Gentrification in Istanbul
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With changes in the political and economic world order as well as in the development of foreign commercial relations of Turkey, the country’s major cities entered a process of change during the 1980s, most notably in the location and use of some of the residential areas of Istanbul. While these areas of middle and high-income groups moved to the periphery of the city, the residences in the older and more central settlements have been frequently changing hands. Some buildings in the central areas of the city have been restored and are now used by people of upper social classes, income groups, cultures and lifestyles. This process is known as gentrification.

In this study, the gentrification process and its effects on a number of different neighborhoods in Istanbul were investigated through a desk top study and the major developments in this process were highlighted in an attempt to understand how gentrification developed in a city like Istanbul, the capital of many empires in different eras of history, and home to many nationalities and cultures. This study acknowledges that political factors as well as the economic factors affect the location of the areas which are currently experiencing gentrification.

Keywords: Neighborhoods; Turkey; artists

Introduction

With a population of 10,018,735 in 2000 (SIS, 2002), Istanbul is the biggest city in Turkey. After the 1980s, along with the construction of the second Bosphorus Bridge and its adjoining highways, the construction of high-rise buildings began on these axes to accommodate developments in the communication technology and transportation industries (Dökmeci and Berköz, 1994). Consequently, many members of the middle and high-income groups that had previously worked and lived in the central areas of the city moved to business centers and private neighborhoods, newly constructed outside the city. These new sites were constructed in rural areas, the protection and infrastructure of which were usually provided by private companies. This process intensified after the earthquake of August 1999, with the movement of the higher-income groups away from the city.

While the expansion of residential areas to the periphery of the city continues, another development can be observed in the older, more central settlement areas of the city. Their proximity to the city’s business centers as well as historical architecture has meant that these central areas have the potential to attract higher-income groups. The residences in these quarters of Istanbul have been changing hands often since the 1980s. They have now been restored and are being used by people of upper income groups, cultures and lifestyles. This process is known as gentrification. This is the unit-by-unit acquisition of housing, displacing low-income residents by high-income residents. In the 1970s and 1980s, higher-income professionals in developed countries moved to residences in the city center because of their low costs and easy access to business areas, which led to the renovation of many of the old buildings of the major cities. This population was generally young professionals without children who had enough money to be able to move to such areas. The process had a significant impact on gentrification during this period, most notably in the movement of the working-class and immigrant communities away from these newly renovated central locations.

Much research has been conducted in the US, Europe and Canada since the 1970s on gentrification of the city center. Some of this research evaluates the economic factors behind the process of gentrification. Smith (1979, 1996) has argued that a gentrification process is inevitable if a growing

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391
“rent gap” has emerged between the potential value of the land and its existing use value. The size of the gap grows until it is possible for developers to move back to the inner city and profitably realize the underlying value of the land through renovation or redevelopment of the buildings.

Some researchers viewed the characteristics of the gentrifiers to be of greater importance in the understanding of gentrification. Hamnett (1984) states that “gentrification is a physical, economic, social and cultural phenomenon, commonly involves the invasion by middle-class or higher-income groups of previously working-class neighborhoods or multi-occupied “twilight areas” and the replacement or displacement of many of the original occupants.” Ley (1986, 1992, 1996), Filion (1991), Van Kempen and Van Weesep (1994), Bondi (1999) have suggested modifications in the socio-cultural structure and residential policies as other significant factors that might lead to a process of gentrification. The modifications in the socio-cultural structure mean displacement of the original occupants of a rehabilitated settlement. Members of the middle-class, working in the city center, want to live in the inner city in order to be closer to their offices and socio-cultural activities and also want to be closer to those similar to themselves. Their areas of interest, habits and demands for setting and keeping a life style at a certain standard, are very important factors in a gentrification process. Thereafter, low-income workers, immigrants and those generally marginalized have to leave the rehabilitated areas.

