Building for the Business of Bermuda

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The vernacular building of Bermuda until very recently followed the slow, steady trajectory of small-island evolution. In the 1960s its distinctive architectural aesthetic was written into the law, partly to safeguard the tourist industry. Contemporary economic events in Bermuda, driven by the forceful presence of international insurance companies, are now dictating change. This article examines two buildings, recently constructed as global headquarters for ACE Limited and XL Capital Limited. It links the conscious manipulation of local traditions of material culture by these companies to residual effects of Bermuda’s particular colonial history.

“This is Bermuda. Let’s keep it that way!” These lyrics from a popular 1960s calypso encapsulate the building history of Bermuda, a tiny mid-Atlantic island that still retains its status as an Overseas Territory of Great Britain. Bermuda has a staunchly traditional colonial history, and its revivalist architectural aesthetic conforms to a simulated idiom, written into the law in 1965 and intended to safeguard its tourist industry.

This article uses both the historical trajectory of, and the rupture with, Bermuda’s architectural traditions as a site to explore larger meanings in the contemporary space and place of ACE Global Headquarters and XL House, two of Bermuda’s newest, purpose-built corporate structures. Though the buildings start with different design concepts, each makes reference to and recontextualizes local traditions. In this article I show how, through their buildings, ACE and XL consciously attempt to give the impression of having assimilated comfortably into local culture. In fact, both companies have been instrumental in changing it.

The wry expression “haves and have lots” is used of Bermudians, who now have the highest per-capita income in the world. However, this does not detract from the actual hardships faced by people at the lower socioeconomic levels of a society with a high cost of living, and where soaring real estate values have resulted in chronic housing shortages. Nor does it detract from the sense of disjuncture from local subcultures that is an inevitable result of power wielded in a small community by international business.
HENRI LEFEBVRE has demonstrated that any space already produced can be used to analyze change. In this regard, the very location of ACE Global Headquarters and XL House is symbolic of the replacement of tourism by international business as the mainstay of Bermuda’s economy. Just outside the municipal boundary of the City of Hamilton, the buildings were built side by side on an elevated fifteen-acre block of land where a major hotel, the Bermudiana, once stood (fig. 1). Separated by a semipublic strip of garden, the two buildings literally turn their backs on each other, however, with XL having its entrance on Bermudiana Road, and ACE its entrance on Woodbourne Road a block away.

The block on which the two buildings sit is bordered to the south by Pitt’s Bay Road, now known locally as “Insurance Alley.” Pitt’s Bay, an extension of Hamilton’s thriving waterfront Front Street, was once a genteel residential road where nineteenth-century verandahed houses stretched from the elite Royal Bermuda Yacht Club to the Princess Hotel and beyond (fig. 2). Commercial rezoning and specific-planning regulations now allow for restricted urban growth, however, and it has become the location of several new waterfront office blocks, functionally expanding the city (fig. 3).

ACE Limited and XL Capital Limited together decided to buy the former Bermudiana Hotel block in 1997. Bermudian law had previously limited foreign ownership of a commercial property site to 40 percent, but a special act of Parliament allowing ACE and XL 100 percent land ownership provided an incentive to build. But rather than fostering existing traditional building through adaptive reuse, or opting for an impersonal international style, as other companies in similarly zoned areas had done, they embarked in a new direction, resulting in two very different kinds of local architectural referencing: one a vaguely modernist abstraction of the idiom; the other, to all intents, like an overgrown cottage.

If a definition of accomplishment in architecture is local intelligibility, then in their interpretation of style, both ACE Global Headquarters and XL House are successes. ACE Limited, the holding company for the ACE Group of Companies, broke ground in August 1998, and its building was officially opened in August 2001. The steel-frame and stuccoed concrete-block structure was designed to accommodate the holding company, its global operations, and several locally operated subsidiaries. The master plan proposed two linked blocks comprising approximately 120,000 sq.ft. of office space. Only one of these has been built to date, containing 70,000 sq.ft. in a four-story structure with a penthouse.

FIGURE 1. New buildings for ACE Limited (left) and XL Capital Limited (right), seen from the Royal Bermuda Yacht Club marina.

FIGURE 2. Front Street’s verandahed shopfronts at the end of the nineteenth century. Archival photograph in the author’s collection, reprinted by Mark Emmerson.

FIGURE 3. Bermuda’s “Insurance Alley” with The Waterfront at Pitt’s Bay in the distance.
The architect for the project was Peter Happner, then working with the Hillier Group of Princeton, NJ, a large firm that specializes in corporate buildings worldwide. Harold Conyers and Associates of Bermuda was the local firm of record. Conyers had previous experience collaborating on an overscaled, mixed-use project with random local referencing, The Waterfront at Pitt’s Bay, designed by CBT, Inc., of Boston.

For ACE, which operates in over fifty countries, the building was intended to symbolize a “commitment to Bermuda.” The company wanted a sizeable commercial building that would still fit into the local context — a “truly Bermudian-style home,” as they put it in a press release. This requirement was realized quite literally through the grafting of local vernacular elements onto an L-shaped block made of modern materials. The architects’ design broke the formal massing and roof lines of the block with the additive wings of a traditionally built Bermudian cottage. The use of small, mullioned windows and pastel colors further helped domesticate the building. The architects then liberally applied local details such as keystone architraves, corner pilasters, and scalloped Flemish gables (fig. 4). A false Bermuda buttery was also set at a rakish angle at the entryway to serve as a porch (fig. 5a, 5b). The building’s landscaping, though incomplete to date, was designed like an oversized suburban garden, with a barbecue on the terrace, a tennis court, and the corporate equivalent of a drive-around and a four-car garage.

Yet, lest anyone mistake this for domestic architecture — a condominium complex, perhaps — a high tower was added to proclaim the company’s power (fig. 6). The ACE tower rivals those of major public buildings on the Hamilton skyline — the City Hall, the Parliament Building, and the Cathedral — and echoes in its cylindrical form the more prosaic but equally important smokestacks of the local utility company, Belco. Poking up into the sky, it also provides an unambiguous challenge to its neighbor and rival, XL Capital Limited.

