

# Berlin's Gentrification Mainstream

---

*Andrej Holm*

In recent years gentrification in Berlin has become central to political debates and media reports covering urban development in the city. More than this, “gentrification” has become a matter of everyday-conversations and the gentrification “diagnosis” seems to be possible in different urban contexts. Nowadays, both in political and everyday conversations, more or less all inner-city neighborhoods are somehow placed into the framework of the gentrification debate: Prenzlauer Berg is portrayed as showcase for family gentrification, Mitte as one of the most obvious examples for touristification, Kreuzberg and Neukölln stand for the invasion of international creative pioneers, and Wedding is highlighted as the eternal candidate for the next urban hot spot.

However, the fact that urban upgrading has become universal should not necessarily be interpreted as a simple expansion of gentrification in a wholesale way. As a matter of fact, the differences between the historical trajectories of gentrification in different neighborhoods is immense, and Berlin is rather a paradigmatic example for the manifold variations that urban upgrading can take (Lees et al. 2008: 129 ff.). In Berlin, various characteristic phases and many of the contemporary forms of gentrification can be examined.

Thus, at first sight, Berlin seems to be a laboratory for all the variations of gentrifications one knows from the international literature: the boom of luxury housing estates could thus be interpreted as “new build gentrification” (Davidson and Lees 2005; Marquardt et al. 2012) or “super gentrification” (Lees 2003; Butler and Lees 2006); the displacement pressure resulting from the gap between long term rental agreements and new contract rents can be seen as yet another example for “rental gentrification” (van Criekingen 2010); the transformation of rental housing into boarding houses and holiday flats can be seen as “tourism gentrification” (Gotham 2005) and so on. But gentrification is not just a “global urban strategy” (Smith, 2002) which operates with the same dynamics and leads to the same patterns and outcomes all across the world. Quite in contrast, gentrification is highly embedded into place-specific contexts and frameworks. Therefore, the varieties of gentrification that can be found in

Berlin point towards the need to put the local planning histories into the center of explanation and to make varying locally conditions in real estate markets and changes in urban political regulations central to the analysis.

The article proceeds as follows: The first section discusses specificities of Berlin's housing market, which form the background for gentrification in this city. This is followed by an overview about the course and the dynamics that gentrification in the German capital displayed in the last two decades. The subsequent sections sketch the state of gentrification in three different neighborhoods, showing immense differences and arguing that these can only be explained by taking the different regulatory histories of the respective areas into account. I conclude by arguing for a view that acknowledges "many" gentrifications, instead of a single, universal process.

## **BERLIN'S HOUSING MARKET**

In contrast to many cities in the English-speaking world, Berlin's housing market is dominated by rental housing. Only 14 percent of the overall housing stock is used by owner occupants, the rest is rentals. More than 60 percent of the rental sector is owned and managed by private property owners and companies, including 150,000 housing units of institutional investors. Around 24 percent are held by public housing associations or housing cooperatives.

For a long time Berlin was perceived as a city with low rents and living costs, especially when compared to other German and European cities. And indeed, average rental prices for housing stayed about the same from the early 1990s until 2005. The main reasons for this were substantial public investments and subsidy programs, a high level of construction activities in the early 1990s, a sizable segment of public and social housing and strong rent regulations in the 1990s. All these factors contributed to a housing system which was much less vulnerable to market dynamics. As a consequence, gentrification could only slowly gain ground and was until around 2005 only discussed within the context of specific neighborhood transformations in parts of East Berlin (such as Prenzlauer Berg or Mitte).

This has completely changed. Berlin's rent levels are definitely on the up now and despite the still sobering overall economic situation the city shows the most intensive rent increases in Germany. The main reason for this is a shift in Berlin's urban and housing policies: since the turn of the millennium, subsidies for building and renovations provided by the city have been completely cut. Additionally, a serious decrease of new-built activities, in combination with a rising number of households, led to massive pressure on the housing market. With regard to the budgetary crisis of the city, more than 220,000 public housing units (or half of the public stock) were privatized, and the stock of social housing was reduced from 370,000 units in 1993 to less than 150,000 in 2012.

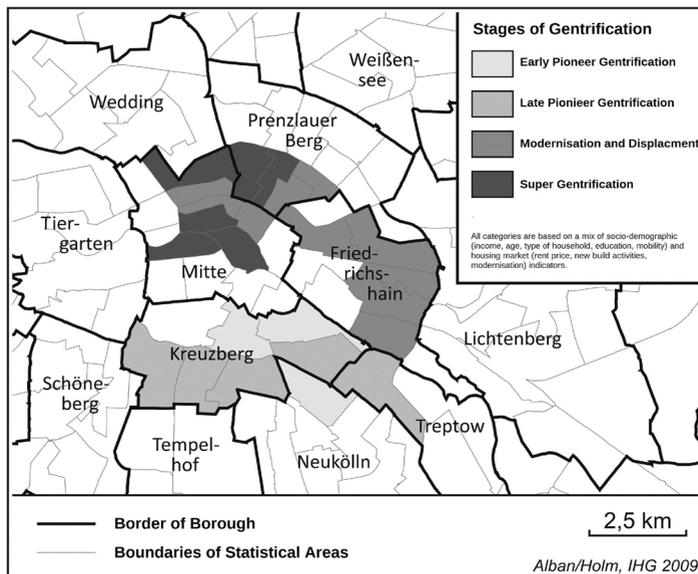
At the same time, existing rent regulations and planning restrictions on new construction were lifted, and a broad array of planning procedures deregulated.

