

Gentrification and the Changing Urban Form

Kejie Wang¹

¹ University of Pennsylvania, Philadelphia 19104, United States

Correspondence: Kejie Wang, University of Pennsylvania, Philadelphia 19104, United States.

doi:10.56397/SSSH.2023.09.05

Abstract

The effects of gentrification on displacement are widespread in the United States today. Since 1960, the United States has provided low-income people with opportunities to live in cities and find better jobs. As a result, a large number of low-income people have flooded into cities, resulting in high-income groups being dissatisfied with the changes in the surrounding community environment and moving to the suburbs, forming a wave of counter-urbanization. Today, however, the United States is reversing this trend and reurbanizing. High-income people with knowledge and expertise are moving into big cities, while low-income people are being driven out of their original homes. This paper will analyze the causes of gentrification and its impact, and divide into four parts to answer these questions. Gentrification is a development trend, which should not be ignored but should be faced and better helped by government intervention, community assistance and welfare policies.

Keywords: gentrification, re-urbanization, class replacement, community, social welfare, middle class, low income

1. Introduction

With the development of economy and the accumulation of capital and the pursuit of profits, Gentrification begins to appear in communities in big cities, and this trend will spread to more places. This paper will discuss what Gentrification is, what kind of influence Gentrification brings to society, how it is produced, how Gentrification has bad influence in this process, and what kind of attitude the whole society should adopt towards Gentrification. I think the trend of Gentrification is a historical choice and inevitable in the development process. There are positive aspects to Gentrification, and we should explore more ways to solve problems, rather than hinder its development.

2. What Is Gentrification and Why Has It Become such an Important Issue?

Gentrification is the idea of changing the overall structure of a community, including its living environment and job market, by bringing in more affluent people and businesses. Gentrification has always been a controversial topic, because in the process of Gentrification, many people who originally lived in the community were affected by many things. "A generalized middle-class Restructuring of place, it has the entire transformation from low-status Neighborhoods to Upper Middle class Playgrounds." (Shaw, Gentrification: What It Is, Why It Is, and What Can Be Done about It) Some poor people are displaced by Gentrification because they Can't afford rent. Florida notes that a 1983 study found that one in four people in five large American cities had been displaced by rising rents or evictions. (Florida R. (2015) "This is What happens after a neighborhood gets Gentrified"). Gentrification is also attributed to middle-class causes in the original community, resulting in class decline. New industries don't need the same skilled workers as they used to, such as the Internet industry, which doesn't have the same skills as traditional middle-class families. As a result, new skilled workers are flooding into big cities, while traditional industries are more likely to lose their jobs. In different neighborhoods, different racial proportions will also lead to different results of Gentrification. The Gentrification of neighborhoods with more white people continues, and more low-income families are driven out of their original neighborhoods, but the

Gentrification of neighborhoods with more black people stops. It's more like a society trying to gentrify the poor into poor, underdeveloped communities. Shaw mentioned something similar in his article, but there is an additional point about the cultural impact of the middle and upper classes, because gentrification tends to lead to more investment in infrastructure and local cultural architecture, which solves a lot of housing problems, but also leads to higher housing prices in the neighborhood. (Shaw, Gentrification: What It Is, Why It Is, and What Can Be Done About It) Making it harder for some families with modest incomes to afford the cost of living. And of course, in this article the author also talks about how to gentrify in a good way, what kind of gentrification can reduce displacement. All these problems have already happened and are likely to continue to happen, so how gentrification should develop and how to develop healthily are very important issues that must be considered.

3. What Explanations of Gentrification Have Been Offered? Why Is Geography Important to This Phenomena?

There are many reasons for gentrification, and in Hutson's paper, the author points out that "today's inadequate supply of housing supply, global capital investment, and bifurcation of the labor market and an ever-market cities, which is to determine the middle class in strong-market cities". Two aspects can be explained at the level of inadequate housing supply. The first point is that the price of houses with good educational environment in some big cities is increasing rapidly, but the resistance to building new houses in these areas is very strong. Second, investors from all over the world will invest in commercial and residential housing in these cities, which leads to the rise of local housing prices. Changes in the labor market also make traditional middle-class families lose their jobs. While emerging industries create new labor markets, they also occupy the living space of traditional industries. Combined with the widening wealth gap in recent years, the global rich have invested heavily in some urban neighborhoods while most families' incomes have not risen, and this has contributed to the middle class's shrinking. The improvement of the community environment is also an important point. This combination of problems creates gentrification. (Hutson, M. (2018) "'We live here too': Incorporating residents' voices in mitigating the negative impacts of gentrification"). In Shaw's article, He put forward four reasons — (I) Urban ecology (II) cultural choice (III) Marxist theories (IV) Post-modern /post-industrial cultural Approaches. There are two main reasons for his praise. One is Marxist theory, the other is post-modern/post-industrial cultural Approaches. In Marxism, the accumulation of capital will inevitably lead to the decline of profit margins and overcapacity of bulk commodities, and the profit-seeking of capital makes capital turn to investment in other aspects. This is the basic premise of Harvey's model. In the process of production, primary circuits need to be shifted to other forms of investment, such as the built environment, high-tech industry, tourism service industry, etc., which also leads to partial deterioration of assets. This depreciation cycle causes Rent Gap, When Rent Gap is large enough, it can create value Gap and functional Gap. Such economic rules and logic make capital shift to suburbs with higher investment profit margin, and then flow back to downtown after downtown is sufficiently backward. Such investment and disinvestment are the creators of true gentrification. (Shaw, Gentrification: What It Is, Why It Is, and What Can Be Done About It) "The logic behind uneven development is that 'The development of one area creates barriers to further development, thus leading to underdevelopment, and that the underdevelopment of that area creates opportunities for a new phase of development.'" (Smith 1982, 151) Due to changes in the international situation, many new middle classes and new cultural classes have emerged in the United States, which further attracts cultural professionals with the same ideology and promotes further gentrification. In this, economic and cultural logic are not contradictory, but interrelated. Geographical factors are also important, as emerging investment models have changed the geographical environment of urban communities, such as new infrastructure, renovation of cultural buildings and remodeling of local culture. In Xiao's case, investment shifted in the city center and suburbs, and in the process, the improvement and influence of geographical factors were considerable. Therefore, geographical factors are also an important part that cannot be ignored.