XL House was opened in May 2001. Its principal designer was New Zealand architect Ted Wood, working at that time with the Bermudian firm Entasis. Entasis was given a looser brief than the Hillier Group, and the resulting design presents far more measured postmodern references. But Wood, too, was forced to solve the problem of how to plan a big office building for a tiny country that didn’t have a tradition of big buildings of any kind. Wood has described the elements in his design process as being “abstractions of the local vernacular” — a white building with a white, stepped roof; an accretive plan that could grow as need dictated; verandahs and a lushly planted garden (fig. 7).

Like ACE, XL also intended to build in two phases, but the growth of the company became so rapid that it decided during construction to build both phases at the same time.
Though the two sections of XL House have only five and six stories respectively, conforming to regulations of the 1992 Bermuda Plan, the south block is referred to as Tower One and the north block as Tower Two — a terminology perhaps designed to draw attention from the special permission that had been granted for the ACE tower.

When the land for ACE Global Headquarters and XL House was sold in 1997, XL negotiated for the eastern side of the site, which directly bordered the city and was the better side as far as views were concerned. As a consequence, Wood’s design is distinctly outward-looking, laying visual claim to beautiful, prosperous Bermuda. Large windows in its modular steel frame offer spectacular vistas of both the built and natural environment: yacht-filled Hamilton harbor; the Paget shoreline with its rows of luxury houses now being sold to corporate executives; the distant islets in the Great Sound; and the rooftops of the changing city. When viewed from across the harbor, XL House sits quite comfortably in the city skyline. Yet it also seems territorial in its site coverage, filling its half of the former Bermudiana Hotel block rather too amply, and looming over the streetscape of Bermudiana Road, from where it feels out of scale.

Though there is wasted space in the overall design, Wood, thinking ahead, also negotiated permission for an extra penthouse service story for Tower Two. And he further managed to spread his building out at the northeast corner of the site in return for setbacks. Linkages on Bermudiana Road, the city boundary, were difficult to reconcile, however, as previously there had been a wall there hiding the service areas of the old Bermudiana Hotel. XL had originally intended to make permeable this now artificial boundary between the city proper and the growing, commercially zoned area to its west. It hoped to do this by extending the semipublic garden east to west between the two towers, but this space was eventually given over to more pressing needs — additional corporate offices. To compensate, the landscape designers paid detailed attention to the south garden, installing a highly visible fountain in the form of three animated whale tails, a motif that implies complicity with the natural world as well as power and freedom in the corporate environment (Fig. 8).

In its interpretation of Bermudian architecture, then, XL House uses signifiers of an environmentally friendly interrelationship between man and nature — though with man, naturally, in control. The ACE Global Headquarters, on the other hand, refers directly to Bermudian material culture and plays with the idea of a domesticity that is at once cozy yet grandiose. Both of these design metaphors are continued in the interior spaces of the buildings. The quietly sumptuous lobby of XL House attempts to bring Bermuda’s famous ocean reef indoors, and its principal feature is a vast, tubular, salt-water aquarium. Meanwhile, the entrance to ACE Global Headquarters is the high-ceilinged, circular Globe Room, connected to the wider world by multiple TV screens. The lobby floor signifies the sense of place the company accords Bermuda (or perhaps that it accords itself in Bermuda). Here an ocean of pale marble is inlaid with a black marble map of the world. The map does not adhere to any known cartographic system, but the symbolism is unmistakable. Bermuda is at its center, no longer a tiny land mass but enlarged and inlaid in shining precious metal. One must tread on it to approach the receptionist.

Corporate offices are symptomatic of corporate cultures, and these are especially easy to read in new, customized buildings. In both the ACE and XL buildings there are clear indications of hierarchy, though the hierarchy seems to differ slightly.

Each spacious XL tower is planned around a central core that contains service facilities. Ringing the core are the offices of clerical staff and lower-level executives, who work in a succession of progressively smaller, standardized cubes with progressively lower partition walls as you descend the floors. With the exception of floor two of Tower Two, where the outer space
with the windows was given to the clerical workers by a more
democratic supervisor, these are ringed by executive offices.
Upper-level management offices, on the top floor of Tower
One, are allocated according to the fineness of the view. The
most sweeping vistas of all are from the chairman’s verandah.
The interior organization was determined after a costly feng
shui consultation. The offices are fitted out in a standard corpo-
rate grey, set off with rare laminated hardwoods and adorned
with a collection of Bermudian paintings. Calm and functional,
they reflect the personalities of executives in a limited way:
while some have piles of file folders all over the floor, others
have rationed themselves to a single sheet of paper and a Mont
Blanc pen beside the desktop computer. The overall feeling is
one of carefully controlled casualness. Executives wander the
halls in Bermuda shorts, Polo shirts, and Docksiders, as if
poised to relate to the island culture just outside their doors.

ACE Global Headquarters, on the other hand, seems to
speak of a leaner organization. Its offices are noticeably
more compact and somehow more suburban. The tower is
perhaps the only unused (although far from symbolically
wasted) space in the building. “I kinda like having limited
space. It’s efficient,” Chairman Brian Duperreault told me.5

Reflecting the domesticity of its exterior, there are 22
small meeting rooms dotted throughout the building, each
with a local name. The principal board room, for example, is
known as the Bermudiana Room. This is not just the name
of the hotel on whose former site the building sits; it is also
the local name for a small indigenous blue flower. Plaques
carefully explain the significance of such names to clients
and executives from abroad. Walls are also hung with the
company’s collection of Bermudian paintings, photographs,
and early tourist posters. All the offices are inward-turning
and private, as their small cottage windows imply.

The executives of ACE Limited, the holding company,
use an exclusive part of the fourth floor. Here, in a carefully
sequestered suite of offices, behind two sets of doors, the
company chairman and the president work privately with a
small squad of personal assistants. The feeling is one of pri-
vacy to the point of secrecy.