As a consequence of these simultaneous developments, rents are on the up in all housing segments in recent years. On average, since 2003, rents for existing contracts increased by around 23 percent, with inner city neighborhoods being above this average. However, rent increases for new rental contracts are considerably higher, so that tenants who look for a new apartment today will have to pay twice as much as five years ago.

## BERLIN'S GENTRIFICATION CYCLE

In the course of this development, gentrification has become the dominant trend for the development of most inner city neighborhoods in Berlin. This “mainstreaming” of gentrification has led to a situation in which the process cannot be meaningfully described on the neighborhood scale anymore. Quite in contrast, in order to understand the interrelations and dynamics of gentrification, it is necessary to widen the observer's perspective and include the relations between different neighborhoods into the picture. Such a bird's eye view makes it easier to identify gentrification dynamics in various phases and places and allows a closer look at exclusion dynamics even between less well-established social groups.

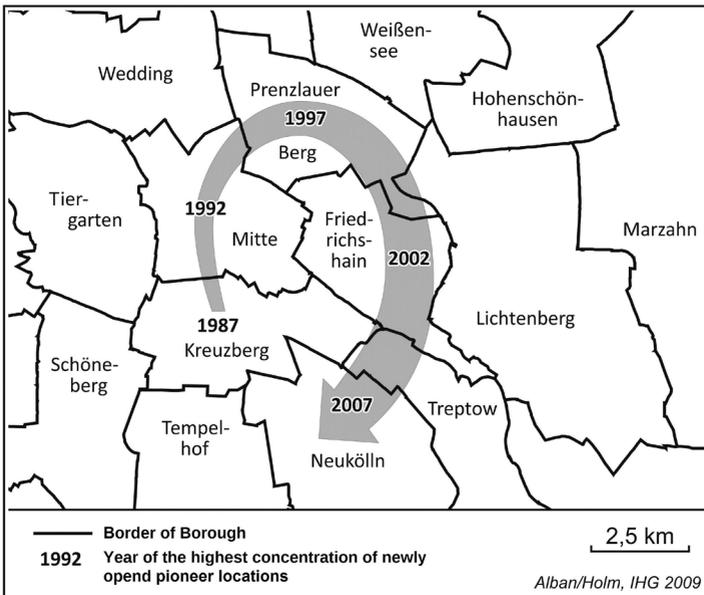
*Figure 1: Spatial Differentiation of Gentrification in Inner City Neighborhoods in Berlin (2009)*



With this knowledge of various forms and phases of gentrification happening in the city both at different times and in different places as well, one can observe gentrification in large parts of Berlin's inner city and at the same time emphasize differences. Thus, while new building projects in the already upgraded neighborhoods in Mitte and Prenzlauer Berg indicate an intensified phase of gentrification, gentrification in Friedrichshain is still a matter of housing renovations. At the same time, Kreuzberg and northern Neukölln exhibit classical forms of symbolic gentrification and are currently experiencing a "pioneer phase" in which an in-migration of "creatives" and rising rent prices can be studied.

With this background, Berlin's inner city restructuring is shaped by a spatial expansion of gentrification, but also by a side presence of different phases of gentrification and by a circulation of the current epicenters of gentrification. For example, the concentration of pioneer locations (such as clubs, galleries, sub-cultural bookstores) has shifted from Mitte to Prenzlauer Berg to Friedrichshain in a clockwise movement through the city, reaching Kreuzberg and even parts of Neukölln within the last few years (see Holm 2011).

*Figure 2: Spatial Dynamic of Pioneer Locations in Inner City Neighborhoods in Berlin (1987-2009)*



The spatial dynamics of Berlin's inner city upgrading thus indicate a stepwise process that is characterized by diverse waves of upgrading taking place simultaneously, yet with a striking spatial and temporal individuality. The classical sequence in which a pioneer phase is followed by investments into the housing stock, resulting in both economic and exclusionary displacement of low-income households and eventually followed by a phase of "super-gentrification" in which luxury housing becomes prevalent, can in Berlin above all be observed in the districts Mitte and Prenzlauer Berg. The district Kreuzberg on the contrary hand is characterized by different conditions: here reinvestment came in the 1980s already and is only now followed by an intensive influx of pioneers and gentrifiers and a second wave of upgrading. In Neukölln, again, gentrification was unheard of until very recently and is now proceeding at an astonishing speed, driven by an enormous internationalization of in-movers.

