADB and World Bank, 2025). From this perspective, formalisation appears as a corrective response to overcrowding, unsafe buildings and deficient infrastructure.

However, the analytical significance of Bhendi Bazaar lies precisely in the tension between rehabilitation and revalorisation. The project does not erase informality in a single act of clearance. Instead, it translates informal and semi-formal urban life into a new spatial and legal order. Residential tenants, commercial occupants, shopkeepers and religious/community institutions are incorporated into a redevelopment machinery that certifies, allocates, compensates, relocates and eventually rehouses. Informality is therefore formalised not only through buildings, but through subjecthood: the project defines who counts as a legitimate resident, who qualifies for return, which commercial activities can be reorganised and under what conditions.

This process is visible in the transformation of the bazaar economy. Bhendi Bazaar was never merely a residential neighbourhood; it was a dense ecology of food stalls, repair economies, devotional commerce, small retailers, storage spaces and family-based businesses. Redevelopment does not simply eliminate this economy. Rather, it seeks to reorganise it into planned commercial environments, transit arcades and street-facing shops. The old bazaar is reimagined as a modern high-street commercial district, maintaining a narrative of continuity while altering circulation, visibility, rents, regulations and the everyday conditions of trade. This is a central mechanism of informal gentrification: existing popular economies are not fully displaced, but are reformatted in ways that make them legible, manageable and compatible with urban revalorisation.

Symbolically, Bhendi Bazaar is also reframed through a language of heritage and community upliftment. Project discourse emphasises Islamic architectural references, Bohra identity, religious institutions, neighbourhood memory and the preservation of local character. The redevelopment does not present itself as a rupture with the past, but as the modernisation of a historic community. Yet this preservation is selective. As Dalvi's (2011) semiotic reading of the project suggests, the old social syntax of Bhendi Bazaar is reorganised through a new visual and spatial order. Heritage becomes a design language; community becomes a legitimating narrative; the bazaar becomes an architectural and commercial brand.

The right to stay is therefore ambivalent in this case. On the one hand, Bhendi Bazaar differs from peripheral resettlement schemes because it promises return to the same neighbourhood. In this sense, it appears to protect residents from direct expulsion. On the other hand, staying is mediated through

certification, transit housing, compensation, legal procedures and the capacity to adapt to a new spatial order. Delays, uncertainty over allocation, loss of business footfall, dependence on rental compensation, legal disputes and the reorganisation of community networks all produce forms of everyday displacement. Residents may remain formally included while losing control over the conditions that previously sustained their livelihoods and social life.

BDD Chawls reinforces this broader pattern of Mumbai's redevelopment logic. As a typology, the chawl condenses histories of labour housing, collective life, overcrowding, rent regulation and infrastructural decay. Its rehabilitation through vertical redevelopment echoes the same dilemma: improving housing conditions while transforming the social, economic and spatial relations that made those environments meaningful and viable. In this sense, Bhendi Bazaar and BDD Chawls together illustrate a formalisation-oriented pathway of informal gentrification, in which the right to stay is not denied outright but is reorganised through institutional filters, new costs, new spatial norms and a redefinition of legitimate urban life.

4.2. Mexico City: Colonia Doctores and the Hybridisation of Popular Urban Life

Colonia Doctores represents a different pathway of informal gentrification: not large-scale institutional formalisation, but incremental hybridisation. Located near central areas of Mexico City and adjacent to already gentrified or highly valorised neighbourhoods such as Roma and Condesa, Doctores has historically been associated with working-class housing, workshops, informal commerce, markets, street food, popular culture and urban stigma. For decades, the neighbourhood was framed through narratives of danger, disorder and marginality. Yet in recent years, the very features that once marked it as undesirable have increasingly become part of its symbolic and economic appeal.

The transformation of Doctores cannot be reduced to a single redevelopment project. Instead, it is produced through the cumulative effect of real estate pressure, cultural rebranding, commercial replacement, creative reuse and proximity to more expensive neighbourhoods. Traditional workshops, vecindades, street vendors, markets and popular religious expressions coexist with cafés, galleries, renovated industrial spaces, new apartment buildings and short-term rental dynamics. This coexistence is central to the case: Doctores does not yet appear as a fully "cleaned" or socially homogenised neighbourhood. It is precisely its hybridity that generates value.