BUILDING BERMUDA

An outline of Bermuda’s history helps explain some of
the circumstances faced by the architects for ACE and XL
when they began their quest to design a successful local cor-
porate architecture.

Since its initial settlement, Bermuda’s economic base has
changed radically every hundred years or so — from abortive
tobacco plantations, to shipbuilding and privateering, winter
agriculture, tourism, and finally international business.
Bermuda’s buildings, however, until very recently followed the
slow, steady trajectory of small-island evolution.6 They were
traditionally made from a limited number of locally available
materials: the indigenous cedar tree (Juniperus bermudiana L);
a soft, hand-cut coral stone used for building blocks; and a
harder stone that was burned to make lime. Influences from
abroad — from the conspicuous consumption of the
Georgian era to the eclecticism of the Victorians — were certainly assimilated into local design, but they were always conservatively tailored to suit local conditions. Later, from the 1920s and 30s, the half-imagined notions of a colonial revival sat comfortably in the landscape. It did not stir much controversy when, in the mid-twentieth century, guidelines for planning were set in place to safeguard an aesthetic image that had naturally evolved, and that was an attractive asset to tourism — then the dominant industry.17

Bermuda lies about 600 miles east of North Carolina. Referred to in the singular, its many islands cluster to resemble an upended fishhook that occupies a total of less than 21 square miles (fig. 9). From the earliest days of transatlantic seafaring, Bermuda and its surrounding reefs were well-known shipping hazards. For sixteenth-century Spaniards, this “Isle of Devils” stood as a marine signpost to fleets sailing back to Europe from Havana in the Gulf Stream. However, even though their ships sometimes foundered nearby, there was never any Spanish settlement, perhaps because there was no indigenous labor for an encomienda system. Bermuda, in fact, has fewer than 400 years of populated history.

The first settlers on the island were English sailors. In 1609, the Sea Venture, on its way to the fledgling colony in Jamestown, Virginia, was blown onto Bermuda’s reefs; realizing the islands’ possible strategic and commercial advantages, three men stayed to guard a claim for England. Formal colonization began in 1612, when a governor and a boatload of settlers were sent by the then-parent Virginia Company. A series of merchant adventurers, served by slaves of African and Amerindian origins, began to investigate the commercial possibilities of various crops. Bermuda’s fertile soil was first promoted as a place to experiment with Mediterranean crops such as grapes and oranges. But a successful plantation was never developed. Even New World crops were not a success, as Bermuda was clearly too small for sugar, and proved to be too damp for tobacco.18

Bermuda was first surveyed in 1617, and mapped in two parts. The main part comprised three quarters of the land, and was partitioned into eight “tribes,” named for principal investors in England. Each tribe was further divided into 400 equal shares of 25 acres. The shares sliced across the land regardless of terrain and were allotted according to invest-
ment. The remaining quarter, including St. George’s Island to the east, was kept as common land. Here, Bermuda’s first town developed, with narrow streets determined by vantage points and the contours of the land (fig. 10).

Because Bermuda had no hostile population there was no need to huddle defensively, and settlement spread evenly all over the island. Small houses were built in the shelter of rocky outcrops. Evidence also exists of an early phase of semipermanent building (as in colonial Chesapeake), typified by cedar-framed and plastered houses with palmetto-thatched roofs. Today, Bermuda might fairly be described as an extended suburb. There is very little undeveloped open space left to give a sense of the primeval landscape. However, even if the land has been altered by changing development requirements, the memory of original settlement is still evident in remnants of “tribe roads,” dry-stone boundary walls, and the place names used.

It was not until the end of the seventeenth century, when there was a change in political status from administration by the Bermuda Company to self-governing territory under the English Crown, that people began to feel securely established. Only then were stone houses built in numbers. Bermudian builders, with remembered English traditions as their starting point, worked out a unique series of solutions to suit the practicalities of this small place with its limited yet singular resources.  

Limestone and cedar houses (large for landowners, small for workers) grew from the late English medieval hall-and-chamber nucleus, with wings with hipped or gabled roofs added in a way that sometimes appeared quite haphazard, forming cruciform, L, H, T or flattened U-shaped plans (fig. 11). Buildings were almost always a single room deep, for ventilation in the warmer months and as protection against hurricanes, but also because of the limitations of local trees, which seldom yielded building timbers longer than twenty feet.

Bermuda’s soft stone was easily cut with hand saws into building blocks (fig. 12). Within walls made from the blocks, a ledger plate would be used to support cedar beams and joists between floors. The walls were sometimes held together with tie beams, and were typically topped with a scarfed cedar plate, abutting high-set window frames. Wide, tapering chimneys, for cooking and for warmth in winter, provided additional support at gable ends.

Roof framing was simple, with rafters lapped and pinned at the crown of the roof, notched onto the wall plate, and braced with collar ties a third of the way down. The traditional roof pitch was 36 degrees, but a short rafter foot of a shallower pitch helped support overlapping limestone roof slates. These were hand cut into slabs and laid onto lathes nailed across rafters — a practice that is continued today. The entire house was then covered with lime wash.

Bermuda has no rivers. As a result, rainwater was caught on the slates, channeled down through gutters and
conduits into a lime-washed subterranean tank with a distinctly raised, domed top that allowed the circulation of air over the water (FIG. 13).

In the eighteenth century, Bermudians and their slaves turned to the sea for their livelihood — to venture trading, privateering, and fishing. They built swift little cedar sloops and transported cargoes between ports all over the Western Atlantic, from Newfoundland to the Caribbean, and occasionally as far south as St. Helena. They even attempted a kind of colonization of their own, sailing 1,000 miles south with their slaves to the Turks and Caicos Islands to rake and trade salt.

Bishop George Berkeley noted that Bermudians had “become carriers for America as are the Dutch for Europe,” and that they were “the only people of all the British plantations who hold general correspondence with all the rest.”

The result was a dense web of overseas cultural connections, especially with the thirteen American colonies, with which Bermudians linked themselves through family and business.