A second characteristic of gentrification processes in Berlin is the step-by-step spatial expansion of gentrification. Particularly for the pioneer phase, an out-and-out migration to the next district every five years or so can be traced (see Figure 2). The movements of these gentrification pioneers seem to confirm the logic of symbolic gentrification. In districts in their early gentrification phase, rental prices rise not only for housing but also for the retail segment, so that sub-cultural and interim uses dependent on affordable space move to other areas. The establishment of this sort of cultural and sub-cultural use is connected to an image shift in the new locations, specifically the development of an "artists' quarter," "gallery district," or "hip district" in both the media and public perception. Whereas a "cultural" argument about the need to constantly discover "new" and "authentic" places, can partly explain this movement of gentrification, a closer look at the local trajectories reveals that political regulations need to play a central role in the explanation, too.

In the following section, I will discuss central characteristics of gentrification in three different neighborhoods, thus thinking through the "many" gentrifications in Berlin.

## **MITTE AND PRENZLAUER BERG: SUPER-GENTRIFICATION THROUGH LUXURY HOUSING PROJECTS**

In the last two decades, the historical housing districts in Mitte and Prenzlauer Berlin, built in the late 19<sup>th</sup> century, have become notorious examples of the linkages between politically-initiated gentrification, in which there is a formal declaration of urban renewal areas, and public support for privately-financed modernization with substantial displacement of the original residents (Krajewski 2006; Bernt and Holm 2005; Holm 2006). As a result of the high reno-

vation quota (around 80 percent of the buildings) scarcely 25 percent of the original resident bases still live in the renewal areas (PFE 2008). Sociological investigations have demonstrated that the average income level for Prenzlauer Berg has increased from 75 percent of the citywide level in 1993 to 140 percent of it in 2007. Being among the poorest neighborhoods to be found in Berlin in the early 1990s, both Mitte and Prenzlauer Berg have been transformed into some of the most affluent today.

However, although gentrification in Prenzlauer Berg is a process that has now gone on for about twenty years, its shape changed considerably starting around 2005. There are different reasons for this: First, most of the historical housing stock with renovation potential had already been revalorized, so that there were no old buildings left to gentrify. Second, at the same time, the zoning declaration of most urban renewal areas in Prenzlauer Berg and Mitte expired and the specific legal obligations and instruments, required in the German building and planning legislation for this type of area, were annulled. As a consequence, as “rent gaps” in the existing building stock were successively closed, new opportunities opened up at undeveloped lots. This led to a shift in investment strategies towards “new building,” instead of renovation in which new building projects have been increasingly undertaken in empty lots and open spaces.

Since 2005, 27 luxury apartment complexes with a total of 1,250 apartments have been constructed or are currently under construction in Mitte and Prenzlauer Berg (Holm 2010). These new building projects typically feature luxury fittings, are sold as condominium apartments, and can be described as luxury housing enclaves. The new residents are predominantly recruited from households living in the area, yet with considerable differences compared to traditional gentrifiers in Berlin (with regard to the international composition, income and occupational structure). While there are no systematic statistics on this, data on prices and sales figures as well as media reports give a more or less clear picture. The residents portrayed in the press coverage are predominantly between 35 and 45 years old, live alone or in a domestic partnership, with some having one to two children. The residents are depicted as architects, media designers, PR spokespersons, administrative employees and management consultants (Westphal 2007; Braun 2008). In interviews, the building projects’ business and sales managers indicated, without going into further detail, that prominent stars from the art and film scenes as well as managers of larger companies are included among the new residents. Furthermore, the internationality of the future residents was stressed. In the Kastaniengärten in Prenzlauer Berg and its next door neighbor project Marthashof, the buyers originate from 18 different countries of origin. Apart from new residents from the predominantly western European countries, the US and Canada, individuals from Argentina were also named. The largest ethnic minorities in Berlin,

namely Turkish, Arabic and eastern European households, were not among the buyers of the luxury apartments (Holm 2010). The average sale price of 3,700 Euros per square meter, which is extremely high for the Berlin housing market, indicates high income and wealth of the new residents (Marquardt et al. 2013).

While this development clearly resonates with what has been termed as “super-gentrification” in international debates (“already gentrified, prosperous and solidly upper-middle-class neighbourhoods into much more exclusive and expensive enclaves,” Lees 2003: 2487), it also needs to be emphasized that it does not so much reflect a “natural development” as a specific change in politics regulating gentrification in Berlin. Here, the boom in luxury housing in already gentrified neighborhoods like Prenzlauer Berg and Mitte is entirely based on the combination of the successive closing of rent gaps in the old housing stock with the abolition of administrative restrictions in the field of new build constructions. The new build gentrification can therefore not be understood without the history of urban renewal policies in East Berlin.

