



Analysis of Gentrification in London Based on Consumption and Production

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Abstract. Broadly speaking, there are two theories to explain gentrification. Among them, one is driven by Neil Smith's theory of production, the other is David Ley's theory of consumption. This article aims to argue that these two theories of gentrification can help understand the changes that have taken place in London. We explain the two theories and their differences, and then we look back at the changes that have taken place at King's Cross Station, at the gentrification that has taken place in the area, and we interpret that change as a theory of production. Finally, based on consumption theory, this paper explains the gentrification phenomenon due to changes in the structure of middle-class families and people's consumption preferences.

Keywords: Gentrification · Gentrification theories

1 Introduction

In the early 1950s, demographic shifts began to occur in various residential areas of London. Residents who used to live in central London began to be forced out of their original areas due to rising house prices and moved to other poor areas in need of renovation, such as East London, because it was more convenient and cheaper (Moran, 2007) [1]. In the 1960s, the British sociologist Ruth Glass described this phenomenon as “gentrification,” in which middle and upper income classes buy and renovate properties in poor and deprived areas to increase their value, displacing pre-existing residents or shops. In her book *Aspects of Change* [2], she analysed the effects of urban gentrification. The encroachment of the middle class into working-class neighbourhoods, the repossession of low, dilapidated houses and their gradual transformation into fashionable, expensive dwellings, and the dismantling of the social fabric of the indigenous population.

The causes of gentrification can be explained by two theories, the production and consumption theories, driven by Neil Smith and David Ley, respectively. Both theories subscribe to this understanding of gentrification, arguing that the process of middle-class invasion of working-class lives and housing estates, once begun, is difficult to stop and develops rapidly. Eventually, all the existing working class families were forced out, and the cultural identity of the area disappeared [2]. However, the two theories suggest that the reasons driving this phenomenon are different. Consumption theory analyzes the causes of gentrification from the aspects of nature, human geography and

consumption habits, and explains the phenomenon of gentrification in combination with people's performance characteristics and changes in consumption attitudes (Ley, 1986) [3]. Production theory views gentrification from the perspective of dynamic market prices and production relations, and argues that the driving force of gentrification is not human mobility but capital [4].

2 Example of Production Theory

As the first city to create the word “gentrification” by Ruth Glass [2], London's historical changes and the causes of gentrification are worth exploring. Located in the heart of London, King's Cross is the area with the largest number of passing lines and the busiest underground and railway stations. Its long history of regeneration and renovation has shaped the present prosperity and has also contributed to gentrification. Given the changes that have taken place in the past, the gentrification that has taken place at King's Cross can be explained by production theory.

The development and change of King's Cross station can be analyzed from three stages, including the boom period, the decline period and the revival period. According to Bishop and Williams [5], the first phase of the region can be described as a busy industrial and distribution centre that lasted from the Victorian period until the Second World War. In 1852, King's Cross railway Station was completed on the border between Camden and Islington in central London. With the completion of the project, King's Cross station became an important industrial and distribution center in London. However, in the second phase after the end of the Second World War, King's Cross station became a derelict site. The once busy industrial and distribution area no longer exists, and the abolition of the railway zone led to the site becoming a brownfield with only a few empty buildings at the end of the Second World War.

The third stage saw an essential change in the place. The development and redevelopment of King's Cross Station from 1996 to the present has played a decisive role in its gentrification. In 1996, St Pancras station was planned as the starting point for the Eurostar, the direct high-speed rail link from the UK to France, which is also seen as a catalyst for the renovation and regeneration of King's Cross [6]. During that time, developers discovered the potential of the surrounding 270,000 square meters of land and started investing. The first developer, Argent LLP, was selected in 2001 and received permission from the London Government for the next five years [7]. It has developed 50 brand new homes, 10 public domain Spaces, 10 green squares and converted around 2,000 homes at King's Cross Station. Compared to the previously low land price and rent areas dominated by low income population, the redeveloped King's Cross station has seen a significant increase in house prices, as shown in Fig. 1. As prices have risen, luxury brands and international companies have rushed in, and the gentrification of King's Cross has been driven out by the original residents being unable to afford high house prices and rents.

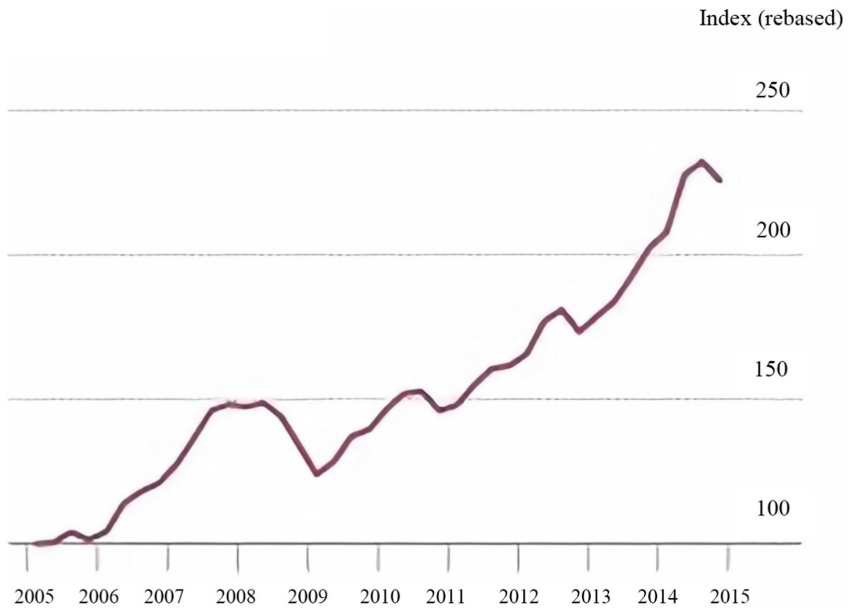


Fig. 1. King's Cross house prices (Data: Foxtons, 2022) [8]