Rehabilitation is thus a way to maintain the transformation of valuable but decayed buildings in the city centers. But legal arrangements and credits are essential for encouraging investments in the city center. Thus, middle-class demand for living in the city center can be met, and on the other hand, slums can be removed. Application of rehabilitation methods changes according to the different housing policies of the countries. Gentrification also occurs at different rates, under different circumstances, in different cities of different countries. Subsequent research conducted in these countries has compared different cities, countries and continents. For example, applications are mostly in accordance with central government policies in England, whereas local government decisions are more effective in the USA. In the period of “back to the city” in the USA, various arrangements regarding taxes and rents were made that forced lower-income residents to leave the city center. In France rent arrangements valid since 1948 delayed gentrification for a while, however, investors discovered the value of the city center when it started to become vacant after long-term tenants had been leaving spontaneously in the 1980s. The private sector, with the support of land developers and committees were noticeably involved in investments in USA, but individual entrepreneurs and land developers were more effective in England. Private and public sectors have worked together with the NGO participation in France (White and Winchester, 1991; Gelb and Lyons, 1993; Lees, 1994; Carpenter and Lees, 1995).

Research was also conducted in some of the former Eastern bloc countries (Sykora, 1996, 1999) and in other regions of the world such as Mexico (Jones and Varley, 1999), Latin America (Ward, 1993), Turkey (Uzun, 2000, 2001, 2002; Merey-Enil, 2000) and Israel (Gonen, 2002), although they are limited in number. Other work has tried to identify the types of gentrification from its first appearance to the present (Hill, 1994; Dorling, 1995; Lees, 1996). Gentrification has been construed as both destroyer and savior in the regeneration of run-down areas, yet it is clear that it is not simply one or the other. There are both positive and negative aspects to gentrification (Atkinson, 2000). For example, some are reacting against gentrification in the centers of developed countries. People who react against gentrification are organizing to obstruct the process. People sometimes go to court for their rights or sometimes struggle with the gentrification process on the streets. To avoid these responses, public participation is needed during rehabilitation applications. Attempts are intensified to preserve the original characteristics of the settlement, its ethnic differentiation, its small-scale businesses and affordable rent values.

This research has indicated that gentrification generally takes place in the city center and especially in neighborhoods with historical value and interest. It began to develop in many countries after 1970 when cities entered a restructuring process following their expansion. In the gentrification process, the location of the area (proximity to the city center especially) and also its aesthetic and architectural value (especially in the historical parts of the city) is of importance to potential residents. Culture and art have been more evident in the first stage of gentrification; the appearance of artists in these areas has led to the introduction of galleries, coffee houses, rock clubs, and this night life has attracted gentrifiers to the area as well.

In this study, the gentrification process and its effects on different neighborhoods in Istanbul were investigated through a desk top study and the characteristics observed in this process were emphasized in an attempt to understand how gentrification developed in a city like Istanbul, the capital of many empires in different eras of history, and home to many nationalities and cultures.
Geographical patterns of gentrification in Istanbul

The process of gentrification in Istanbul first began in the 1980s in Kuzguncuk and Ortaköy, located outside the city center on either side of the Bosphorus. These settlements were among the most prestigious residential areas of Istanbul. Then it was observed in 1990s in Beyoğlu, one of the most popular districts of Istanbul throughout its history. Since the beginning of 2000, it was also observed in the Istanbul Historical peninsula. However, the reasons for its beginning and the processes of gentrification differ (Figure 1).

Gentrification of the Bosphorus neighborhoods

The Bosphorus villages, which until the second half of the 15th century earned their living from agriculture and fishing, eventually became integrated into the city itself (Tekeli, 1992). In the 16th century, as sea transportation began to develop on the Bosphorus, new uses were developed for the waterway, so in addition to the gardens of the summerhouses and palaces which had been constructed for the daily use of the residents of the palace, by the end of 16th century, residential settlements had begun to develop at quite a pace beginning at Ortaköy on the European side of Istanbul (Kuban, 1996).