A key example is Laguna, a creative complex located in a former textile factory. The project preserves elements of the industrial building while hosting design studios, gastronomy, fashion, art spaces and creative offices (Productora, n.d.; Arquitectura Viva, 2022). It operates as a material and symbolic anchor for the transformation of the area: industrial memory, urban roughness and popular centrality are converted into assets for cultural consumption. Similar dynamics appear around the Mercado Hidalgo, MUJAM and the Arena México, where lucha libre, street art, food markets, everyday commerce and the image of the "barrio bravo" are increasingly reframed as authentic urban experiences. This symbolic incorporation resonates with Zukin's work on authenticity, but in a specifically Latin American and informal urban context.

However, not all forms of informality are equally tolerated. Informal food stalls, traditional markets, murals and local symbols may be preserved or even promoted when they contribute to the neighbourhood's atmosphere. Other practices, especially those associated with illegality, insecurity or incompatible street uses, are subject to policing, displacement or gradual removal. This produces a

new hierarchy of informality: some forms become cultural value, others become urban disorder. The result is not formalisation in the strict institutional sense, but a form of urban curation in which the popular is maintained only when it can be made consumable.

The housing dimension is equally important. As demand increases, long-term residents face rising rents, speculative expectations and growing competition from higher-income tenants, young professionals and temporary visitors. Recent media and real estate reporting has identified Colonia Doctores as a neighbourhood increasingly exposed to investor attention, housing price increases and gentrification pressures (Mayen, 2025; Escobar, 2025). Unlike more visible forms of displacement, this pressure is often indirect. Families may leave when rental contracts end, when landlords decide to renovate or sell, or when everyday costs and commercial changes make neighbourhood life less viable. The closure of traditional fondas, small shops and affordable services produces everyday displacement even for those who remain.

The right to stay is therefore undermined through the erosion of affordability and everyday viability. In Doctores, staying is not mediated through a single eligibility regime, as in Bhendi Bazaar, but through market pressure, commercial replacement and cultural redefinition. Long-term residents, informal workers and traditional businesses increasingly coexist with actors who benefit from the neighbourhood's revalorised identity. This coexistence is asymmetrical: the cultural value of popular life is captured by new businesses and investors, while those who produced that life face growing insecurity.

Doctores thus exemplifies an incremental and hybrid form of informal gentrification. Its transformation operates through the overlap of old and new rather than through immediate replacement. Informality persists, but under altered conditions: it is aestheticised, selectively tolerated, commercially exploited and partially displaced. The case shows that gentrification in Global South cities can advance not by erasing the informal city, but by incorporating fragments of it into new circuits of value. The right to stay is weakened not only by rent increases, but by the gradual conversion of a lived popular neighbourhood into a consumable landscape of authenticity.

4.3. Johannesburg: Victoria Yards / Lorentzville and the Aesthetic Curation of Informality

Victoria Yards and the surrounding area of Lorentzville represent an early-stage and curated pathway of informal gentrification. Unlike Bhendi Bazaar, the case is not driven by a large-scale state-backed redevelopment scheme; unlike Doctores, it is not yet a broad neighbourhood-wide process of consolidated gentrification. Its relevance lies in showing how marginal and semi-informal urban environments can be incorporated into creative regeneration through narratives of inclusion, sustainability and authenticity.

Victoria Yards is located in eastern Johannesburg, in a former industrial complex in Lorentzville. Before its transformation, the site contained deteriorated industrial buildings, workshops and informal uses, including small-scale productive activities and occupation by mechanics and other users (ULI Europe, 2020; Victoria Yards, n.d.). From 2016 onwards, developer Brian Green and Group 44, in connection with creative, corporate and community actors, transformed the site into an artisanal and cultural precinct (Nataal, 2020; ULI Europe, 2020). Today, Victoria Yards hosts artists' studios, artisan workshops, food production, urban agriculture, creative enterprises, educational initiatives and public events. It is also embedded in the broader Makers Valley imaginary, which frames Lorentzville

and neighbouring areas through creative entrepreneurship, artisanal production, urban gardening and forms of formal and informal local enterprise (Makers Valley, n.d.).

This self-representation is central to the project. Victoria Yards explicitly distinguishes itself from exclusionary regeneration by emphasising community engagement, skills development, local employment and productive inclusion. Its gardens, workshops, craft activities and open markets create an image of an urban ecosystem rather than a conventional commercial redevelopment. Yet these same features make the case relevant for informal gentrification: informality is not erased, but curated into an aesthetic and economic resource.

The project's visual and spatial language is crucial. Old brick industrial buildings, rough textures, workshops, gardens and handmade production are preserved and reorganised as part of the identity of the place. Industrial decline, manual labour, recycled materials and urban agriculture are reframed as creativity, sustainability and community resilience. This is not simple preservation, but aesthetic curation: selected elements of informality and working-class urbanity are retained because they generate symbolic value for visitors, tenants and investors.