## **KREUZBERG: RENTAL GENTRIFICATION AND “DISPLACEMENT FROM THE LIFESTYLE”**

This is also true for gentrification in Kreuzberg. As in Prenzlauer Berg, gentrification in Kreuzberg cannot be understood without taking into account the specific history of urban renewal and planning policies in the district. The main point here is the historical policy of “careful urban renewal” (*behutsame Stadterneuerung*) which dominated urban development in Kreuzberg since the early 1980s (see Bernt 2003). This policy was the outcome of militant protests against preceding renewal policies, which had resulted in large-scale demolitions of historical buildings and caused deep-seated civic unrest, manifested in more than 100 squatted buildings (Holm and Kuhn 2011). Careful urban renewal strategies replaced these policies and implemented a new model of renewal based on: a) the preservation of existing structures, b) the preservation of the social composition of the population; and c) an encouragement of citizens’ participation. In terms of economics, the careful urban renewal was based on extensive public funds (close to 95 percent of all buildings were renovated with the help of public subsidies) and a transfer of land to public redevelopers.

With regard to subsequent gentrification this policy had paradoxical effects. First, Kreuzberg was restored as a functioning real estate market. A central precondition of gentrification was thus only reinstalled with immense public intervention. Second, using public subsidies, a basic standard of housing (modern heating systems, bathrooms, and inside toilet, modern electrical system

etc.) was established and implemented in most apartments. This – together with rent caps – enabled poor households to remain in modernized, high-standard flats in a central location, so that some of the most attractive housing is occupied by some of the poorest residents to be found in Berlin.

Interestingly, this paradoxical interplay of public policies with private housing plays a crucial role in the changes that Kreuzberg faces today: twenty years after “careful urban renewal” the neighborhood has become a new center of gentrification dynamics. In the former urban renewal areas Chamissoplatz, Luisenstadt and Wrangelkiez rapid and frequent ownership changes have taken place within the last five years (Unfried 2009; Hunziger 2010), thereby in particular international investors have bought up properties (Oellerich 2010). The occupancy and price caps for houses that were modernized in the 1980s as part of the modernization subsidy program expired with the end of the subsidy phase, usually a period of 15 to 25 years; these houses are now subject to general rental law. As a consequence, prices for new rental contracts have risen considerably. A market analysis of rental prices in new rental contracts in the district showed that Kreuzberg is one of the districts with the smallest supply of affordable apartments (IVD 2010).

The massive welfare state intervention of the careful urban renewal, which has preserved the then-present income and resident structures, is now seen as a barrier by many property owners. Additionally, this tension between low-income inhabitants and increasing rent expectations by the landlords creates a strong displacement pressure. How is this to be explained? In contrast to “modernization” and “new build gentrification” in Prenzlauer Berg, the rent gap and the resulting displacement pressure in Kreuzberg is largely based on the difference between rent prices in long term rental agreements and in new contracts. As a heritage of the careful urban renewal in the 1980s, there is no relevant leeway for rent increases in context of modernization. In general, there are three ways in which landlords can increase rents. At first rents could increase after a modernization. But the German rent law restricts rent increases only for modernization with a substantial upgrading of the level of housing facilities. This means there is only a rent gap if the modernizations really add a new feature of housing infrastructure and do not simply upgrade the quality of a still existing standard. A second way to increase rents in long standing rental contracts is to bring them in line with the average rent level for similar flats. This rent increase is limited to a maximum of 15 percent rent increases every three years. The German rent law strongly protects sitting tenants in many ways but only imposes marginal controls and restrictions on rent prices in new contracts. Much higher rent increases are possible, at third, if landlords close new rental contracts.

Based on the extensive modernization under the conditions of careful renewal strategies, Kreuzberg is being faced with “gentrification without mod-

ernization" today. Because of this missing rent gap in modernization, landlords shift their valorization strategies to realized the highest possible use of their properties in replacing the tenants to take the much higher rents in new contracts. Higher rental prices in new rental agreements are being realized by nearly all property owners. Changing ownership increases the exploitation pressure even further, since the buyers usually see the buildings as an investment whose worth should be realized through replacement of former tenants in order to close a new contract or rather through the transformation of rental properties into sale properties.

Tenants' organizations and neighborhood initiatives report regularly about plans to transform rental properties into condominiums for sale.<sup>1</sup> The close connection between residential change, gentrification and new rental contracts is also reflected in statistics: Studies in selected neighborhoods have shown that the rental prices in existing rental agreements have risen, and that the average rent costs have risen even faster. In the neighborhoods examined here, Gräfekeiz, Luisenstadt and Bergmannstraße (northern part), rents increased 23-30 percent between 1999 and 2008. The average rent payment in these areas comprises 30 percent of disposable income (TOPOS 2008). According to the results of the study, the recent transformation in Kreuzberg has not yet led to a displacement of poor and lower-class residents. Indeed, the proportion of these groups in the overall population has actually risen slightly in the last few years; about 30 percent of the households have a monthly income under the poverty line. The proportion of households with higher incomes has increased simultaneously. Alone in the years between 2005 and 2008, the fraction of households with an income more than double the area average rose from 5 percent to 20 percent (*ibid.*). Under these conditions, poor households were confronted with an economic displacement pressure by a rising share of rent payments per household income. Beyond displacement, a strong reduction in the housing-per-household-supply indicates the high social costs of the rising rental prices. Between 2005 and 2009 alone, the number of housing units per 100 households in an area sank from 91 to 83 percent. In the same time frame, the overall average housing supply quota for Berlin sank from 100 to 96 percent (IBB 2006: 71; IBB 2010: 83). According to these figures, households in Kreuzberg share an apartment more often than households in other parts of the city. This drastic increase suggests a fundamental reduction in housing quality due to overcrowding, especially for households with low income. In gentrification research, such effects are described as "displacement from the lifestyle" (*Verdrängung aus dem Lebensstil*; Blasius 1994: 408).

