

Susanne Frank

## Gentrification



CC license: CC-BY-SA 4.0 International

URN: 0156-55997122

*This is a translation of the following entry:*

Frank, Susanne (2018): Gentrifizierung. In: ARL – Akademie für Raumforschung und Landesplanung (Hrsg.): Handwörterbuch der Stadt- und Raumentwicklung. Hannover, 779-785.

*The original version can be accessed here:*

urn:nbn:de:0156-5599712

Typesetting and layout: ProLinguo GmbH  
Translation and proofreading: ProLinguo GmbH

Recommended citation:

Frank, Susanne (2018): Gentrification.

<https://nbn-resolving.org/urn:nbn:de:0156-55997122>.

# Gentrification

## Contents

- 1 Understanding the concept
  - 2 Explanatory approaches
  - 3 Classic progression models and new forms of gentrification
  - 4 Discussion
- References  
Additional literature

**Gentrification describes the comprehensive process of change in a residential area in which an upgrading of the built/spatial environment (induced by the real estate sector or by socio-cultural or political factors) is accompanied by or presupposes the displacement of previous population groups by higher-status groups.**

# 1 Understanding the concept

---

Gentrification processes are a defining element of the socio-spatial restructuring of cities in the age of globalisation. The international discourse on the topic among specialists has become vast and confusing, such that no standardised interpretation of the term prevails. Nonetheless, it is possible to identify something like a classic core understanding, to which a large range of variations and further interpretations can be linked (cf. Shaw 2008: 1). The widespread idea of a typical basic pattern of gentrification dates back to the urban sociologist Ruth Glass (1964), who used the term to characterise striking change processes in the London district of Islington:

‘One by one, many of the working-class quarters of London have been invaded by the middle-classes – upper and lower. Shabby, modest mews and cottages [...] have been taken over, [...] and have become elegant, expensive residences. Larger Victorian houses [...] have been upgraded once again [...] Once this process of “gentrification” starts in a district it goes on rapidly until all or most of the original working-class occupiers are displaced and the whole social character of the district is changed.’ (Glass 1964: xviii)

Structural upgrading, the displacement of previous population groups by higher-status groups and the accompanying comprehensive change in the social character of a (usually inner-city) neighbourhood – these are essential elements which, combined, make up the specific character of gentrification in the narrower understanding of the term (e.g. Kennedy/Leonard 2001: 5; Holm 2013: 7). In a broader understanding, the term is used for those urban reconstruction strategies which, above all, address the urban-oriented (upper) middle classes: as ‘urban development for the wealthy’ or ‘high earners’, and occasionally even as the ‘return of the middle classes’ to inner cities (e.g. Hackworth 2002: 815; Clay 1979: 11; Savage/Warde/Ward 2003: 87). However, this understanding lacks conceptual conciseness or differentiation from other technical terms and concepts.

# 2 Explanatory approaches

---

The debate about the causes of gentrification is dominated by three theoretical strands. Supply-oriented explanations underline the economic basis of the upgrading of an area. According to these explanations, gentrification is caused by changed valuation or capital utilisation processes within the urban land and housing markets (▷ *Land market/land policy*; ▷ *Housing market*). Three interacting factors are seen as crucial here (Holm 2013: 20 et seq.).

- a) Macroeconomic investment cycles: there is increased investment in the second circulation of capital (property and housing markets, infrastructure) particularly where there is a utilisation crisis in the first circulation of capital (goods production) (cf. Harvey 2006). Investment-seeking capital then increasingly shifts to the fixed and seemingly secure ‘concrete gold’.
- b) Microeconomy of yield gaps: if, in a previously neglected district, the difference between currently capitalised land rent and (after property acquisition and building modernisation) the highest possible land rent (‘rent gap’) is particularly pronounced, investment becomes attractive (Smith 1979). This also applies if there is a large difference between the currently

obtainable rental income and potential sale proceeds. The ‘value gap’ here describes the difference between the return on investment of a rental property converted into owner-occupied housing in comparison with the annually obtainable revenue from rental income (Friedrichs 1998: 64 et seq.).