Victoria Yards therefore operates through selective incorporation. Craft production, small businesses, food gardens, art and educational projects are integrated into the new precinct. Other uses associated with less marketable or less visually compatible forms of informality, such as heavy mechanical work, informal occupation or unregulated productive activity, become peripheral or disappear. The project does not demolish informality as such; it filters it. Informality becomes acceptable when it can be translated into creativity, entrepreneurship, sustainability or social innovation.

The displacement dynamics are subtle. There is no evidence of mass eviction comparable to more aggressive renewal schemes. However, displacement must be understood beyond direct removal. The transformation of the site changes who can access space, under what conditions and for what purposes. Former informal users may be replaced by formal tenants, creative entrepreneurs and visitors. Surrounding areas may also experience increased symbolic visibility and future land-value pressure. Local residents may benefit from employment or community programmes, but they may also become peripheral to the consumption-oriented image of the precinct.

The right to stay is therefore affected through anticipation and reclassification. Because the process is still relatively early, its exclusionary effects are less consolidated than in the other cases. Nevertheless, the case shows how informal gentrification can begin before large-scale residential displacement becomes visible: when informality is converted into a marketable atmosphere, community becomes a branding device, and productive inclusion depends on compatibility with the aesthetic and economic logic of the project.

Victoria Yards should therefore not be overstated as a fully consolidated case of displacement. Its analytical value lies in revealing the early stages through which informal urban value is aestheticised and incorporated into creative regeneration. In Lorentzville, the right to stay is not yet undermined primarily through mass eviction or rent shock, but through the gradual production of a new urban imaginary in which informality is welcome only when it is legible as creativity.

5. Comparative Analysis

5.1. Three Mechanisms of Informal Gentrification

The three cases reveal distinct but comparable mechanisms of informal gentrification. In Mumbai, Bhendi Bazaar/BDD Chawls illustrates the controlled formalisation of informality: dense housing, bazaar economies and layered tenure arrangements are reorganised through redevelopment, eligibility criteria, verticalisation and commercial redesign.

In Mexico City, Colonia Doctores shows a mechanism of hybridisation and cultural commodification. Informal practices, workshops, vecindades, street vending, markets and popular cultural symbols coexist with real estate pressure, creative spaces, new consumption patterns and cultural rebranding.

In Johannesburg, Victoria Yards/Lorentzville represents the aesthetic curation of informality. Former industrial decline, craft labour, urban agriculture and marginal productive uses are reframed as authenticity, creativity and inclusive regeneration. These three pathways differ institutionally, but share a common feature: informality becomes part of the production of urban value.

5.2. Coexistence, Instrumentalisation and Selective Reconfiguration

Across the cases, informal gentrification operates through coexistence, instrumentalisation and selective reconfiguration.

Coexistence refers to the persistence of informal or semi-formal practices within revalorising spaces. Bhendi Bazaar promises same-neighbourhood return under new legal and architectural conditions; Doctores maintains visible popular economies alongside new investment; Victoria Yards incorporates selected informal and productive practices into a creative ecosystem.

Instrumentalisation refers to the conversion of informality into value. In Mumbai, bazaar identity, heritage and community memory legitimise redevelopment. In Doctores, lucha libre, street art, markets and barrio identity become cultural assets. In Victoria Yards, industrial decay, craft production and urban agriculture are translated into authenticity and social innovation.

Selective reconfiguration refers to the filtering of informality. Some practices are preserved, regulated or aestheticised, while others are displaced or made incompatible with the new urban order. Informal gentrification is therefore not simple formal replacement, but a selective reordering of the informal city.

5.3. Indirect Displacement and Insecure Permanence

The comparison also shows that displacement cannot be reduced to direct eviction. In Bhendi Bazaar, residents and traders may return, but their permanence is mediated by eligibility, transit arrangements, new building forms and changing commercial conditions. This produces formalised but conditional inclusion.

In Doctores, displacement is more market-based and everyday. Rising rents, commercial replacement, short-term rental dynamics and the loss of affordable services undermine the ability of long-term residents to remain. Inclusion is symbolic and cultural, but it occurs under growing economic pressure.

In Victoria Yards, displacement is less consolidated but already visible through selective access. Former informal users and surrounding low-income groups may remain physically near the project while becoming peripheral to its curated economy of creativity and consumption. Inclusion is creative and discursive, but access is selective.

