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*“…We assume that in the future, when the people have power, these antagonistic contradictions will occur less and less.” (282)*

A house can be valued in two (or perhaps many) ways. In the capitalist context, its identity is based on exchange value, i.e. “the quantity of socially necessary labor power required to produce it” (Smith, 1979). In the socialist value, the same thing is valued by its use – its capacity to fulfill a human want or need. Today, the spatial arrangement of these houses and the people who live in them can be described in terms of the economic state and the consumers and agents who exchange these houses as commodities. Academic analyses of these residential dynamics in urban areas by academics detail phenomena such as homelessness, residential segregation and gentrification, which dominate housing in the capitalist context. Homelessness and deprivation, it is argued, can only be produced when the profit motive is in play, because “markets require scarcity to function” (Harvey 2003, 940). But would the phenomena that produce this status quo continue to exist in a socialist state? Would antagonistic contradictions in fact lessen with the increase of individual power? We look at two specific phenomena – residential segregation and gentrification – to speculate upon this question, engaging with their theoretical foundations to ask whether they would remain valid in a new political-economic model.

***Residential segregation***

Theories that underlie residential segregation (and models of it) point to mild preferences to live around people like oneself in terms of race, class and age that aggregate in the micro-scale to starkly distinct racial neighborhoods. The question then becomes whether a racial hierarchy could exist independently of capitalism, or after the capitalist state has been smashed. Certainly, racial oppression was produced by the need for lots of cheap labor. However, I would suggest that resolving class antagonisms would not significantly impact pre-existing race issues. Many years after the Cuban Revolution for example, we continue to perceive stark racism and racial segregation in Cuba (this is despite the fact that issues with the Cuban Revolution were primarily economic rather than social, with the Soviet Union given significant control of the country due to its economic beneficence). “Similarly, in housing, despite improvements, racial difference persists due to various causes, such as inequality in house ownership inherited from before the revolution and black people's ‘lack of resources and connections’” (Wikipedia contributers). At the same time, in a profit-based system, only affluent people have the power to change a city. Even if preferences were to exist due to racial and other forms of inequality, perhaps in a socialist system, it would not be possible to translate them into reality, i.e. produce the large-scale effects of segregation.

***Gentrification***

The distribution of houses and neighborhoods, and the people who live in them are not static. After World War II, with the decrease in transportation and other constraints due to technological advances, families began to move outside the city into larger houses in the suburbs. In the last decade, we see a re-embourgeoisement (Goldthorpe et. al, 1967) of the city as residents move back to city cores. *Gentrification* describes the process by which wealthier people enter a neighborhood and transform it, driving up housing and living costs and displacing its previous poorer occupants. Harvey (2008) writes, “[Surplus absorption] has entailed repeated bouts of urban restructuring through ‘creative destruction.’ This nearly always has a class dimension since it is usually the poor, the underprivileged and those marginalized from political power that suffer first and foremost from this process. Violence is required to achieve the new urban world on the wreckage of the old” (Harvey 2008, 33).

There are two primary theories that describe gentrification. The neoclassical explanation from the Chicago School points to an increased “middle-class consumer demand for space” (again because of decreased constraints) – i.e. the “rational choices of individual consumers” as determining the structure of a city (Slater 2017, 86). Researchers from political science, economics, and marketing who focus more on social movements, tastes or consumer economics tend to give much more credit to human agency. To speculate whether personal preferences in a socialist world would continue to result in gentrification, one would have to assume that the power of the people would or would not decrease contradictions. This is the question we have posed; we cannot make conclusions based on this notion. Therefore, we have no way to say, based on the neoclassical model for gentrification, whether gentrification can play a role in urban change within socialism.

In response to the neoclassical model, Neil Smith produced a Marxian urban economic discourse of gentrification, termed the rent gap theory. This theory describes how, upon seeing the gap between the potential (due to its location) and the actual rent or value of property (due to deterioration with the passage of time) in a place, an investor may bridge that gap by renovating and opening shops and malls, resulting in increases in property rents and values. Geographers, anthropologists and sociologists who frame their work mainly in terms of economic processes tend to think that capital plays the key role in reshaping both the built environment of the city and the ways people think about the city. One difficulty with this theory is in proving it empirically. However, because the profit motive is so central to this theory, if it is an accurate root for gentrification, we could expect gentrification would not exist in a socialist state.