3 Examples of Consumption Theory

The redevelopment case of King's Cross above shows that gentrification occurs as a result of market-and capital-led initiatives. However, some early events in London argued that gentrification was mainly due to human geography and consumption habits. After First World War, the middle class earned most of its income from men. Due to the lack of domestic service and other related industries in the tertiary industry, most women can only survive as housewives [5]. With the development of the society, the subsequent changes in family structure and the rising status of women also helped to drive urbanisation. In the early 1960s, a London university known as the "White Tiles" opened its doors to women from middle-class families, offering them the chance to receive a university education. This not only means that more educated women are on the way, but also indicates that the status of women is gradually improving and that they will have the opportunity to choose more and different types of careers. Moran [1] pointed out that the income structure of middle class families in London had changed from the male-dominated single-income economic structure to the dual-income structure with joint income of men and women. This shift has made central London the preferred living option for middle-income families, as it is home to different international businesses and jobs, with the best transport and infrastructure. Data from Macrotrends [9] displayed London Metro area population since 1950, which is growing from 1980 onwards and is expected to reach 10,556,000 by 2030. This phenomenon can be explained by the following reasons. First, because of the commute, living in the city center saves them more time and money. Second, the service-oriented economic structure in urban centers also meets the dual income needs of middle-class families, who have no time to clean and

take care of children [3]. In addition to this, the advanced and good educational facilities are attracting more middle-class parents to move into the city centre. As more and more middle class moved in, low-income residents originally living in the city center were forced to move out [10], which undoubtedly accelerated the process of gentrification.

Another example of gentrification taking place in London based on consumption theory can be found on the south Bank of the Thames, as people's consumption preferences have changed to pursue cultural diversity [11]. At the end of the 19th century, the south bank of the Thames was an industrial slum with many factories. With the Festival of Britain in 1951, it was redeveloped by the government as an arts and entertainment district. A former power station has been turned into an art gallery, warehouses have been converted into new apartments, and a previously abandoned industrial and slum neighborhood has been transformed into a new cultural district. After more than 50 years of steady development, the South Bank has become a prominent European centre for the arts and one of London's major tourist areas. The pursuit of art allowed the area to be redeveloped and become more vibrant, but it also meant that the original inhabitants of the area had to move out, with the consequent loss of the original culture [12]. Research interviews by James [13] illustrate the concerns of local people in the area. For example, "When the English festival came, they tore down all our houses and we had to accept the change in the area", "This area will belong to the upper classes and upper areas, but not to ordinary people at all". The rising housing and rent prices made them have to move out, the occurrence of gentrification result the leaving of local people.

Based on the above cases, it seems that both production and consumption theories can help explain the gentrification of London. The former focuses on the economic aspects of gentrification and is explained in terms of capital and production. At the same time, consumption theory tends to study more the behavioral characteristics of people and what they consume, which is more likely to be a social process. It is impossible to choose a single explanation for the gentrification that has taken place in London, as these two theories have largely guided the process. Beyond that, it could be argued that some gentrification has taken place on the basis of both theories. The redevelopment of the south bank of the Thames mentioned above, although it was the pursuit of art that led to the regeneration of the area and the relocation of the original residents, it was also closely related to the increase in house prices caused by the inflow of capital. The gentrification of London's South Bank has continued in recent years and the site has attracted significant commercial investment due to its great artistic value. Significant retail and commercial developments have made it more vibrant, but the influx of capital has also led to a continuing struggle for gentrification. Rinvolucris [14] report documented the struggle between the South Bank Ice Arena and gentrification over capital flows. In 2004 it was announced that two thirds of the 40 year old Southbank Skatepark would be demolished, signalling the passing of the skate culture at the site. In 2014, the last third of the skate park was proposed to be demolished and replaced with more retail units. If the plan goes ahead, the skating culture on the South Bank will be completely eradicated and the influx of capital will cause the gentrification of the site to become even more severe. Thus, consumption theory can be used to explain the initial gentrification of the South Bank, which was a pursuit of art. However, in the subsequent ongoing development of the

place, production theory, in other words the inflow of capital, also allowed gentrification to continue to take place.

4 Conclusion

Finally, the article uses production theory and consumption theory to understand the gentrification that is taking place in London. Taking the redevelopment of King's Cross as an example, the paper demonstrates that production theory can be used to explain the occurrence of gentrification, and then uses consumption theory to explain how gentrification is caused by changes in the economic structure of middle-class families and people's cultural aspirations. Therefore, it could be argued that both theories contributed significantly to the gentrification that happened in London. Glass [2] believed that although the harm caused by gentrification was huge, the gentrification process in London never stopped. Data from the Think Tank [15] shows that Tower Hamlet, Wandsworth and New-Ham experienced their most severe phase of gentrification from 2010 to 2016 due to an influx of middle classes. Rising house prices and minimal housing affordability forced original residents to move, leading to the displacement of working class and BME communities in London around the 2010s. Fortunately, the London government is taking the gentrification process seriously, with rent controls and affordable housing schemes giving hope to original residents who would otherwise have to move. Either theory, although they look at the causes of gentrification differently, they all agree on the harm that gentrification can cause. In conclusion, the government should pay more attention to this problem and alleviate the cultural loss and unaffordable housing problem caused by gentrification.

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