Throughout its history, the Bosphorus has always reflected the social, economic and cultural characteristics of its location. In the villages live fishermen and farmers, seasonal palaces and gardens are home to a wealthier management class and in the less intensive settlement areas live different ethnic communities. The settlements pre-1950 were mainly constructed and used during the Ottoman era and were left as a cultural heritage. The Bosphorus was a prestigious area for settlement during the period before the birth of the Turkish Republic in 1923. However, its prestige has increased during the present era. After the minorities communities of Jews, Greeks and Armenians left Turkey in the 1960s, many of the settlements along the Bosphorus were abandoned, only regaining their popularity in the 1980s when they began to accommodate higher-income families intent on escaping the city’s increasing traffic problems and the resulting pollution. Following the Bosphorus law of 1983, buildings that might increase the residential density were restricted.

![Figure 1 Gentrification areas of Istanbul](image-url)
Kuzguncuk

The first process of gentrification in Istanbul was observed in Kuzguncuk in the 1980s on the Asian side of the Bosphorus, chosen for its natural beauty and historical significance. It is a model village where Jews, Greeks, Armenians and Turks have lived together peacefully throughout its history and where a mosaic of cultures and religions have been formed. It was the first Jewish settlement area on the Anatolian side of Istanbul and was known as a Jewish village. It is believed that it also housed a large Greek community in the 17th century and Armenians in the 18th century (Bektas, 1992). Kuzguncuk was not seriously sought after by the Muslim Ottomans until the end of the 19th century. In 1914, 1600 Armenian, 250 Greek, 70 Muslim, 400 Jewish and four foreign households were registered in Kuzguncuk. In 1933, the population increased to 4000, 580 households populated mainly by Jews, but also housing Greeks, Turks and Armenians (Bektas, 1996). Gradually, the minority populations of Kuzguncuk declined and consequently the ethnic diversity which had so characterized the village was lost. The buildings did not attract the interest of higher-income groups much because they were simply constructed, adjacent to one another on a small base area. Although the Muslim residents did not abandon the district, it slowly became run down due to lack of care. According to Uzun (2000), when the famous Turkish architect Cengiz Bektas purchased an old, empty building, his attempt was regarded as quite eccentric by the local residents but was then adopted after the renovation of the house. The planning process in Kuzguncuk has started with Cengiz Bektas’ program which he prepared and implemented himself, by planning the common places that can be used to revitalize the neighborhood. About 100 houses were restored with public participation. Bektas has made the design, construction supervision and consultancy of most of these houses without any charge. The government did not intervene directly in the process, yet government policy did set the stage for gentrification through its restrictive legislation (Uzun, 2002). In the 1980s, Kuzguncuk became an area much sought after among the Turkish educated middle classes; attracting poets, artists, architects and musicians. As a result, the restoration of the old houses gained momentum and the number of artists, architects and authors living in Kuzguncuk today (perhaps the first gentrifiers of Istanbul) has reached 50 households. The interest shown for this ancient Bosphorus village increased in step with the process of gentrification, resulting in an increase in the price of land and property. The square meter price of the building sites in the streets where gentrification process occurred has grown six times between 1998 and 2002 (http://www.ymm.net).

Uzun (2001) states that this conscious gentrification of the neighborhood has not had any of the usual adverse effects such as the removal of its former residents because the first residents of the neighborhood, the Greeks, Jews and Armenians, had already left. It was observed from the records that only 25 Greeks, 17 Jews and six Armenians were living in Kuzguncuk in 1992 (Figure 2).

Ortaköy

Another neighborhood where the process of gentrification occurred during the 1980s is Ortaköy. Located almost directly across from Kuzguncuk on the European side of the Bosphorus, it is a residential area popular since Ottoman times, set on one of the most beautiful points of the Bosphorus and the location of the summer houses of the sultans during the Ottoman Empire. The most important historical feature of Ortaköy is the fact that the Turkish, Greek, Armenian and Jewish societies from different cultures and different beliefs lived together harmoniously. This feature has survived until today, but just like in Kuzguncuk, the population of minorities in Ortaköy has decreased. Seven hundred Jewish families are recorded as living in Ortaköy in 1936, out of a total population of 16,000. Other than the palaces, the Ortaköy mosque and the residences of the Greek, Armenian and Jewish tradesmen are located on the coast while the Muslim neighborhoods reside more along the stream that dissect the village inland.