But there were inevitable tensions. During the American War of Independence, Bermudians found themselves torn between support for the Revolution and loyalty to the Crown. Later, during the American Civil War, they allied themselves with the South in order to benefit economically from blockade-running during a lean economic period.

In the second quarter of the nineteenth century, Bermudian carriers were quite literally put out of work by the Crown. Later, during the American Civil War, they allied themselves with the South in order to benefit economically from blockade-running during a lean economic period.

In the 1920s and 30s, Bermuda had no Department of Planning to guide design. But with tourism now becoming Bermuda’s economic backbone, an aesthetic and a self-image were already carefully being crafted that would safeguard this financial stake. When the results were finally written into the planning laws in 1965, it became difficult to build in any other way.

Because of these stringent building regulations it may be argued today that Bermuda played a part in the reintroduction of place-specificity to international architecture. Robert Venturi’s oceanfront Brant House (1975) in Tucker’s Town recontextualized a host of local references to comply with the planning code, doing so with grace and irony (FIG. 15). Other architects, less original and less talented, followed suit, and postmodern Bermuda became an easy place not only for self-reference but for self-parody.

Changed building materials now also had an impact on Bermudian design. Cedar and limestone, in increasingly short
supply, were largely replaced by new, prefabricated products, shipped in giant containers and used for structures that were no longer simple expressions of durable local materials.\textsuperscript{29} Because they were untried in the climate, they often had a short life expectancy; nevertheless, they began to subtly alter the built environment.\textsuperscript{30} The scale of structures also began to grow, as did the population, and land became a scarce commodity of increasing value. Today, instead of siting houses with regard to the contours of the land, the trend is to flatten a lot and fill the space with the largest house the law will allow. Bermuda’s architecture — its whole landscape for that matter — shows the inevitable force of these changes (\textit{fig. 16}).

Perhaps the best place to observe the degree of change is in the City of Hamilton and its adjacent areas, where planning laws have been interpreted more flexibly. Hamilton was not Bermuda’s original capital, but was created when a centralized town became necessary. The compact new town of only 185 acres, in Pembroke Parish, was laid out on a regular grid, fronting the harbor, and incorporated in 1793. Some lots in the town were sold, while others were reserved for public buildings — a market, a parade ground, a courthouse, and a legislative building (to which the legislature moved from St. George’s in 1815). While St. George’s today is prey to the artifice of historic tourism, Hamilton, officially a city since the
completion of an Anglican Cathedral in 1897, has become a thriving metropolis, sprawling out of its own boundaries.

Hamilton also struggles with its identity. During the 1970s and 80s the city was made a scapegoat in a tradeoff for a failed attempt at historic preservation legislation elsewhere on the island. In particular, its early nineteenth-century character was sacrificed to functional new office buildings of indeterminate style (fig. 17). An early example, the American International Building (1971) — a successful, though locally atypical, white International Style block — stands to the north and west of the city. However, its construction entailed the destruction of three nineteenth-century houses and the leveling of a small hill. Unfortunately, the building also set a precedent for others to build in an anonymous way, stretching planning law to its limits, and soon there were regrettable lapses on all sides, including the government’s own Public Works Department.

More recently, some companies have managed to take an alternative approach to corporate building. In another concentration of development — on the main eastern artery into the city, where offices are now replacing boatyards, warehouses, and waterfront houses — Renaissance Re, Ltd., a fast-growing reinsurance business, recently moved into a reused cluster of older buildings. These included Lane House, a mid-eighteenth-century domestic structure with a history that predates that of the city itself (fig. 18). Development in Hamilton is now also guided by a master plan that at least pays lip service to the preservation of what remains of the city’s character.

"THE RIGHT PLACE FOR INSURANCE"

“It’s lovely here,” a heavy-set tourist told me one hot July afternoon, as she admired the way a white house stood out against the sea, “Just like in colonial times.” For many, there is something almost narcotic in the mix of beauty and nostalgia that Bermuda has so skillfully marketed. But during the past fifteen years tourism has softened, and there has instead been rapid growth in international business. This has been supported by government as a response to the need for an alternative economic base. Today, along with New York and London, Bermuda finds itself a center of the global insurance industry, with about 90 percent of the world’s catastrophe reinsurance now being written in Hamilton. Both ACE and XL Capital were established in Bermuda, and these giant companies now anchor the island to the history of world insurance.

The story of the growth of insurance in Bermuda is usually divided into four phases. The first was marked by the arrival of the American International Group (AIG), which set up the headquarters of its international operations in Bermuda in the late 1950s. The second phase began thirty years later when the liability insurance sector of the global industry underwent a massive revision. At the time, high-end insurance coverage for very large corporations (the excess liability market) had all but dried up. But its reorganization was spearheaded in 1986 by two American businessmen, Robert Newhouse and Robert Clements, Jr., co-founders of ACE and XL (then called Exel), who found new ways to provide top and mid-range layers of excess liability coverage. They chose Bermuda as a location from which to operate, at least in part, because it was possible to set up companies there quickly. Among other driving factors were Bermuda’s neutrality and the avoidance of some corporate taxes and the fact that AIG was also already firmly established there, as were other, smaller companies.

It is important here to note that Bermuda prides itself on being a legitimate place from which to conduct international business. As a developed country in close proximity to the U.S., with a largely service economy, it was already consciously nurturing many of the features needed to compete in a borderless world: a well-maintained infrastructure, a well-educated...
 population, and a well-managed government with adequate capital behind it. According to Brian Duperreault, these features, as well as its location, make Bermuda “the right place for insurance.” Both ACE and XL have thrived there, and in less than eighteen years, ACE’s capital and surplus of $500 million has grown to $10 billion, while and XL’s capital and surplus of $250 million has grown to $7 billion. The most insured places in the world are Switzerland, Japan, the East and West Coasts of the U.S., and some of the major cities in Europe. In many other parts of the world, the concept of insurance is meaningless; but within the capitalist West it plays a vital part in the fundamental principal of continual growth. It is, if you like, the service industry of capitalism. The motto of ACE Limited is, “Take away the risk and you can do anything.”