- c) Transition from a rental to a yield-based economy: the crucial stakeholders in the upgraded districts are no longer, in particular, traditional property developers, housing construction companies and property owners oriented towards rental income, but rather increasingly return-oriented investors such as banks, insurances or funds. For these entities, housing or property are purely financial investments intended to yield a profit (Holm 2013: 26 et seq.).

Demand-oriented explanations are based on the complex socioeconomic transformation processes which characterise the transition to post-industrial societies. In the course of ▷ *Globalisation* and tertiarisation, academisation and professionalisation, influential ‘new middle classes’ are formed, predominantly in the areas of science and research, information and communication, culture, consultancy and administration, and tend to concentrate in the inner cities of metropolitan agglomerations (▷ *Agglomeration, agglomeration area*). These processes go hand in hand with a comprehensive sociocultural transformation (secularisation and liberalisation, individualisation and pluralisation of ways of life, de-traditionalisation of gender relationships and family arrangements, as well as the erosion of boundaries between work and leisure time; ▷ *Social change*). Against this background, new large social groups are formed in line with normative orientations, milieu affiliations and lifestyles (▷ *Milieu*; ▷ *Lifestyles*). In the interplay between these developments, gentrification appears as an expression and result of the practical orientation of the gentrifiers (established, usually childless households with high economic capital), who display characteristic sociocultural sets of values and patterns of life which are predominantly directed towards the inner cities (e.g. Yuppies – Young urban professionals, Dinks – Double income no kids, etc.). At the same time, the progressive occupation of the inner cities by the new middle classes is regarded as a spatial dimension and therefore as an essential element of the continuing process in which the leading class in the (global) culture- and knowledge-based service economy is formed in the first place (Davidson 2007; ▷ *Knowledge society*).

Although the research long considered theories based on supply and demand or production and consumption as competing with each other (pointedly: Hamnett 1991; critical: Slater 2013: 574 et seq.), there is now widespread agreement that economic and sociocultural explanations for gentrification processes mutually depend on and supplement each other.

In addition, the strong significance of a further critical factor, namely (urban) political planning and/or acts undertaken by the government, is increasingly becoming the focus of attention. Interventions in the property or housing market, changes to rental law, regeneration, modernisation and other development programmes, regulations on the preservation of historical buildings and monuments, etc. can provide fertile ground for the dynamics which stimulate the upgrading of an area and decisively affect which districts are included in them, in what way, at what speed and with what social consequences (Lees 1994; Helbrecht 1996: 7; Holm 2013: 40).

The contribution that political planning activities make to gentrification processes (‘state-led gentrification’) is being elaborated internationally and (controversially) discussed, predominantly in two central aspects of urban politics: firstly, gentrification is interpreted as a core component of

## Gentrification

an enterprising urban policy, whose predominant objective is to position one's own ▷ *City, town* in the best possible way in the international competition between locations (▷ *Locational policy*). In this context, it is assumed that the displacement of previous residents which often accompanies measures to revitalise inner-city neighbourhoods is accepted (approvingly) in order to make precisely these urban centres 'more attractive for the households, companies and tourists being wooed in the competition between cities' (Holm 2012: 671). Secondly, gentrification is regarded and implemented in many places as a tried and tested strategy to stabilise disadvantaged neighbourhoods (▷ *Neighbourhood/neighbourhood development*). It is hoped that a more balanced social mix due to the influx of more articulate and consumer-oriented members of the middle classes will produce a better representation of neighbourhood interests or will stimulate the local economy. In particular, however, the marginalised residents are meant to benefit from the diverse resources of the new arrivals through everyday contact. Research has proven many times though that such expectations are rarely fulfilled (e.g. Butler/Robson 2003; Lees 2008).