Ortaköy, with its three religious sanctuaries of a mosque, synagogue and church, has occupied a very limited area along the Bosphorus for the past 150 years, but at the same time represents unique examples of 19th century civilian Ottoman architecture. As the Greeks, Armenians and Jews who lived in the historical houses of the Ortaköy Square left or moved to other districts of Istanbul, Muslim families from lower-income groups settled in these residences. During this period, the village became run down as the maintenance and repair of the houses was not carried out as desired. Government has played an indirect role in the gentrification process of Ortaköy. In 1970s, a project that aimed to establish a handicraft village in Ortaköy was prepared by the Ministry of Culture. In this project, priority was given to the natural view of the neighborhood and a questionnaire was prepared to investigate the problems and expectations of the local people. The interviews were made face to face with 100 people and then it was decided to preserve the traditional characteristics of Ortaköy and projects were prepared for buildings that would be renovated or restored. Some special different colors were determined for existing and new buildings, but the implementation has been unsuccessful, and some especially old buildings could not be preserved (Aklan, 2003).
At the beginning of 1980s, two local artists (Bilge-Erkan Mestçi) opened an art gallery in this area; and soon other artists followed suite. Stalls were set-up in the village on weekends to sell handicrafts and antiques (Kardüz, 2002). After some time, however, the square became over-run with street vendors selling fast food. Ortaköy was reorganized in 1992 as part of a local municipality project started for Ortaköy Square and its surroundings in 1989. The significance of the square lies in its proximity to the above-mentioned structures, each representing one of the Ortaköy’s three religions (İşözen, 1992).

The buildings that were subject to gentrification in Ortaköy are mostly on a small base area, 2–3 storey houses. The properties with historical value and a sea view around the square were generally purchased by the higher-income group while others were used by artists. In this period, drawings of the buildings given a special notice of protection were...
prepared and the square was reorganized once again, the urban furniture was renewed and restaurants and cafeterias established. The square and its surrounding area made for a lively atmosphere with art galleries, coffee houses, bars and restaurants, handicrafts and an antique bazaar. However, a couple of years after the reorganization of Ortaköy Square, bars, taverns and discothèques began to dominate as the potential for substantial profits encouraged a more aggressive approach from local businesses. The increasing traffic through the village also created a parking problem and led to a wider transportation problem for many other settlements further down the Bosphorus. After some time, the gentrifiers that had renovated the historical houses around the square became increasingly dissatisfied by the new recreational function the village had assumed. The square meter price of the building sites in the Ortaköy Square and around where the gentrification process had occurred, has increased by a factor of 11 between 1998 and 2002 (http://www.ymm.net).

At the end of the 1990s, most of these residences are either empty or have changed their function, serving as food and beverage outlets or recreation units. As the area became popular in Istanbul and even throughout the country, centers of recreation started to occupy the neighborhood where the population of the middle income families of Ortaköy used to live. The families were disturbed by this, resulting in struggle between the newcomers and the old residents of the area. Since 1999 a regression period started in Ortaköy because of the dirty streets, problems of parking and traffic jams. The shop owners in the Square attacked the new Head of Municipality for lack of attention to Ortaköy (Tanış, 2000). The new Head of Municipality has prepared and implemented a new project to reorganize the Ortaköy Square in 2000. The project comprises changing the furniture of the square again, building a platform by the sea for amateur musicians, and determining colors for buildings. An international company restored the house of the Balyan family—architects of Dolmabahçe Palace—in Ortaköy Square in 2002 and opened a restaurant named BOBOs (bourgeois bohemian). The aim is to attract artists and upper income groups with this restaurant and thus contribute to the revitalization of Ortaköy (http://www.x-ist.com) (Figure 3).

Gentrification of Istanbul’s old city center

The old city center of Istanbul comprises two settlements on the two sides of Golden Horn, which differ from each other economically, socially, culturally and physically. One of these settlements is Beyoğlu, founded by the new arrivals from Europe, and the other is the historical peninsula representing traditional Istanbul (Yerasimos, 1996).