It was a natural disaster that spurred the third phase of growth for Bermuda’s insurance industry. In 1992 Hurricane Andrew hit the southeast coast of the U.S., causing the largest losses recorded to that date for any natural disaster. Eight new companies were formed in Bermuda, as many smaller companies were simultaneously forced out of the volatile global market. ACE and XL founders, Newhouse and Clements, in a bid to reinvigorate the industry, expanded through the acquisition of four of these eight newly established companies. As a result of growing regulation change in the U.S. and Europe, following 1993 several more overseas companies came to Bermuda and clustered together, like tinsmiths in a souk. They were aided by the increasing sophistication of Bermuda’s infrastructure, which was itself growing to meet the demanding presence of companies like ACE and XL.

Concentration was good for everyone’s business, and Bermuda had now become a major center. But ACE and XL soon found themselves openly competing with each other, and in 1999 XL trumped ACE in a major business deal. Though they still trade with each other, their once-cordial relationship is now one of commercial rivalry, as both continue to bid for large companies in the U.S. and elsewhere. The cozy cottage style in architecture does not necessarily bring friendliness to the corporate environment.

It was the World Trade Center disaster that triggered the fourth phase of growth in Bermuda’s insurance industry. Events following the attacks of 3/11 have led industry observers to regard both ACE and XL as on a path to joining the half-dozen largest insurance companies in the world. In a rapid realignment immediately after the attacks, Bermuda-based companies achieved the largest, fastest deployment of capital ever, raising more than $15 billion of a world total of $25 billion in just one hundred days. This capital was raised in anticipation of elevated profit levels caused by a global shortage of commercial insurance.

Without commercial insurance, the capitalist engine grinds to a halt, and it was this new money that restarted a stalled machine. New companies, inventively incorporating both insurance and reinsurance, were now redesigned to spread the risk of future global property catastrophe across this ocean of money. Having very recently settled into their new global headquarters buildings in Bermuda, both ACE and XL were ready for these challenges, and their companies continue to grow. ACE Global Headquarters and XL House, relatively modest-looking structures by global corporate standards, can now be seen almost to belie the assets of nearly $100 billion that both companies are known to have amassed in a period of less than eighteen years.

LIVED EXPERIENCES

During its rapid growth phase as a center for international business, there have also been significant political changes in Bermuda. After being in office for more than thirty years, since the local inception of party politics, the United Bermuda Party (UBP) lost its control to the opposition Progressive Labor Party (PLP) in 1998. As an opposition, the PLP had been a successful, union-backed, labor-oriented party with a deeply vested stake in the interests of the majority black population. Their program as a ruling party has, thus far, seemed merely an attempt to equalize racial imbalance within established capitalist structures. Political changes, however, have not had an overt effect on the functioning of Bermuda’s insurance industry. International business has been embraced by both parties, and both parties are known to be funded by international business. But these changes to Bermuda’s political landscape are significant in any contemporary assessment.

ACE Limited, XL Capital Limited, and other international companies, now fixtures in Hamilton’s commercial landscape, have brought a renewed wave of prosperity to Bermuda. Many sectors of the community have benefited: small and large businesses, landlords, airlines, hotels and restaurants, and other local services, as well as the government itself. According to population census figures, more than 3,000 Bermudians worked for international companies in the year 2000, an increase of 65 percent from 1990. During the building of ACE Global Headquarters and XL House, work was distributed among a variety of local contractors and craftsmen.

But there are drawbacks as well. Bermuda today has a high level of educational attainment, as well as a sophisticated infrastructure, yet it cannot keep pace with the insurance industry’s demand for specialist labor. As many as 2,000 highly paid foreign executives have now moved to the island on short-term contracts, many with families and most of them white. What difference has this executive influx made to Bermuda’s way of life, and how are companies responding to the changes they are creating in the community? Bermuda has a strong record-keeping tradition and an uninterrupted archive of official documents. Statistics that might shed light on surfacing issues influenced by the
effects of international business on the community are under study but have not yet been published. In particular, a government-funded statistical analysis of changes to Bermuda’s social structure, as reflected in the comparative 2003 Adult Literacy and Life Skills Survey (ALL), is due to be released in early 2006.45 In the meanwhile, I offer the following comments based upon interviews and observation.

Among Bermudians, both black and white, there is a general consensus that something has altered fundamentally in their society in recent years. While some are enjoying the benefits of high-paying employment, others feel they are being abruptly telescoped into a future that is not of their own making, and many are frankly concerned by the global anonymity that they feel is encroaching on their small island. “It struck me forcibly one day when I was walking down Front Street,” a middle-aged Bermudian woman told me. “People just don’t have eye contact any more.”46

With anonymity has come a noticeable hardening of social and racial stratification. This small island is far from monocultural. When many black Bermudians talk about their culture, for example, they refer to lived experience rooted in the inequalities of the past, though an individual’s perceptions of this will differ according to circumstances. After the 1990 population census the mixed-race but predominantly white UBP government hired an American sociologist, Dorothy Newman, to analyze advances in the educational preparation of black Bermudians for corporate employment. Following methodological categories used in the census, she classed Bermudian socioeconomic groups as “poor” (earning less than half the median household income); “near-poor” (earning half to 62.5 percent); “middle-class” (earning 62–150 percent); and “well-to-do” (earning more than 150 percent of the median).47 The median was then about $50,000 a year. Newman’s findings were ultimately complimentary of the government’s long-term plans to prepare both people and infrastructure for its growing international business sector, as it was then understood.

Ten years later, expatriate or guest workers, in the main bracketing the local population, find themselves largely either at the very top or the very bottom socioeconomic layers of Bermudian society. At the top are the highly paid executives of insurance and other companies, while at the bottom are kitchen staff and domestic help. There is also a socio-cultural divide between expatriates and Bermudians, with more privileged expatriates tending to cluster together in closed subgroups, eschewing interrelationship with the larger community. On a local level, they are likely only to have contact with elite Bermudians (if at all), and are therefore less likely to understand the self-referential historical nuances of Bermudian society.