These cases therefore reveal different forms of insecure permanence: formalised inclusion without control over return in Mumbai, symbolic inclusion under economic pressure in Mexico City, and creative inclusion through selective access in Johannesburg. In all three, the right to stay is not simply denied; it is conditionalised.

5.4. Comparative Table of the Three Cases

Table 1 summarises the main comparative findings. It does not establish equivalence between the cases, but identifies how informal gentrification operates through different mechanisms across diverse Global South contexts.

Table 1. Comparative pathways of informal gentrification

Analytical dimension	Bhendi Bazaar / BDD Chawls, Mumbai	Colonia Doctores, Mexico City	Victoria Yards / Lorentzville, Johannesburg
Dominant intervention	Planned redevelopment and vertical rehabilitation	Incremental neighbourhood transformation	Localised creative regeneration
Main mechanism	Controlled formalisation of informality	Hybridisation and cultural commodification	Aesthetic curation of informality
Fate of informality	Relocated, regulated and verticalised	Coexisting, partially regulated and reinterpreted	Partially integrated, partially displaced
Type of inclusion	Formalised but conditional inclusion	Symbolic inclusion under economic pressure	Creative inclusion with selective access
Form of displacement	Reconfigurative displacement through transit, certification, costs and commercial redesign	Indirect displacement through rents, commercial replacement and generational substitution	Early-stage displacement through selective access and replacement of informal users
Role of the state	Central and coordinating, mediated through redevelopment institutions	Selective and facilitating, mainly through security, culture and permissive regulation	Indirect, permissive and enabling

Stage of process	Intermediate: advanced project still unfolding	Advanced: visible transformations already consolidated	Initial: early-stage gentrification dynamics
Effect on the right to stay	Return is promised, but permanence is formalised and conditional	Staying becomes economically and socially less viable	Inclusion depends on compatibility with the creative-regeneration narrative

Source: Author's elaboration

The comparison suggests that informal gentrification should be understood as a family of processes rather than a single model. Across the three cases, informality is not simply removed; it is selectively incorporated into new regimes of value. This incorporation produces a shared condition: spatial inclusion without residential security. The right to stay is therefore useful because it reveals how residents may remain physically present while losing affordability, autonomy, recognition, access to livelihoods or everyday viability.

6. Discussion: Housing Policy, Informality and the Right to Stay

6.1. Informal Gentrification as Spatial Inclusion without Residential Security

The comparative analysis shows that informal gentrification challenges conventional housing policy frameworks because it does not operate simply through exclusion from place. Its distinctive feature is the production of spatial inclusion without residential security. Residents, traders, workers and popular practices may be recognised, incorporated or even celebrated within revalorised urban spaces, while the conditions that allow them to remain become increasingly fragile.

This matters for housing policy because inclusion in redevelopment, regeneration or cultural valorisation does not necessarily guarantee tenure security, affordability, livelihood continuity or everyday viability. Following Roy (2005), informality should not be treated as a residual condition outside urban development, but as a mode of urbanisation produced through state practices, market relations and selective regulation. If informality is part of how urban space is produced, then housing policy cannot simply replace it with formal units and assume that justice has been achieved.

Informal gentrification therefore complicates the distinction between inclusion and exclusion. The key question is not only whether residents are displaced, but whether they are included under conditions that weaken their capacity to stay. A right-to-stay perspective shifts the focus from physical presence to the broader social, economic and political conditions of permanence.

6.2. Why Formalisation Is Not Enough

A central implication is that formalisation should not be equated with protection. Formalisation may provide recognition, infrastructure and legal clarity, but it can also operate as a mechanism of filtering, valuation and exclusion. When informal arrangements are translated into formal categories, some

residents, traders or practices become eligible for recognition, while others are rendered illegible. The crucial question is therefore not whether an intervention formalises, but whom it formalises, under what conditions and with what long-term guarantees.

This is particularly visible in redevelopment schemes where same-site return is promised. Policy frameworks that promote inner-city redevelopment through mechanisms such as floor area ratio incentives, value capture, densification and rehabilitation often present in-situ renewal as an inclusive alternative to clearance or peripheral resettlement (Shenvi and Slangen, 2018; ADB and World Bank, 2025). However, return does not automatically mean continuity. Residents may be relocated temporarily, businesses may lose footfall, social networks may be disrupted, and new building forms may alter everyday practices.