Gentrification of the Beyoğlu neighborhoods

Beyoğlu is one of the most distinctive residential and recreational areas of the historical center of Istanbul. Although Beyoğlu is a district, it is generally known as the area centered around Istiklal Street between Tünel-Taksim. Less than one quarter of the population of Beyoğlu is Muslim as the majority of the population was of European origin in the 19th century (Dökmeci and Çiraci, 1987, 1999). As Ankara was established as the capital (1923), the embassies moved there and some of the foreigners working in the neighborhood left Beyoğlu as well. However, it continued to be one of the most distinguished districts of the city with its cinemas and theaters, restaurants and patisseries, art galleries and luxury shops (Dökmeci and Çiraci, 1990; Çelik, 1996).

After World War II, as some of the more prosperous groups that had earned money from the war economy came to Beyoğlu for recreational purposes, its status as a center of entertainment gradually began to change. This development went in tandem with a change in the population profile, since between 1947 and 1949 the Jews of Beyoğlu migrated to the newly founded Israel (Scognamillo, 1994). In subsequent years, interest in Beyoğlu declined largely due to the substantial enlargement of Istanbul resulting from internal migration, rapid urbanization, and the development of new districts and the relocation of recreational centers and changing trade patterns. Wealthier families also left the area for the expanding suburbia.

Due to the tragic political actions directed at the Greeks in 1955, this community abandoned Beyoğlu and so the coffee houses, patisseries and centers of recreation owned by them were closed. Similarly, a major change occurred in the social life of Beyoğlu as these places, popular meeting points for artists, were also closed (Armutçuoglu, 1985; Köker, 1997). As the migration from rural areas to the cities was also happening at this time, Beyoğlu conveniently satisfied the demand for cheap residential property for the new migrants. The above combination of factors led to a significant change in the complexion of the area.

The neighborhood, comprising the first apartment type designed buildings in Istanbul following the architectural traditions of western culture, was considered strange by the migrants groups who largely came from a rural background. In time, Beyoğlu was transformed into a slum area. By the 1980s, the shops that were located on the first floor of residential blocks were changed into trading centers covering the whole building, transforming the stylish early 20th century residential areas into busy trade centers (Baslo, 1998). In the 1990s, however, a nostalgic revival in the approach to renovation began in the district. The intelligentsia and artists purchased and renovated many of the
old apartments, and as a result new cafeterias, restaurants, bookshops and art galleries were opened locally. New life was observed in Beyoğlu, manifest most obviously with the organization of the Istanbul Film Festival.

Beyoğlu, which incorporated many historical buildings of the late 19th early 20th century, was identified as an architectural site in 1994. As well as Istiklal Street being a center for trade, the area was reinvigorated once more with the cultural activities enjoyed by the young generation.

**Tuğnel**

Tuğnel is a prime example of the process of gentrification in Istanbul. Located at the southern end of the Istiklal Street, it is a neighborhood where Germans, Italians, Russians, and Greeks lived and traded together with Turks until the 1970s, and an area boasting a rich cultural diversity. The Jews transformed the district, close both to the port and the railway station, into a trading center. However, the cultural diversity was lost after the migration of many Jewish tradesmen and the Greek professional classes from this quarter of the city (Eldem, 1992; Inalcık, 1996). As the port lost its significance and new residential areas emerged elsewhere, the neighborhood was affected adversely and the area experienced widespread dilapidation.

Istiklal Street was closed to traffic in 1990, and the commercial life of Tuğnel was badly affected. When commercial life stopped, the rental value of properties in Beyoğlu declined. Tuğnel became a criminal area in time but started to change by means of an art gallery which opened in 1994. When the owner of the gallery (Uğur Bekdemir) came to the neighborhood there was only one artist (Muzaffer Akyol) there, but he did not only open an art gallery but also worked to organizing it. First, he tried to clean criminals from the neighborhood, and then started to call his friends here.
Gentrification in Istanbul: N Ergun

He organized more than 200 exhibitions here within 8 years. He has aimed that to keep the old spirit of neighborhood where once many foreigners used to live and his many foreign friends rented or bought houses or ateliers in this area (http://nevarneyok.com 2002).