---

1 | See <http://36-gegen-mieterhoehung.blogspot.com>; <http://kreuzberger-horn.blogspot.com>.

Summarizing, it can be stated that the dynamics of urban upgrading in Kreuzberg are mainly driven by the substantial increases in rental prices for new rental agreements. Mathieu van Criekingen (2010) described similar gentrification processes in the inner-city districts of Brussels as “rental gentrification.”

## NORTHERN NEUKÖLLN: EXPAT ENCLAVISM WITHOUT REGULATION

“Rental gentrification” is also an issue for the northern part of Neukölln, yet with a greater speed and without Kreuzberg’s history of local state intervention. The highly dynamic rental market in Neukölln grounds on an unprecedented internationalization, which builds an increasingly important connection between gentrification in Berlin and worldwide housing markets.

For many years, the old housing neighborhoods of Neukölln counted as social problem areas. They are still characterized by one of the highest proportion of immigrants and low-income households in Berlin. The building stock is marked by a high proportion of unmodernized properties (Walther and Ritterhof 2007: 23 ff.), and undermaintenance of public places is a clearly visible problem in the area. For a long time, Neukölln had a particularly bad reputation and numerous German publications used the neighborhood as a prominent example of the failure of integration, and portrayed it as a “ghetto” plagued by crime, decay and anti-social behavior. This has changed completely. In the last three to four years, Neukölln has become a new urban hotspot and gained an enormous attractiveness for “creative” people worldwide. One of the mostly visible part of neighborhood transformation is the functional gentrification in terms of a comprehensive change of the local gastronomy. New pubs, coffee shops and clubs make the neighborhood more attractive to young, creative and cosmopolitan people than for the traditional mix of working-class Turkish, Arabic and Eastern European migrants and the German “underclass.”

These changes were heralded by a fundamental image shift. Thus the Berlin-based city magazine *zitty*, always a trendsetter when it comes to “discovering new neighborhoods,” titled its March 2008 edition “Neukölln rocks: Out and about with *zitty* in Berlin’s most exciting new district.” Interestingly, however, and in contrast to earlier experiences with Prenzlauer Berg or Friedrichshain, this symbolic upgrading is not restricted to a local or national audience. Quite the contrast, portraying Neukölln as a new “hip destination” has become a global matter. The *New York Times* travel column promoted Neukölln as the ultimate nightlife recommendation for a 36-hour visit of Berlin: “Berlin’s gritty, working-class Neukölln district, settled nearly 300 years ago by (actual) Bohemians fleeing religious persecution, is once again a destination for (modern) bohemians – this time, thanks to artists fleeing rent hikes elsewhere in the city” (New York Times 2010).

The symbolic gentrification of Neukölln seems to be nearly complete, and is displayed in a wide range of weblogs<sup>2</sup> and articles (cf. Bradley 2010). Neukölln is presented as a global destination for young international artists and other creatives. This storyline is endlessly repeated and it has in fact become difficult to keep up-to-date with the media coverage about the “Avantgarde playground” (such is the title of a four page report in the Berlin-based magazine *tip*, March 3, 2010). Exemplarily for the new Neukölln-narrative is an article by Thomas Rogers, a young Canadian author and former arts editor, who reflected his own Berlin experience for the journal *Salon* as living in “Europe’s epicenter of cool.” “Berlin has become a beacon for thousands of restless North American and European young people and people of any age trying to escape work, or commitments, or the need to put on underwear before 3 pm” (Rogers 2012). “It seemed like half New York were leaving their life behind to go drink beers in Berlin’s parks” and “especially in the formerly gritty neighbourhoods of Neukoelln or Kreuzberg [...] you hear as much, if not more English than German” (ibid.). A similar storyline can be found in an article by Robert F. Coleman, an Australian musician who lived in Berlin for one year and described the city for the *Guardian* as a “hedonist paradise, where beer was cheaper than water, drugs effortless to acquire and the best dance music in the world only a short ride away any night the week” (Coleman 2012). Coleman’s Berlin is composed by “designers, photographers, illustrators, filmmakers, writers, other musician and dozens of miscellaneous expats” (ibid.). These narratives are everything but new, and have in fact already been used for neighborhoods like the East Village in New York City, Hoxten in East London, or the Raval in Barcelona. What is striking about their application to Berlin is that they are increasingly delinked from local experiences and attached to a global movement, driven by an international creative class.