The Premier of Bermuda, Alex Scott, who is black, recently shrugged off the idea that this might be a long-term problem, saying that stratification was only to be expected, being an engrained way of life in a country that had grown out of slavery, indenture, and subsequent racial segregation.48 Unfortunately, the trend seems to be leading again to increased racial division. Commodity fetishism, especially in a small place, can easily result in a perpetual state of affluence envy, though it might be affluence without fulfillment.

Elite guest workers in Bermuda have very high lifestyle expectations, and a high-end service industry now caters primarily to them. Services are becoming more and more homogenized, and franchises — also very carefully limited by laws seeking to protect the uniqueness of the environment — are gradually creeping in. As a consequence, in Bermuda as elsewhere in the world, there is less variety to life.

Meanwhile, for tourists, the strength of the Bermuda experience has always been its people. Those reasons why tourists came — the peaceful traditions, or perhaps the pleasure of encountering the same waitress or bartender year after year — are, however, of an age passed. The new generation of Bermudians does not want to fill such jobs. Waiting at table and other menial jobs are now largely filled by poorly paid Asian workers, contributing to a sense of anonymity.49 This, of course, is a cycle of self-strangulation, giving more power to the corporate presence and lessening the possibility for economic alternatives grounded in the uniqueness of the island’s culture.

The international business community is also having a profound impact on Bermuda’s housing market. Inflated values in both the rented and owned segments of the real estate market began when international companies started to provide large living allowances for foreign employees. Landlords raised their rents, companies provided housing subsidies, and, in the ensuing vicious cycle, rents soared. With the rent for a desirable house now as much as $20,000 a month, most companies regularly provide generous rental allowances. Bermuda has limited rent control that applies only to low-value properties — houses assessed for land taxation as having an annual rental value of $16,200 or less.50 Ownership of domestic properties with an annual rental value of less than $126,000 is also not permitted to non-Bermudians. But since only a small pool of houses is available for non-Bermudian ownership, rent inflation is inevitable.51

Independent housing statistics released in July 2004 showed that nearly one-third of Bermudians now spend more than half their monthly income on housing. Of this number, more than half earn less than $50,000 a year. The survey also showed that one in five people is actively searching for more affordable housing.52 There are currently more than 600 families on the government’s list of those in need of adequate accommodation, and families of six and seven people are said to be living in one- and two-bedroom apartments.

In this housing crisis the greatest pressure is on disaffected “poor” and “near-poor” working people, especially the majority black Bermudians in these groups. Many black people, who comprise more than half the population and who assumed that the new PLP government would make a positive change in their lives, are becoming resentful that it does not seem to be doing so.53
Pressure is also being felt by young professionals who may have recently completed training abroad. There are the beginnings of an outmigration of Bermudians because of problems with quality of life that surround the housing shortage. In addition, there is now a population of approximately 120 people living on the streets and in parks in Hamilton — some of them with daytime jobs they must go to in order to feed themselves. While Bermuda has always had a small-town tradition of eccentric vagrants, and once took pride in men like “Wardrobe” Tucker (who wore all his clothes at once, the summer ones on the outside in summer), homelessness is now acquiring a far more bitter meaning.

THINKING LOCALLY, ACTING POSTGLOBALLY

From the optimistic jargon of the 1960s and 70s, when multinational was the buzzword, to the transnationalism of the 80s and 90s, we have now passed to an age where many large corporations have completely transcended nationalism and hover in the air around us, like the rings of Saturn. This article was originally presented as a paper at the 2004 IASTE conference, which attempted to articulate the role of the built environment in a postglobal world. Bermuda’s planning legislation, resulting in the continuation of a clearly defined vernacular architecture, made it an ideal site to explore the concept of the postglobal in architecture. It is this Bermudian idiom, expressed in metaphors of nature and local culture, that informs the design of the two new corporate buildings under study, XL House and ACE Global Headquarters. But this is a corporate architecture that can no longer be labeled postmodern. In their unambiguous attempt to appear to belong, these buildings move local referencing light years away from Robert Venturi’s gentle irony at Brant House. Referencing is now used earnestly as a charged signifier of their incorporation of Bermuda into the global world of insurance.

“Culture is an ever-changing product of human practices,” Michael Peter Smith has written. In a critique of David Harvey’s concept of the condition of postmodernity, Smith pointed out that Harvey does not allow for the agency of the local, which he relegated to sporadic, dead-end outbursts. Smith, instead, argued that the complexity of the local has the power to continuously affect the process of change. In seeking a definition of the postglobal, I would argue that part of that condition is the necessity to appear to assimilate, and by doing this to demonstrate recognition of the underlying power of the intangible aspects local culture. A definition of the postglobal must incorporate the idea of the global attempting to assimilate locally, for its own purposes. Without new resistances, the local therefore becomes increasingly postglobal.

ACE Global Headquarters and XL House may be representative of a new paradigm: a conscious attempt to locally conceal globalization. When XL Capital decided to spend $120 million on its corporate headquarters, a high price even after factoring in hefty local building costs, it was signaling its serious intention to put down lasting foundations in Bermuda. We have seen in the design of both ACE Global Headquarters and XL House how attention was paid to maintaining superficial aspects of Bermuda’s stylistic tradition. Architects worked in the local idiom using metaphors of local domesticity and the command of nature. With some license granted, they largely adhered to planning legislation, even though others before them had pushed the law to its limits within the city boundaries. While linked to postmodern design, the architectural styles chosen by ACE and XL speak plainly of the companies’ intention to assimilate into the local community. If more evidence should be needed, both companies have taken further steps to fit in, in ways that seem designed to benefit the community, while ensuring their own futures in Bermuda.