### 3 Classic progression models and new forms of gentrification

---

Since the beginning of gentrification research, there has been an attempt to describe characteristic phases and dimensions of the process. Models derived from the socio-ecological tradition are particularly influential (e.g. Clay 1979; Dangschat 1988; Friedrichs 1998); put very simplistically, these assume that a group of pioneers with high social and cultural but low economic capital (e.g. creative artists, students, people with alternative lifestyles) 'infiltrates' a district with cheap rents and leaves its mark – for example, in the form of trendy bars, galleries, or bicycle workshops. The ▷ *Real estate sector* takes note, leading to a first round of modernisations and the associated increases in rental prices, which gradually force long-established residents to move away. The real gentrifiers then start moving in. The media announce the changes that are starting. The real estate sector begins systematically investing in the neighbourhood (e.g. high-quality modernisations, luxury renovations, new buildings, measures to enhance the living environment); the demand from higher-status groups continues to increase; commercial, cultural and other offers are adapted to the needs of the gentrifiers; and the new reputation now also attracts visitors from outside the area into the neighbourhood. Rents and land prices increase considerably, while cheap housing vanishes. Many long-established residents, but also some of the pioneers, can no longer afford to live in the district or feel culturally alienated; direct and indirect displacement processes become evident. A first gentrification cycle is regarded as complete when only households of the upper middle classes move in, which have a higher income than the gentrifiers of the earlier stages. The population exchange is pretty much complete. The socio-structural change and the structural and functional upgrading of the area have fundamentally changed the character and image of the neighbourhood; it is now viewed as an upscale residential area.

Such typical descriptive phase-based models have often been criticised as 'subcomplex'. Alongside these classic progressions, international research is also observing and discussing further (progressive) forms of gentrification, each of which produce specific socio-spatial dynamics and (urban) landscapes and involve specific stakeholders. A distinction can be made here between approaches which take account of spaces outside the metropolises (such as rural,

suburban or provincial gentrification) and those that focus above all on the specific groups carrying out the process (such as gentrification by students, tourists, people of colour, LGBT+ or families). Increasing attention is also being given to processes of 'new build gentrification', which is triggered by new building activity in areas which were not previously used for residential purposes (Davidson/Lees 2005). The term 'super-gentrification' describes the re-upgrading of already fully gentrified neighbourhoods, particularly in Global Cities (Butler/Lees 2006; ▷ *Metropolis/Global City*). These developments show that there does not have to be a final stage of gentrification.

## 4 Discussion

---

The causes, models, manifestations, stakeholders, phases, consequences and interpretations of gentrification processes have been intensely and controversially discussed in the international specialist community for some 50 years. In view of its manifold variations and modifications, gentrification was already described at an early stage as a 'chaotic' concept which was difficult to define theoretically (Rose 1984; Beauregard 1986). Conversely, it can be argued that at least one central aspect has always remained stable and unquestioned, namely the class character of the transformation processes: gentrification is interpreted across the board as a market- or policy-induced 'production of space for and consumption by a more affluent and very different incoming population' (Lees/Curran/Slater 2004: 1145). Smith (1996: 39) has therefore pointedly spoken of gentrification as the 'class remake of the central urban landscape'.

It is no coincidence, therefore, that in Germany, too, the term is often invoked when taking a position that is critical of such social processes. Thus, urban social movements understand and use gentrification as a 'political slogan' to mobilise people against inner-city upgrading and displacement processes (Twickel 2010: 8). For others, on the other hand, the term has positive connotations: many urban planners and property developers welcome gentrification as a visible sign of the success of their efforts to make inner cities or certain neighbourhoods attractive again for the middle classes. In any case, the rapid public ascent of this sociological technical term in recent years is remarkable. When an academic term crosses over into the general vocabulary, this indicates that it embraces situations and developments which are currently of acute significance for a society. In this sense, gentrification articulates the feeling of unease which growing parts of society feel in view of such significant changes to the face and social composition of (inner) cities (Frank 2013).