Still, these developments are hard to pin-down in local statistics, as many of the “creative” immigrants only stay in Berlin for a while and, therefore, do not bother about getting registered. Nevertheless, available data on residential mobility demonstrates that the structure of immigration and the composition of migrant communities in Berlin have dramatically changed since 2011. The net migration gain of immigration from abroad rose from a negative balance to an overage of around 25,000 people. The data indicate a strong impact of moving-ins from EU countries and North America, whereas the traditional strong migration relation to Turkey is only subordinated today.

---

2 | See, for example, <http://www.exberliner.com> and <http://www.uberlin.co.uk>.

*Table 1: Immigration to Berlin from Abroad/Net Migration Gain of Selected Countries*

	all immigration from abroad	EU countries	North America	Turkey
2009	-7,836	801	-1,220	-1,581
2010	-1,172	4,326	-331	-2,143
2011	24,080	17,482	1,600	52
2012	26,224	19,201	2,213	-405

Source: Amt für Statistik 2013

These patterns are particularly pronounced in Neukölln. Here, in the course of four years a negative migration balance of non-Germans from abroad has been totally transformed into a plus of around 3,800 persons per year in 2011 and 2012. The net migration gain of non-Germans from abroad in Neukölln is now much higher than all other residential moves (see Table 2).

*Table 2: Residential Moves to and out of Neukölln*

	number of residential moves by non-German citizens from abroad			number of residential domestic moves by all nationals		
	influx	departure	balance	influx	departure	balance
2009	6,477	6,612	-135	20,750	18,081	2,669
2010	6,758	9,727	-2,969	20,085	17,707	2,378
2011	8,021	4,249	3,772	20,581	18,914	1,667
2012	8,643	4,815	3,828	20,027	19,245	781

Source: Amt für Statistik 2013

The influx of around 17,000 internationals (nearly one third of all in-movers) in the last two years has become an important factor in the housing market in Neukölln, and it is to expect that a large number of new rent contracts will be closed with expats directly coming from abroad. Recent studies in Neukölln indicate that new tenants (that have moved in since 2010) have on average higher incomes and are paying higher rents, and more than 60 percent of them were classified as gentrifiers or pioneer gentrifiers (TOPOS 2011: 32, 46 and 49). The

rising number of students moving in and the high attractiveness of Neukölln for a certain “creative class” have changed many neighborhoods in Northern Neukölln fundamentally. They are about to replace the mixture of low-income Germans and poor migrant families and have become a new component of Neukölln's population.

The growing importance of expats for gentrification in Berlin has strong parallels with what Rowland Atkinson and others, in their studies about new living forms of middle class households, describe as enclavism (Atkinson 2006; Atkinson and Blandy 2005). Whereas enclavism usually refers to forms of settlements like “gated communities,” it could be argued that choosing to live in an more or less closed expat community can be regarded as a similar phenomenon, as it allows to keep a social imaginary of urban neighborhoods, apart from everyday experiences and hitherto images (Atkinson 2006: 821).

The dominant narratives of “Turkish families picnicking in parks,” of “unpretentious Berliners, who all look eerily relaxed and slightly dishevelled,” of “friendly drug dealers [...] sitting around with their customers and playing Seu Jorge songs for them on their guitar,” or of the “ex-Stasi informants occupying stools at their local *kneipe* and mumbling over drinks” (all quotes from Coleman 2012 and Rogers 2012) might be far from the real experiences in the expats' communities. At least this separation or disengagement of experiences enabled the perpetuation of the myth of Berlin as the cheap city with low rent prices. Indeed, compared with 1,400 US-Dollar for a room in New York, the 400 Euros you have to pay for a room in a shared apartment in Kreuzberg or Neukölln seem to be extraordinary inexpensive (Rogers 2013). But in relation to an average per capita income of 850 Euros in Neukölln (TOPOS 2011: 18) this means, that only about 100 Euros are left per week for all other expenses.

All the expat immigration is not only important because it transforms the linkages between cultural perceptions, mediatisation and gentrification which have been described for different localities by Zukin (1990 and 2010) and others into a global game. What is even more important that they set into operation a new market dynamic, in which rents in Neukölln are not only determined by local demand – but in comparison to places like London, New York, or Barcelona. The reverse side of these trends is the displacement of the urban poor. In a newspaper article, a local real estate agent was quoted as saying that, due to the rising rental rates, over 800 housing applications for needs-based shared apartments for welfare recipients (*Hartz-IV-Bedarfsgemeinschaften*) could not be fulfilled in Neukölln (Fietz 2010).

