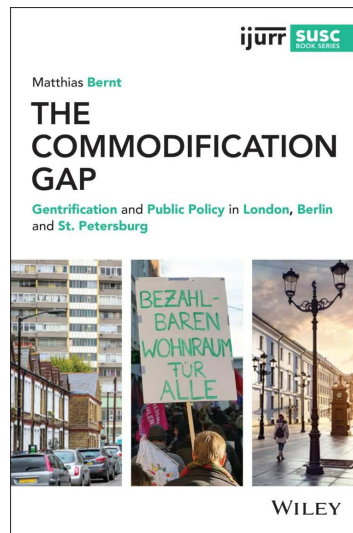


<https://doi.org/10.5719/aub-g/72.1/14>

MATTHIAS BERNT, 2022, *The commodification gap. Gentrification and Public Policy in London, Berlin and St. Petersburg*, Wiley, Hoboken, NJ, xiii+258 p.



Positive transformations in cities, such as investment in disadvantaged areas, are happening all over the world. This phenomenon is called gentrification, and the scientific literature on it is very rich, because of the controversies that accompany it. *The commodification gap. Gentrification and Public Policy in London, Berlin and St. Petersburg* is an excellent book that combines theoretical and empirical emphasis, the objective also targeted by the book series of which this book is a part – the IJURR (International Journal of Urban and Regional Research) Studies in Urban and Social Change Book Series, which “shares IJURR’s commitments to critical, global and politically relevant analyses of our urban worlds” (p. xi). Books in this series “bring forward innovative

theoretical approaches and present rigorous empirical work, deepening understandings of urbanization processes, but also advancing critical insights in support of political action and change" (p. xi) and focus on issues such as comparative urbanism, diversity, difference and neighbourhood change, environmental sustainability, financialisation and gentrification, international migration, and so on.

In his book, Bernt wants to suggest a different perspective on gentrification, recognising its condition as a universal phenomenon "that reflects general conditions set by capitalist land and housing markets" (p. 3), yet at the same time, "it is only made possible through specific institutional constellations" (p. 3), arguing that it is at the same time economically and politically determined: it rests on historically specific entanglements of markets and states, expressed in multiple combinations of what Bernt calls commodification and decommodification; their analysis is central in this book.

In the introductory chapter, Bernt explains his approach and defines the key terms of decommodification and commodification and their relation to the economic processes, in the complicated context where housing "is produced for the purpose of being sold as a commodity in the market", and, at the same time, it is "an essential human need" (p. 3): "Commodification happens when the social use of housing is subordinated to its economic value. When housing is commodified, it can be treated as an investment and can be purchased, sold, mortgaged, securitised and traded in markets. Decommodification occurs when exactly the opposite is taking place" (p. 3), when "the provision of housing is rendered as a right and/or when a person can maintain accommodation without reliance on the market, or when the conditions in the markets make it impossible to trade housing or invest in it, the commodity status is loosened and housing becomes decommodified" (p. 3).

The "commodification gap" is a concept designed by Bernt, meant to reconcile investors and locals: it considers that the achievement of gentrification is related to a certain degree of limitation of the decommodification that allows for satisfactory rates of return on investment in housing. The author considers this concept useful when comparing gentrification across varied contexts, given the fact that "the general dynamics of commodification are universal in capitalist societies,

whereas the ways in which markets are embedded into societies and the variations in which social rights are perceived, negotiated and legislated are not" (p. 4). It proves its usefulness in this book, in which three case studies from different housing systems are compared.

The content of the book is organized into seven chapters. The first chapter, *Introduction*, begins with a very interesting focus on Prenzlauer Berg, a neighbourhood in East Berlin, which in the late 1990s experienced rapid changes: "After decades of decay, more and more of its dilapidated residential buildings were bought up by investors, renovated and rented out with considerable price increases" (p. 1), followed by many changes, including the economic activity and the composition of the population; this example is used to describe "gentrification", a phenomenon which occurs in developed and also in developing countries.

The second chapter discusses the rent-gap thesis formulated by Marxist geographer Neil Smith in 1979, which is one of the best-known theoretical arguments about gentrification: it states that gentrification is a structural product of capitalist land and housing markets. Bernt highlights the conceptual limits of this theory: "It suffers from an oversimplified perspective on the way markets work. It can, therefore, make a convincing general argument about the general economy of gentrification, but is of very limited use for understanding its political preconditions" (p. 48), because "gentrification cannot be isolated from the context in which it takes place" (p. 48).