## References

---

- Beauregard, R. (1986): The chaos and complexity of gentrification. In: Smith, N.; Williams, P. (Eds): *Gentrification of the city*. Boston, MA, 35-55.
- Butler, T.; Lees, L. (2006): Super-gentrification in Barnsbury, London: Globalisation and gentrifying global elites at the neighbourhood level. In: *Transactions of the Institute of British Geographers* 31 (4), 467-487.
- Butler, T.; Robson, G. (2003): *London calling: The middle classes and the remaking of inner London*. Oxford.
- Clay, P. (1979): *Neighborhood renewal: Middle class resettlement and incumbent upgrading in American neighborhoods*. Lexington, MA.
- Dangschat, J. (1988): Gentrification: Der Wandel innenstadtnaher Nachbarschaften. In: *Kölner Zeitschrift für Soziologie und Sozialpsychologie* 40 (Special Issue 29), 272-292.
- Davidson, M. (2007): Gentrification as global habitat: A process of class formation or corporate creation? In: *Transactions of the Institute of British Geographers* 32 (4), 490-506.
- Davidson, M.; Lees, L. (2005): New build gentrification and London's riverside renaissance. In: *Environment and Planning A* 37 (7), 1165-1190.
- Frank, S. (2013): Unbehagen der Mitte: Die aktuelle Wohnungskrise und die urbanen Mittelschichten. In: *RaumPlanung* 169 (4), 38-43.
- Friedrichs, J. (1998): Gentrification. In: Häußermann, H. (Ed.): *Großstadt: Soziologische Stichworte*. Opladen, 57-66.
- Glass, R. (1964): Introduction: Aspects of change. In: *Centre for Urban Studies (Ed.): Aspects of change*. London, xviii-xix.
- Hackworth, J. (2002): Post recession gentrification in New York City. In: *Urban Affairs Review* 37 (6), 815-843.
- Hamnett, C. (1991): The blind men and the elephant: The explanation of gentrification. In: *Transactions of the Institute of British Geographers* 16 (2), 173-189.
- Harvey, D. (2006): *The limits to capital*. London/New York.
- Helbrecht, I. (1996): Die Wiederkehr der Innenstädte. Zur Rolle von Kultur, Kapital und Konsum in der Gentrification. In: *Geographische Zeitschrift* 84 (1), 1-15.
- Holm, A. (2012): Gentrification. In: Eckardt, F. (Ed.): *Handbuch Stadtsoziologie*. Wiesbaden, 661-687.
- Holm, A. (2013): *Wir Bleiben Alle! Gentrifizierung – Städtische Konflikte um Aufwertung und Verdrängung*. Münster.
- Kennedy, M.; Leonard, P. (2001): *Dealing with neighbourhood change: A primer on gentrification and policy choices*. <http://www.brookings.edu/~media/research/files/reports/2001/4/metropolitanpolicy/gentrification.pdf> (3 November 2015).

- Lees, L. (1994): Gentrification in London and New York: An Atlantic gap? In: *Housing Studies* 9 (2), 199-217.
- Lees, L. (2008): Gentrification and social mixing: Towards an inclusive urban renaissance? In: *Urban Studies* 45 (12), 2449-2470.
- Lees, L.; Curran, W.; Slater, T. (2004): Guest editorial: Gentrification research: new directions and critical scholarship. In: *Environment and Planning A* 36 (7), 1141-1150.
- Rose, D. (1984): Rethinking gentrification: Beyond the uneven development of marxist urban theory. In: *Environment and Planning D* (2) 1, 47-74.
- Savage, M.; Warde, A.; Ward, K. (2003): *Urban sociology, capitalism and modernity*. Basingstoke.
- Shaw, K. (2008): Teaching and learning guide to gentrification: What it is, why it is, and what can be done about it. In: *Geography Compass* 4 (4), 383-387.
- Slater, T. (2013): Gentrification of the city. In: Bridge, G.; Watson, S. (Eds): *The New Blackwell Companion to the City*. Chichester, 571-585.
- Smith, N. (1979): Toward a theory of gentrification: A back to the city movement by capital, not people. In: *Journal of the American Planning Association* 45 (4), 538-448.
- Smith, N. (1996): *The new urban frontier: Gentrification and the revanchist city*. London.
- Twickel, C. (2010): *Gentrifidingsbums. Oder: Eine Stadt für alle*. Munich.

## Additional literature

---

- Brown-Saracino, J. (Ed.) (2010): *The gentrification debates: A reader*. London/New York.
- Lees, L.; Slater, T.; Wyly, E. (Eds) (2010): *The gentrification reader*. London/New York.
- Schlichtman, J. J.; Patch, J. (2014): Gentrifier? Who, me? Interrogating the gentrifier in the mirror. In: *International Journal of Urban and Regional Research* 38 (4), 1491-1508.

Last update of the references: November 2017