Artists in particular settled in the historical residences of Tünel, then authors, journalists, architects and advertisers began to settle here, restoring the local properties at the same time. Besides these individual attempts, the restoration of buildings by some businesses such as the art galleries and cultural centers attracted people to Tünel. As a result, coffee houses, bars and restaurants began to open up around these art galleries and cultural centers. The visual and electronic media did much to gain fame for the neighborhood. However, this new energy also meant that it became increasingly fashionable place and therefore expensive, an unwelcome development for its residents. Increase of rents forces old tenants to leave the neighborhood in spite of their desire to stay there. Tünel, known in the past as the “Europe of İstanbul”, has now extended its boundaries and moved towards becoming the cosmopolitan quarter of İstanbul, with its American, African and Asian residents added to the European population such as British, German, Russian and Italian who are still living in the region, though few in number and its “identity open to innovations” (http://www.insankaynaklar-i.com). It is obvious that the proximity of one of the metro stations currently under construction will hasten the process of gentrification.

Cihangir

One of the residential neighborhoods of Beyoğlu is Cihangir, with its many residences enjoying a Bosphorus view. All the wooden houses in Cihangir were burned down as a result of six fires between 1765 and 1916, and so no wooden buildings were constructed after 1916. At the end of the 19th century and the beginning of the 20th century, Cihangir became quite densely populated when many stone-buildings were constructed. Some of the Russian migrants who came to Turkey after 1920 settled in Cihangir, an area occupied mostly by non-Muslim minorities. As well as accommodating those in the entertainment industry in Beyoğlu, it also housed doctors’ surgeries, clinics, luxurious apartments and bordellos. As the non-Muslims left Turkey in the 1960s and some of the migrants from Anatolia settled in the area, the place changed in a way similar to that of Beyoğlu in previous times (Usdiken, 1991) and from the 1960s until the early 1990s, low-income groups lived in Cihangir. Until the 1980s, Cihangir was a black sheep neighborhood because of the transvestites and homosexuals living there. After pedestrianization and organization of İstiklal Street, it gained importance again because of its attractive location. Uzun (2000) states that gentrification began in Cihangir after an artist couple (Beril-Oktay Amlamert) purchased an apartment there in 1993. They renovated it without compromising its unique characteristics. Other artists and academicians followed suite, understanding the historical value of this quarter of the city. Cihangir became popular again with the settlement of the artists and the popularity increased with the interest of the media. As a result some people became uncomfortable with this new popular identity, whereas many others preferred it there for that reason.

Following the establishment in 1995 of the Association for the Beautification of Cihangir (ABC), the renovation of the area was organized for the first time on a collective rather than an individual basis. The aim of the association, with a majority of its members made up of architects and professionals living mostly in Cihangir, was to protect the unique structure of the apartments in the neighborhood during their renovation and also to increase the quality of the living space. As a result, the profile of the population living in the neighborhood changed radically during the social renovation of Cihangir (Uzun, 2000). At the beginning, this change amounted only to the settlement of a few artists and academicians in the neighborhood but it continues today at a considerable pace. Up until 1994, apartments were replaced by many historical buildings in Cihangir by small-scale entrepreneurs. Although it is located in an architectural district which protects historical buildings, the rules of implementation are not defined clearly in the protection law, and this is then abused by some investors. Nevertheless, the ABC and the residents of the neighborhood have been trying to preserve the remaining ones. “Living in Cihangir” became fashionable and Cihangir is getting more popular with its new cafes and bars and its new name of the “Republic of Cihangir”. This transformation of Cihangir and its increasing popularity have increased the price of residential areas considerably as well as making the area attractive for future investment. Today a 100–120 m², unfurnished apartment’s rent is between $1000 and 1200 per month, and its selling price is between US$ 100,000 and 150,000 depending on whether it has a sea view or not (http://www.emlakpusulasi.com) (Figure 4).

Galata

Founded by the people of Venice and Genoa, Galata accommodated many bankers, tradesmen and seamen, and symbolized a lifestyle that was very different from the rest of Istanbul. While there were more than a thousand taverns and more than six thousand wine houses in the 17th century (a majority located in this region), the Galata Stock Exchange, established in 1864, also became a strong representative of the financial world of that period (Kazgan, 1991). Opening up to western
trade during the Ottoman era led to the formation of a strong merchant bourgeoisie in Galata, with the most impressive commercial buildings and apartments belonging to the minority groups (Akın, 1998).