The third chapter shifts the focus from the theoretical critique to the empirical analysis "to examine how reinvestment and displacement have been intermingled with state action in three different countries and cities over time" (p. 57). It is also the most extensive chapter of the book and explains how different institutional configurations have determined different commodification gaps, and enabled or restricted gentrification. The focus is on the national scale: the two main characteristics of the British housing system are "the conjunction of tenure and sociospatial segregation and the complex ways in which the relationship between the two has changed over time" (p. 57); the two main characteristics of the German housing system are "its form as a rental system (instead of one designed around owner-occupation) and the long continuities that have determined its recent shaping (p. 77); in the Soviet system, housing "was

a reward given to those seen as deserving by the state. Housing allocation was an administrative procedure, not a market issue" (p 99). The detailed Table 3.6 ("Commodification gaps in the UK, Germany and Russia", pp. 132-133) is very useful: it presents a concise overview of the three housing systems and their commodification gaps.

The next three chapters present gentrification in three neighborhoods from the three housing systems: Barnsbury (chapter 4), as an example of the British housing system; Prenzlauer Berg (chapter 5), as an example of the German housing system; and St Petersburg (chapter 6), as a case study from the Russian housing system. First, Barnsbury, "one the birthplaces of gentrification in the UK" (p. 139), is an interesting case study because the area has undergone gentrification over a very long time: the history of urban upgrading dates back half a century, so the impact of changing economic and political environments can be studied over a long period. In this case, "gentrification is not only an outcome of a difference between actual and potential ground rent, but both the emergence of this gap, its geography, the way it operated and the opportunities to profit from it have fundamentally altered throughout the last five decades" (p. 153). Second, within Germany, Prenzlauer Berg is widely known and is usually seen as a showcase example of gentrification: "Journalists have even used the term *Prenzlauerbergisierung* (Prenzlauerbergisation) when trying to describe urban changes elsewhere" (p. 157); the area experienced considerable neglect under East German state, but, in the 25 years following the fall of the wall, the neighbourhood has experienced a total renewal and massive population exchange. In this case, "state intervention has been considerably downsized and the market gained more control" (p. 174), but, at the same time, "the role of the state seems much more ambivalent here. If a complex back and forth of regulations with regard to housing provision, allocation and pricing is already typical for Germany, this is particularly the case for Prenzlauer Berg" (p. 174). Third, St Petersburg is a very interesting case study on gentrification in an Eastern European society: "The term gentrification has only very recently entered Russian vocabulary and in most situations, Russians would use it in a way similar to terms like improvement or beautification" (p. 181). Bernt highlights that gentrification has not yet become a major issue for most Russian inner

cities, but “it has proceeded in the form of suburbanization and the construction of new elite housing and gated communities” (p. 182). Gentrification here has specific forms. For example, despite heritage regulations, the demolition of existing buildings (rarely possible in theory), is a recurrent phenomenon: “It has been reported that more than 1300 architectural monuments, nominally under state protection, have either been demolished or were ‘in the phase of active destruction’ in 2012” (p. 187). The chapter describes the three major dynamics of gentrification in St Petersburg: “the regeneration of existing residential buildings, the piecemeal construction of elite new housing, and the dissolution of *kommunalki* apartments” (p. 183).

The last chapter, titled as the book is, *The Commodification Gap*, contains concluding remarks, an overview of the concepts discussed, and a succinct comparison of the three case studies: “Gentrification follows very different dynamics in the three cases examined, resulting in different temporalities, spatial patterns and political issues connected to this form of urban change” (p. 210). In this sense, also useful is figure Figure 7.1 (p. 215), which sketches the interplay of universal and particular factors in bringing about gentrification.

Finally, despite the technical language used, the case studies, the relevant images, and the tables help considerably to understand the message of the book, even for a non-specialist. This text could be ended with a conclusive idea from the book: “There is no silver bullet for unmaking gentrification and change will not be achieved through a one-size-fits-all approach. What is needed then, is not abstract anti-capitalism and Manichean utopias, but a better understanding of the political forces that can make alternatives to gentrification possible” (p. 220).

GABRIEL CAMARĂ¹

¹ Lecturer PhD, Faculty of Geography and Geology, “Alexandru Ioan Cuza” University of Iași, e-mail: gabriel.camara@uaic.ro