The same logic applies to housing relocation and public housing provision. Moving residents from informal settlements into formal housing may improve certain material conditions, but it does not necessarily guarantee residential wellbeing. Post-relocation satisfaction depends on safety, affordability, neighbourhood conditions, adaptability, social relations, transport access and the capacity to sustain everyday life (Marín-Villegas, Sabatini and Gatica-Neira, 2026). A formal dwelling can therefore fail as a housing solution if it weakens the social and economic infrastructures that previously made residence viable.

6.3. The Value and Vulnerability of Homegrown Urbanism

A right-to-stay approach also requires avoiding deficit-based readings of informal urbanism. Echanove and Srivastava's notion of the "homegrown city" challenges the idea that so-called slums and informal settlements are merely chaotic or deficient, emphasising instead their incremental, adaptive and locally produced forms of urban order (O'Sullivan, n.d.). Self-built, mixed-use and popular neighbourhoods may contain complex systems of affordability, micro-planning, local economic interdependence and social reproduction.

The problem arises when these qualities are captured as urban value without protecting the people and practices that produced them. The flexibility of popular commerce, the density of social networks, the visual appeal of street life, the productive character of workshops or the authenticity of industrial and informal landscapes may become resources for redevelopment, tourism or creative regeneration. Yet the residents and workers who sustain these environments may lack secure tenure, political recognition or protection against rising costs.

In this sense, informal gentrification reveals a paradox. Informality may first be stigmatised as disorder, then revalued as authenticity, and finally reorganised as an asset for urban redevelopment. What appears as inclusion may become a fragile form of belonging, in which people are allowed to remain only insofar as their presence fits the new symbolic and economic logic of the area.

6.4. Towards a Housing Policy Centred on the Right to Stay

Housing policy in Global South cities should move beyond formalisation as an end in itself, affordability as a purely monetary measure and regeneration as physical improvement. These dimensions remain important, but they are insufficient if they do not protect the conditions that allow people to remain in place.

A right-to-stay approach requires plural forms of tenure security. Protection may involve ownership, but also rental regulation, collective tenure, commercial protections, anti-eviction mechanisms, recognition of occupancy rights and enforceable guarantees for return after redevelopment. A narrow focus on individual property titles may even intensify market exposure if it turns residents into asset holders without shielding them from speculation.

Upgrading should also be incremental, negotiated and anti-displacement oriented. Montaner (2020) argues that improvements in infrastructure, safety, public space or building quality should be tied to strong protections against rent increases, commercial displacement and exclusionary redevelopment, emphasising upgrading approaches that preserve existing social structures and the right to remain.

Finally, housing policy must protect livelihoods as well as dwellings. In informal and semi-formal neighbourhoods, housing, work and commerce are deeply interconnected; displacing workshops, street vendors or small traders can undermine residential permanence even without household eviction. Residents must therefore be recognised as political subjects rather than beneficiaries, clients or cultural symbols. Housing justice cannot be reduced to formalisation or redevelopment. It must be measured by the effective capacity to remain with security, affordability, recognition and control over everyday life.

7. Conclusion

This paper has examined how processes of urban revalorisation in Global South cities selectively incorporate informality while undermining the right to stay. Through the comparison of Bhendi Bazaar/BDD Chawls in Mumbai, Colonia Doctores in Mexico City and Victoria Yards/Lorentzville in Johannesburg, the analysis has shown that informal gentrification does not follow a single pathway. It may operate through formalised but conditional inclusion, symbolic inclusion under economic pressure, or creative inclusion with selective access. Across the three cases, informality is not simply removed; it is selectively formalised, aestheticised, commodified or reorganised, producing spatial inclusion without residential security.

The paper contributes to housing and urban studies by advancing the concept of informal gentrification. Building on debates on planetary gentrification, slum gentrification, favela gentrification, urban informality and displacement beyond eviction, the concept shifts the analytical focus from a specific settlement type to informality as a broader regime of tenure, regulation, symbolic value and urban governance. It helps identify processes that conventional frameworks may overlook: revalorisation without immediate clearance, incorporation without protection, and permanence without security.

The findings suggest that housing policy in Global South cities should not equate formalisation, redevelopment or upgrading with protection. A right-to-stay approach should evaluate interventions according to their capacity to sustain residential permanence through plural tenure security, protection against indirect displacement, rental and commercial affordability, livelihood continuity, preservation of social networks, enforceable guarantees of return and meaningful participation. Future research should deepen the empirical basis through fieldwork, interviews and longitudinal observation, while also comparing informal gentrification across additional cases in Africa, Asia and Latin America. The value of the concept lies in making visible a form of housing inequality that is easily overlooked: the

transformation of popular and informal urban spaces in ways that include residents symbolically or spatially, while leaving their permanence increasingly insecure.

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