XL’s Chief Executive Officer, Brian O’Hara, recently offered the opinion that Bermuda was “full.” Nevertheless, both ACE and XL are actively involved in real estate speculation, and in other activities designed to strengthen their ties with Bermuda. At the time of writing, XL was building condominiums for executive rental on the site of another former hotel, the Belmont. ACE had already completed condominiums, located close to its Global Headquarters, and which echoed the verandahs of Front Street (FIG. 19). These are rented on the open market. Managed by the ACE Foundation, they provide money for select charitable support in the community. In this regard, ACE is the more public benefactor, spreading its money and also publicizing itself widely in the community. For example, the company is one of the sponsors of a local branch of Habitat for Humanity, the charitable foundation that finds ways to help people renovate derelict houses. Habitat finds volunteers to work with owners and pass on building skills. The irony here is that in

**FIGURE 19.** ACE apartments with verandahs that refer back to nineteenth-century Hamilton.
Bermuda, this is a revival of a local tradition of pooling resources, common in the black community until very recently, when friends and neighbors helped each other build. Pressures associated with the high cost of living have now made this practice untenable. XL for its part, in collaboration with the Bermuda government, focuses its charitable support on a major educational program in the country’s secondary schools, intended to raise the standard of computer literacy. These activities certainly benefit the community, but they are also carefully calculated to serve the long-term interests of the companies in Bermuda.

We now need to ask, is there an intelligible trajectory of meaning in the assimilation tactics used by ACE and XL? What, if any, is the relationship between international business and Bermuda’s colonial past? Corporate assimilation seems to me comparable to the historical patterns of emulation found in the processes of colonization. In Bermuda, the position of newcomers vis-à-vis “oldstanders” was often a problematic one, perhaps because it was an uninhabited place before colonization and, despite the subsequent introduction of slaves from elsewhere, the establishment of a social hierarchy was more fluid. The first elite settlers, who arrived in the seventeenth century, were the yardstick for society. Recent archaeological investigation has shown that elites and merchant seamen in Bermuda displayed more conspicuous wealth than their mainland U.S. counterparts.

When subsequent generations of settlers arrived in the eighteenth and nineteenth centuries, the way to be accepted was to quickly learn how to do what others were already doing. Participation in local and highly visible material traditions was a primary signifier of assimilation.

In Bermuda today, ACE and XL also signal their intention to belong through architectural style. Their actions are clearly measured, and I suggest that they are participating in a continuum of colonization. This eases their progress. Why Bermuda is at present so uncritical of much of what is happening is another matter. The long-term impacts of colonization are not always easy to identify, and in Bermuda, this is particularly so because there is a qualitative difference in the colonization of a formerly uninhabited country. Perhaps, in that regard, Premier Scott was not so wide of the mark when he spoke of the inevitable residual effects of segregation.

In her book *The Silent Takeover*, economist Noreena Hertz has argued that although globalization is becoming the dominant world ideology, its promise is already failing in a fundamental way. In many parts of the world, the fruits of liberal democracy are not being delivered because corporate power has the economic potential to control democratic processes. If, as is also argued, globalization has been harnessed to date by the detrimental effects it has on local environments, and by local resistances, international companies in postglobal Bermuda seem to have realized this. They are making a locally intelligible attempt to appear to assimilate. This seems a necessary outcome for survival in still-colonial Bermuda. Underwriting, which has no national allegiance, is the service industry that protects the heart of the dominant global culture, and a part of it, the post-9/11 insurance industry, is now having a significant impact on Bermuda. This is not immediately legible in the island’s corporate architectural styles, which continue to sufficiently emulate a past that is itself modeled on a colonial revival to meet the expectations of twentieth-century tourists.

Buildings as artifacts, and as referents to local tradition, have powerful meanings. Inside XL House there hangs a serenely beautiful watercolor by a contemporary Bermudian painter, Steven Masters. The image is of an elderly stone mason, slaking lime. In this postglobal building made of modern materials, it really is an irony to see such calculated sentimental attachment to the material culture of the past when irony would seem to be the very last thing intended.

**REFERENCE NOTES**

1. According to the 2004 World Bank Indicators database (http://www.worldbank.org/data/databytopic/GNIPC.pdf), Bermuda currently has the highest per capita Gross National Income (GNI), at more than $53,000.

2. See H. Lefebvre, *The Production of Space*, D. Nicholson-Smith, trans. (Oxford: Blackwells, 1991). Lefebvre, and others, have also argued that in contemporary capitalist society, what is seen takes priority over what is lived.

3. The first Bermudiana Hotel was destroyed by fire in 1959, and although rebuilt almost immediately, never again achieved financial viability because of middle-headed investors. By the mid-1980s it had become derelict, the home of squatters.


5. The Bermudiana Site Rehabilitation Act, 1997. Previously, all foreign companies except hotels had been restricted to a 40/60 percent ownership, with Bermudian partners as major shareholders. There had been one exception outside the hotel industry: in 1971, presaging the local growth of international insurance, special exemption was given to the American International Group (AIG) for 100 percent land ownership.

6. An example of adaptive reuse is Renaissance Re in Lane House, Pembroke.

7. Http://acelimited.com/MediaCenter/PressReleases/html/mc_pr_1. The substructure for the second phase was also laid, but at present this is covered by tennis courts.

8. B. Duperreault, ACE Chairman and CEO, in remarks made at the opening of the ACE headquarters. See also the ACE Group’s
unpublished public-relations brochure, “Building Success” (2001), distributed when the building opened.

9. The distinctive, square, out-building known as a “buttery” in Bermuda has a steep-pitched roof of flat or lapped stone slates traditionally laid without any supporting frame. Butteries were used for a variety of storage and food-related activities. The form continues to be built today, incorporated into cottage extensions, or used as boathouses or garages. See S. Shorto, “Butteries,” in P. Oliver, ed., *Encyclopedia of Vernacular Architecture of the World* (Oxford: Blackwells, 1997).


11. Because of XL’s expansion, including the acquisition of Mid Ocean Re in 1998, the number of its employees jumped from 85 to almost 300.


13. At the discretion of the Department of Planning, an additional “penthouse” story might be allowed if it contains services rather than offices. Tower One has 205,000 sq.ft. of space, and Tower Two has 141,000 sq.ft.

14. The natural metaphor was emphasized when the building was opened and XL gave away indigenous cedar tree seedlings to the public.