More than half the population of Galata was non-Muslim until the 1930s. And while the Muslim population of the 1950s was minimal, the migration from Anatolia between 1955 and 1960 transformed the population profile and economic fortunes of the area. As a result, the buildings with historical and architectural value in Galata entered a process of dilapidation. Furthermore, the commercial life was subject to a radical transformation in the 1980s, being the first place to halt the migration from the east and southeast (Kazanc, 2002). The withdrawal of the financial sector from this area had a great effect on the commercial life of Galata. The most important two commercial axes of the former Galata are now filled with outlets selling electrical goods.

The majority of the residents in Galata today are migrants. According to Islam (2002), Galata was affected by the nearby renovations and as a result the first effects of gentrification were in evidence by the end of 1980s. The process began when architects or artists purchased or rented older buildings with high ceilings, which were particularly suitable for use as studios. The innovators quickly organized themselves and formed an organization to beautify the local environment. By organizing festivals and other cultural activities, they attracted people to the area. Until the mid-1990s, together with Galata’s artistic community, only a few other professionals moved to the area to live. But the real influence of the gentrifiers occurred after 1995. According to a survey conducted by Islam (ibid.), only 17.3% of the gentrifiers moved to the area before 1995, but the figure rises to 60.8% during the last four years. The professionals—academicians, architects, journalists, caricaturists, film director—bought 40 historical buildings and restored them between 1999 and 2001 in Galata. One of the pioneers of the restoration (architect Mete Göktuğ) bought and restored a 96 year-old English police station and changed it to a coffee house. A lot of coffee houses were opened in Galata which gained fame as a quite place in the city center, very close to İstiklal Street but far from its crowd. (Soykan, 2001). However, the problem of parking is real one in this area. Attempts have been made to create parking places by knocking

Figure 4  Views of gentrification in Cihangir
down some buildings and re-using the space. There was no increase in the square meter prices of building sites between 1998 and 2002, but the average rent of a furnished apartment about 100 m² varies between US$ 800–1000 in Galata (http://www.emlakpusulasi.com) Figure 5.

**Figure 5** Views of gentrification in Galata

**Gentrification of historical peninsula neighborhoods**

Contrary to the Bosphorus and Beyoğlu neighborhoods, the population of foreigners in the historical peninsula of Istanbul was around 1.5%. While Galata and the Bosphorus were growing during this period in terms of residential locations, a slow, stable development occurred on the historical peninsula (the old city center of Istanbul). Çelik (1998) states that the neighborhoods of the historical peninsula were separated according to nations, other than the trade area in Eminönü, where people of different ethnic groups or religions were working side by side. Muslims, who constituted the largest group, were living in the center of the historical peninsula, the Armenians, Greeks and Jews settled more along the Marmara and Golden Horn coasts. When the Sultan’s residence moved from Topkapı to Dolmabahçe in 1856, the historical peninsula lost its significance. In this period, industry caused major modifications mainly along the coast of the Golden Horn. As a result, summer-houses, waterside residences and gardens were abandoned and factories were built in their place. The chaotic industrial growth observed on the two coasts of Golden Horn from the mid-19th century onwards transformed the traditional appearance of the city. During this period, the wealthy minorities living in the region moved to the newly developed residential areas of Istanbul. The historical areas by the Golden Horn and behind were adversely affected by this change and the areas became increasingly run down.

Following the Habitat II meeting in Istanbul in 1996, a UNESCO project was initiated in the following year. As a result of the participation of non-governmental organizations (NGOs) to the project, the European Union announced that it would provide financial support with NGO fund-
Balat

Balat is one of the oldest districts of Istanbul. Located between Fener and Ayyansaray on the southern side of the Golden Horn, it is significant because of its geographical location, history and its cosmopolitan demographic structure dating from the Byzantine era. Balat is an especially important district for the Jews of Istanbul. The Macedonian Jews that were brought to Istanbul after the conquest and those who came from Spain were resettled in this area along with smaller populations of Greeks, Armenians and Muslims (Deleon, 1997). However, Balat lost its significance with the changing patterns of marine trade. Industry came to the region in the 19th century changing the appearance of the area (Tekeli, 1994). This transformation was heightened by the fires that constantly plagued Balat. The social structure of the district changed too, especially along the coast, which became occupied by sailors and street vendors with the wealthier classes residing in Balat’s interior (Akın, 1993).