The image shift of Neukölln as well as the internationalization of pioneer gentrification cannot be explained by any inherent logic of urban changes but one has to consider the international branding strategies of Neukölln's new image in context of the general Berlin hype (Füller and Michel 2013; Colomb 2011). We could see the intermingling of symbolic neighborhood improvements, the

establishment of an infrastructure for conspicuous consumption and the rising attractiveness for creative expats as the main triggers for the gentrification in Neukölln. In combination with the extensive absence of local regulations in mostly all housing questions stands Neukölln for a new *modus operandi* in Berlin's gentrification circle.

## BERLIN — A SHOWCASE FOR GENTRIFICATION?

In a nutshell, one could say that Berlin has indeed become a showcase for gentrification – yet what we can observe here is not a single process, but many different forms of gentrification. A closer look at the developments in Berlin thus demonstrates that many of the mutations of gentrification (Lees et al. 2008: 129 ff.) discussed in the international literature are becoming evident here, too. But, at the same time, the transformation of Berlin's inner city neighborhoods does not just follow the blueprint of international gentrification studies, but has specific characteristics which can only be understood properly when locally specific trajectories are included in the picture.

The study of gentrification in Berlin can therefore, I propose, inform international debates in three respects: Firstly, the gentrification circle in Berlin demonstrates that we have to *detach gentrification research from neighborhood studies*. While the analysis of different aspects and actors of gentrification, of detailed patterns of progress and local regulations as well as of personal displacement experiences still need locally focused research, a wider perspective enables a better understanding of superior contexts of gentrification, such as the housing market conditions under which gentrification can take place, urban politics and policies or the interrelation of residential changes between single neighborhoods.

Taking this city-wide focus on gentrification, the case of Berlin shows, secondly, that there is no common *modus* of upgrading, but a *multiplicity of gentrification*. Guided by the knowledge of this manifold of gentrifications, we will understand more about the neighborhood specific conditions in terms of gentrification progress, actors' constellations and local conflict structures. A third finding of research on Berlin's inner-city neighborhoods is the *historical embeddedness of gentrification*. The gentrification experiences in Prenzlauer Berg and Kreuzberg show, for example, that existing rent gaps in inner city neighborhoods are highly dependant on former urban renewal policies and changing forms of political and administrative interventions in the housing market. The declining role of direct subsidies and the hidden role of government in gentrification processes highlight the local path dependency of gentrification experiences. Berlin therefore demonstrates, that in order to understand the implementation of a "global urban strategy" like gentrification we need to consider

and analyze more seriously the political constellations and rent gaps in specific locations. The gentrification dynamic in Berlin is basically grounded in the change of housing politics and new configurations of urban renewal strategies.

## REFERENCES

- Amt für Statistik (2013) *Wanderungen über die Bezirks- bzw. Landesgrenzen*. Berlin.
- Atkinson, R. (2006) Padding the Bunker: Strategies of Middle-class. Disaffiliation and Colonisation in the City. *Urban Studies* 43.4, 819-832.
- Atkinson, R. and Blandy, S. (2005) International perspectives on the new enclavism and the rise of gated communities. *Housing Studies* 20.2, 177-186.
- Bernt, M. (2003) *Rübergelappt. Die "Behutsame Stadterneuerung" im Berlin der 90er Jahre*. Schelzky & Jeep, Berlin.
- Bernt, M. and Holm, A. (2005) Exploring the substance and style of gentrification: Berlin's 'Prenzlberg.' In Atkinson, R. and Bridge, G. (eds.) *Gentrification in a Global Context*. Routledge, London/New York.
- Blasius, J. (1994) Verdrängungen in einem gentrifizierten Gebiet, in: Dangschat, J. and Blasius, J. (eds.): *Lebenstile in den Städten. Konzepte und Methoden*. Leske + Budrich, Opladen.
- Bradley, K. (2010) Neukölln – Berlin. *Monocle*, 4.38, 162-165.
- Braun, M. (2008) Townhouses und Lofts. *Berliner Zeitung*, October 1, 2008.
- Butler, T. and Lees, L. (2006) Super-gentrification in Barnsbury, London: globalization and gentrifying global elites at the neighbourhood level. *Transactions of the Institute of British Geographers* 31/.4, 467-487.
- Coleman, R. F. (2012) 'In Berlin, You Never Have to Stop.' *New York Times Magazine*, November 23, 2012.
- Colomb, C. (2011) *Staging the New Berlin. Place Marketing and the Politics of Urban Reinvention Post-1989*. Routledge, London/New York.
- Davidson, M. and Lees, L. (2005) New-build 'gentrification' and London's riverside renaissance. *Environment and Planning A* 37.7, 1165-1190.
- Fietz, K. (2010) Willkommen in 'Prenzlkölln'. *die tageszeitung*, October 20, 2010.
- Füller, H. and Michel, B. (2013) 'Stop Being a Tourist!' New Dynamics of Urban Tourism in Berlin-Kreuzberg. *International Journal of Urban and Regional Research* (accepted).
- Gotham, K. F. (2005) Tourism Gentrification: The Case of New Orleans' Vieux Carre (French Quarter). *Urban Studies* 42.7, 1099-1121.
- Holm, A. (2006) Urban Renewal and the End of Social Housing. The Roll Out of Neoliberalism in East Berlin's Prenzlauer Berg. *Social Justice* 33.3, 114-128.