15. Author’s interview with Brian Duperreault, July 2004.


17. The island’s distinctive architecture, including its scale and detailing, were officially inscribed in the Development and Planning Act of 1965.


20. “A Proposal for the Better Supplying of Churches in our Foreign Plantations, and for Converting the Savage Americans to Christianity” (London, 1724). Because of its mid-Atlantic location, Berkeley had proposed a college in Bermuda for the education of Protestant clergy for the American colonies.

21. Connections can be read particularly plainly in furniture styles. For example, there is an almost identical cedar highboy in Verdmont Museum in Bermuda and in the St. George Tucker House at Colonial Williamsburg. For an illustrated survey of Bermudian furniture, see B.B. Hyde, *Bermuda’s Antique Furniture and Silver* (Hamilton: The Bermuda National Trust, 1988).

22. Emancipation in Bermuda was in 1833/4.


25. The Tucker’s Town development, spearheaded by the Furness Withy Steamship Company, comprised a residential community, a club, two golf courses, and a luxury hotel on a rough spit of farmland with spectacular waterfront on either side. To acquire the land meant outing a small black Bermudian community — a highly unpopular action that is remembered today. See McDowell, *Another World*, pp.81–85.

26. J.S. Humphreys, *Bermuda Houses* (Boston: Marshall Jones, 1923). It is not surprising that Bermudian houses were also built in Palm Beach, Florida. Bermuda and Florida were then rivals for the same layer of tourist business. For the Bermuda style in Palm Beach as an alternative to the Spanish colonial style, see S. Shorto, “Palm Beach: Designs on Bermuda,” *Bermudian Magazine*, October 2000.


28. For example, Harrison’s Round House (1936), now destroyed, was built for David Milton.

29. For example, SKB Roofing, designed to withstand hurricanes and to look like a stone slate Bermuda roof. SKB is light and can be insulated to make air conditioning more economical.

30. The materials used in XL House, for example, are only guaranteed for up to twenty years.

31. This was designed by architects Anderson, Beckwith and Hable of Cambridge, MA, with OBM of Bermuda.

32. In addition to the sources cited above, I am most grateful for discussions with Roger Crombie, CA, insurance journalist and editor of *Bermuda Reinsurance Magazine*.

33. Bermuda, regulated by the Bermuda Monetary Authority, is considered to be “...one of the more mature territories in terms of regulatory structure and culture.” http://www.official-documents.co.uk/document/cm48/4855/4855.htm. Cited by Roger Crombie, “Reviewing her Subjects” (February 12, 2004). http://www.bermudianbusiness.com/biz/b0101b03.html.


35. In addition to the sources cited above, I am most grateful for discussions with Roger Crombie, CA, insurance journalist and editor of *Bermuda Reinsurance Magazine*.

36. Bermuda, regulated by the Bermuda Monetary Authority, is considered to be “...one of the more mature territories in terms of regulatory structure and culture.”


38. Author’s interview with Brian Duperreault, July 2004.
39. I am grateful to Roger Crombie for providing these figures.
41. XL, for example, had a bumper year in 2004, with a profit of $815,773,000 in the first six months alone.
42. According to the year 2000 census, the overall population was static at a little over 62,000 people. Of these, blacks (Bermudian and non-Bermudian) comprise 55 percent of the population, and whites (Bermudian and non-Bermudian) comprise 34 percent. The remaining 11 percent consists primarily of Asians and people who choose to describe themselves as being of mixed race. The percentage of Bermuda-born blacks, however, is 69 percent, while of whites the number is only 21 percent, indicating a far higher percentage of recent white immigrants. “Report on the 2000 Census of Population and Housing,” Bermuda Government Department of Statistics, 2001.
43. Ibid.
44. While the law restricts foreign workers if a Bermudian can fill the job, insurance companies are often able to make a case for specialist workers to be allowed onto the island.
45. Based on data from the population census, this survey will compare Bermudian adult literacy and life skills statistics with those of Canada and five other nations.
46. Author’s interviews with members of the public in the city of Hamilton, July and August 2004.
48. Author’s interview with the Premier of Bermuda, the Honorable Alex Scott, August 2004.
49. Guest workers are controlled by the Bermuda Immigration and Protection Act (1956) and subsequent revisions. See www.bermudalaws.bm/home.html.
50. Annual rental values (ARVs) range from about $3,000 to more than $1 million. The number of rent-controlled dwelling units is approximately 3,600 out of an island-wide total of about 25,000. Figures provided by the Rent Commissioners Office and the “Report on the 2000 Census of Population and Housing,” Bermuda Government Department of Statistics, 2001. ARVs are purely notional values and have no relation to actual rents paid.
51. At the time of writing, the figure was being reappraised by the government.
52. The Royal Gazette, July 22, 2004, p.1. The statistics were compiled between June 25 and 29, 2004, and are part of a quarterly independent survey of 401 representative residents of Bermuda, conducted by Corporate Research Associates.
53. Alert to the political implications of the growing divide between rich and poor, government is now developing a social agenda to investigate ways that people left out of the current boom might be drawn into a more direct stake-hold, to improve the quality of their lives. Author’s interview with the Premier of Bermuda, the Honorable Alex Scott, August 2004.
54. Author’s interview with Kelly Miller, Secretary to the Corporation of Hamilton, July, 2004.
56. ACE would not reveal the cost of their building.
57. Author’s interview with Brian O’Hara, August 2004, during which O’Hara speculated that the island had reached saturation point. See also The Royal Gazette, May 4, 2004.
58. ACE recently bought advertising space at Cup Match, the historically significant annual two-day cricket match between parishes at the opposite ends of the island, an event that remembers slavery and commemorates Emancipation.
59. Mark Twain, a frequent visitor to Bermuda in the late nineteenth century, referred to them as “the stranded gentry.”
60. Analysis of faunal and ceramic remains from digs conducted by archaeological teams from Colonial Williamsburg in St. George’s and elsewhere in Bermuda, has demonstrated a higher standard of living in general.
All photos and drawings are by the author unless otherwise noted.