4. Under What Circumstances Does Gentrification Lead to Displacement and Why Is It So Controversial? What Can Be Done to Mitigate It?

Gentrification has always been a controversial topic. I have mentioned the causes and problems of the emergence of the middle class in the previous article. Here I would like to discuss the significant impact of gentrification on disadvantaged family groups. Capital investment in these communities, often resulting in rising housing prices and rents, may come from the domestic bourgeoisie (such as the increasingly wealthy), the middle class seeking a better neighborhood, and more foreign investors. This increased demand leads to higher housing prices in communities, while vulnerable families often do not own their own homes and often rely on rent to support their lives, so rent increases can make them more vulnerable to displacement. Because capital further input to the community, business market expansion will also be in such a community, the community labour market will transform the traditional industry skills gradually abandoned by age, workers in the labor market need technology upgrading, as well so the education level is not high group is more likely to be left out of the labour market, they need to work, they need to live, so they have to move to other communities. It also

exacerbates racial issues, with blacks with less than a high school education disproportionately affected, and the economic drag and loss of moving away from their communities makes vulnerable people more vulnerable to displacement. (Florida R. (2015) “This is What Happens after a Neighborhood gets Gentrified”) Although in this process, some vulnerable groups who own their own houses will benefit from the improvement of community environment, but at the same time, many families have been badly affected. The worst effects are most severe in the star cities, where all the problems mentioned above can occur quickly because of the rapid gentrification of these cities due to their popularity and investment-friendly environment. Gentrification continues in white and middle-class neighborhoods, but slowly or even stops in poor and backward black neighborhoods. Investors are reluctant to invest in such poor communities, and investing in better ones leads to disadvantaged people leaving their communities and moving into poor, backward black communities. Regional inequality and racial segregation are extremely serious problems. One solution, Shaw writes, is to strengthen local policy planning capacity, as in the UK, where managing local building stocks encourages Gentrification while maintaining affordable housing in other areas. In Western Europe, community workers and housing activists help strengthen decision-making control in low-income communities. To make sure people don’t get displaced. At the same time, the government also launched low-rent housing to ensure the capital living conditions of low-income people. (Gentrification: What It Is, Why It Is, and What Can Be Done About It, Kate Shaw) Hutson has encouraged local communities and welfare organizations to speak up for their rights, become more involved in the policy process, and further promote welfare affordable housing, to protect basic rights and interests. The government needs to regulate and intervene in such a phenomenon to avoid excessive concentration of capital in some areas, rather than continue to maintain the market law of the jungle, so that the vulnerable groups suffer damage.

5. How Is Gentrification Different in Global South Cities Such as Mexico City from Cities in the United States and the Global North?

Delgadillo notes in his article that Researchers in Latin America consider Gentrification in Mexico to be different, without causing displacement. In the process of mild gentrification, capital investment in the community does not lead to the coexistence of some emerging high-end service industries and traditional service industries if the group moves out. Cities are not as attractive to Mexico as Global North, both because they don’t attract enough international investment and because not enough new residents are moving in. As a result, the residents of the original community can still live in the city, although living conditions are worse. Gentrification in Mexico is still in its early stages, in which slums co-exist with highly valued buildings, but eventually the slums will disappear. In the process. It turns out that displacement is taking place in Mexico. Mexican society is highly unequal, and neoliberalism has exacerbated this inequality. Widening gap between rich and poor in the past several decades, invest a lot of rich people in the city, so the poor can’t afford to pay the rent was forced to leave his rented house, the government housing subsidies to low-income people also excluded, property prices rose at the same time, the poor also can not get subsidies, which makes the problem is more serious than Global North of Mexico. (Delgadillo, V (2016) “Selective modernization of Mexico City and its historic center. Gentrification without displacement?”)

6. Conclusion

Gentrification is an inevitable phenomenon in the development of social economy. This process affects Global North and Global South, bringing problems such as racial segregation, widening gap between rich and poor, and displacement of vulnerable groups. It also helped build different communities — both geographically and culturally. The problems are inevitable, but there are solutions: more government intervention, more welfare policies and a more balanced investment strategy.

References

- Delgadillo, V., (2016) Selective modernization of Mexico City and its historic center. Gentrification without displacement? *Urban Geography*, 37, 8, pp. 1154-1174.
- Florida R, (2015). This is what happens after a neighborhood gets gentrified. *The Atlantic*, pp. 1-6. 16 September <https://www.theatlantic.com/politics/archive/2015/09/this-is-what-happens-after-a-neighborhood-gets-gentrified/432813/>.
- Hutson, M, (2018). ‘We live here too’: Incorporating residents’ voices in mitigating the negative impacts of gentrification, in C. Herbert, Spader, J Molinsky, J, Reiger, S Molinsky, J Rieger, S (eds) in *A Shared Future: Fostering Communities of Inclusion in an Era of Inequality*, Joint Center for Housing Studies, Harvard University, Cambridge, Massachusetts, pp. 340-352.
- Shaw, K, (2008). Gentrification: What it is, why it is, and what can be done about it. *Geography Compass*, 2, 10, pp. 1-32.

Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/4.0/>).