But like most phenomena, we cannot easily select one explanatory theory over another. Whereas the latter group has one generalized explanation for gentrification (capital seeks out profit and gentrification is one way to make inner cities profitable), the former group of rational choice consumer theorists comes from too wide a range of ideological and theoretical backgrounds for it to make much sense to lump them together. Explanations for gentrification that at least somewhat de-center capitalism are varied. A couple extremes include:

* Gentrification is a sort of neocolonialism in which wealthy, generally white people usurp urban space from poor people, people of color, and LGBT-identifying people and remake it for their own uses, often while maintaining a sort of veneer of their space's former occupants to make it feel grittier or urban. Capital is a primary tool of oppression (along with policing, city-led redevelopment projects, etc.), but it cannot be understood without also considering other power structures and systems of oppression. Most geographers who study gentrification come from some place like this unless they work extensively in political economy.
* Gentrification is an expression of Gen X and millennials' rejection of suburbia and need for creative freedom and social interaction. Capital is not explicitly discussed, but they implicitly celebrate its impact. Gentrifiers and cities can harness entrepreneurialism to create value in areas that used to be impoverished. Theorists such as Richard Florida espouse this idea of this so-called creative class, as do many planners, political scientists and most mass media coverage of gentrification and urban change.

To summarize, most geographers, planners, etc. who study gentrification and urban change draw from a mix of these viewpoints: 1) gentrification is a way that capital remakes the city (harming people who are not rich), 2) gentrification is a way wealthy white people remake the city (and exclude everyone else), and 3) gentrification is the way younger people remake the city). There is space for both extremes here. Walter Benjamin, in “Hashish in Marseille,” wrote of the city: “ugliness could appear as the true reservoir of beauty, better than any treasure cask, a jagged mountain with all the inner gold of beauty gleaming from the wrinkles, glances, features” (Benjamin 1986, 140), believing the city to be exploitative and ugly, and simultaneously finding in it hope and beauty.

Although this capital versus personal preferences is still the big debate about the causes of gentrification, I don't see them as conflicting explanations, since each relies on the other to a great degree. Personal preferences do not exist in a vacuum (affluent people prefer cities because it is attractive now due to investment; they are also the ones who have the economic power to change the city, therefore there wouldn't be a rent "gap" for capital to try to fill if affluent people didn't *want* to move back to the city center). If you try to separate them too much, it becomes a kind of chicken-egg problem, like so much of human geography. So, do either or both exist in socialism?

There also remains the issue of the state – what the state does and does not do, and where a socialist state power fits in. This third explanatory element in fact also played a role in Neil Smith’s theory of gentrification. “The rent gap theory is not narrowly economistic, but a theory of the state’s role in creating the economic conditions for gentrification” (Slater 2017, 89). The state not only allows, but *actively facilitates* the production of new kinds of urban spaces. There are many examples of this around the world. Many governments building separated “green zones” such as in Baghdad, wealthy, beautified havens built only for expatriates and government employees. In the US, the Federal Housing Commission in 1934, introduced a policy to provide guarantee mortgage loans for homeownership in certain neighborhoods and refuse those loans in other neighborhoods considered less desirable (neighborhoods where racial minorities lived). Redlining deeply affected investment in these neighborhoods, resulting in acute residential disparity. King Napolein III of France deployed Haussmann, a prefect of the Seine Department to enact massive urban change in the name of renovation and renewal. “Haussmann tore through the old Parisian slums, using powers of expropriation for supposedly public benefit and did so in the name of civic improvement and renovation. He deliberately engineered the removal of much of the working class and other unruly elements from Paris’s city center where they constituted a threat to public order and political power. He created an urban form where it was believed (incorrectly as it turned out in 1871) sufficient levels of surveillance and military control were possible so as to ensure that revolutionary movements could easily be controlled by military power.” (Harvey 2008, 33). Robert Moses went further – “Moses changed the scale of thinking about the urban process. Through a system of highways and infrastructural transformations, surburbanization and the total re-engineering of not just the city but also the whole metropolitan region, he helped resolve the capital-surplus absorption problem” (Harvey 2008, 27).

“*We change ourselves by changing our world.*” So says Harvey, based on Marx and urban sociologist Robert Park. Maybe we’ve been thinking about this all wrong. Maybe, rather than asking whether a socialist state will reduce race and gender oppression, and by doing so, segregation can be solved, we should ask how we can solve gentrification – regardless of the political economic context – and by doing so, we can reduce race and gender oppression. Because can we trust even socialism? According to Walter Benjamin, *“there is no document of civilisation which is not at the same time a document of barbarism.”*

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