- Holm, A. (2010) Townhouses, Urban Village, Car Loft. Berliner Luxuswohnanlagen als 'dritte Welle' der Gentrification. *Geographische Zeitschrift* 98/2, 100-115.
- Holm, A. (2011) Gentrification in Berlin. Neue Investitionsstrategien und lokale Konflikte. In Hermann, H. et al. (eds.) *Die Besonderheit des Städtischen. Entwicklungslinien der Stadt(soziologie)*. VS Verlag, Wiesbaden.
- Holm, A. and Kuhn, A. (2011) Squatting and urban renewal: the interaction of squatter movements and strategies of urban restructuring in Berlin. *International Journal of Urban and Regional Research* 35.5, 644-658.
- Hunziger, C. (2010) Kreuzberg rückt wieder ins Zentrum. *Der Tagespiegel*, August 28, 2010.
- IBB-Investitionsbank Berlin (2006) *IBB Wohnungsmarktbericht 2005*. Berlin.
- IBB-Investitionsbank Berlin (2010) *IBB Wohnungsmarktbericht 2009*. Berlin.
- IVD-Immobilienverband Berlin-Brandenburg e.V. (2010) *Immobilienpreisservice 2010/11. Ausgewählte Preisspannen und Ertragsfaktoren für Wohn- und Gewerbeimmobilien in der Metropolregion Berlin-Brandenburg*. Berlin.
- Krajewski, C. (2006) *Urbane Transformationsprozesse in zentrumsnahen Stadtquartieren – Gentrifizierung und innere Differenzierung am Beispiel der Spandauer Vorstadt und der Rosenthaler Vorstadt in Berlin*. Institut für Geographie, Münster.
- Lees, L. (2003) Super-Gentrification: The Case of Brooklyn Heights, New York City. *Urban Studies* 40.12, 2487-2509.
- Lees, L., Slater, T. and Wyly, E. (2008) *Gentrification*. Routledge, London/New York.
- Lerch, M. (2010) *Eigentümer- und Nutzungswandel historischer Gewerbebauten. Eine Untersuchung aktueller Entwicklungen in Berlin-Neukölln*. Berlin (unpublished master thesis).
- Marquardt, N., Füller, H., Glasze, G. and Pütz, R. (2013) Shaping the Urban Renaissance: New-build Luxury Developments in Berlin. *Urban Studies* 50.8, 1540-1556.
- New York Times (2010) *In Berlin, a Creative Wave*. October 24, 2010.
- Oellerich, J. (2010): Steigende Mieten und hohe Mietsteigerungspotentiale. Was ausländische Investoren an Kreuzberg zu schätzen wissen. *MieterEcho* 342, 8.
- PFE, Büro für Stadtplanung (2008) *Sanierungsgebiet Kollwitzplatz 2008*. Studie im Auftrag des Bezirksamtes Pankow. Berlin.
- Rogers, T. (2012): Welcome to Berlin, Now go Home. *The Awl*, December 11, 2012.
- Smith, N. (2002) New globalism, new urbanism: gentrification as global urban strategy. *Antipode* 34, 427-50.
- TOPOS Stadtplanung (2008) *Sozialstruktur und Mietentwicklung in den Mielienschutzgebieten von Kreuzberg (Luisenstadt, Gräfestraße, Bergmannstraße-*

- Nord). Untersuchung im Auftrag des Bezirksamtes Friedrichshain-Kreuzberg von Berlin, Amt für Stadtplanung und Vermessung. Berlin.
- TOPOS Stadtplanung (2011) *Sozialstrukturentwicklung in Nord-Neukölln*. Studie im Auftrag der Senatsverwaltung für Stadtentwicklung. Berlin.
- Unfried, M. (2009) Kreuzberg zu verkaufen. *Kreuzberger Chronik* 112/2009.
- van Criekingen, M. (2010) Gentrifying the re-urbanisation debate, not vice versa: the uneven socio-spatial implications of changing transitions to adulthood in Brussels. *Population, Space and Place* 16.5, 381-394.
- Walther, U. J. and Ritterhoff, F. (eds.) (2007) *Knallhart? – Sozialstudie Neukölln*. Bericht eines Hauptstudienprojektes am Institut für Soziologie am Institut für Stadt- und Regionalplanung an der TU Berlin. Berlin.
- Westphal, D. (2007) Townhouses besiedeln Berlins Mitte. *Welt Online*, November 8, 2007.
- Zukin, S. (1990): Socio-Spatial Prototypes of a New Organization of Consumption: The Role of Real Cultural Capital. *Sociology* 24.1, 37-56.
- Zukin, S. (2010) *Naked City. The Death and Life of Authentic Urban Places*. Oxford University Press, New York.