Following the movement of some Jews to the wealthier Galata or to Israel following the foundation of the state of Israel in 1948, traditional commercial life was affected (Yalçın, 1992). Among the minorities, only those from lower-income groups and the ones that had moved to the new residential area at the time remained. Today, this historical district is a poor settlement area where the overwhelming majority of the population is Turkish. Most of the people who live there today are immigrants from the Black Sea and Marmara regions of Turkey. The “Fener-Balat Rehabilitation Project” was prepared following the Habitat II meeting in Istanbul in 1996, and implementation started in June 2003 (Gül, 2003). The aim of the project is to recreate a viable, vital community while protecting the district’s cultural heritage. The project will see 200 historical buildings refurbished and restored to provide residents with decent accommodation. Basic infrastructure—such as better drainage for rainwater runoff, the provision of gas for cooking and heating, electricity and garbage collection—will be provided. The project will be realized with the a budget of 7 million Euro of European Community and UNESCO funds (European Union Representation of the European Commission to Turkey, Press Release, 2003).

Williams and Hukun (2000) state that one of the biggest problems is ensuring that the rehabilitation of this area does not result in the expulsion of poor tenants. Representatives of UNESCO says that they will be taking some measures during the restoration work for the poor families living in 35–40 m² houses with many children. One of these measures is to maintain the low rents during the next five years with agreements between landlords and the project authorities. But there is no definition of what they will do when the agreement period ends (Tayyar, 2003).

The other measure is to keep the buildings sold after 1997 outside the scope of restoration work and thus let the low-income people of Balat benefit from this rehabilitation. The head of “Volunteers of Fener and Balat Association” (Journalist Ersin Kalkan) shows Ortaköy and Beyoğlu, which are now full of bars as negative examples. He says that they have taken lessons from those neighborhoods and they do not want to change the social structure of Balat. Because of the long period before the project started, many buildings changed hands and some people, who learned of the project years ago, bought 8–10 houses with alcoves and changed them to bars, pensiones or some other business. Recently, an intensive restoration started in some buildings which are bought by architects, academicians, artists, writers, advertisers, movie makers, fashioners, journalists and businessmen (Özkan, 2003). As Islam (2002) has stated, these gentrifiers, the artists and reporters, are trying to protect the area so that Balat may became a model for other districts to follow.

Representatives of UNESCO say that moving the upper income people to Balat is against the aim of the project, but also that it is an inevitable development that will happen even if EU and UNESCO projects do not exist. One of the members of the council of managers “Volunteers of Fener and Balat Association” (Hikmet Bardak) says that the existing residents of the Balat are not suitable to the pattern of the neighborhood because they are invaders. He also says that highly educated people will move here after implementation of the project and Balat will be a popular art and cultural center like Cihangir, so they are choosing real Istanbul residents when they are selling and renting houses (Akbulut, 2003). One advertisement presents Balat as a very important area for investment and it is announced as “The region most appreciating in value in Istanbul! Balat!” (http://www.adresdergi.com.tr). The square meter price of the building sites in Balat has became 10 times more between 1998 and 2002 (http://www.ymm.net). Indeed, today it is not possible to come across any minority population such as Jews or Greeks in the district. The bay-windowed houses with three floors that the Greeks, Jews and Armenians previously occupied are still there, but most of them are run down; although some of them have been renovated and now function as art centers (Figure 6).
Conclusions

Throughout its history, Istanbul has been the capital of empires and a place which has accommodated many different nationalities. In the last century, several economic and political developments have resulted in some minorities migrating, mainly to other countries, or moving to new residential areas in Istanbul.

- After the foundation of the Turkish Republic in 1923 and the designation of Ankara as the capital city, the embassies that had been established in Istanbul to serve during Ottoman period left
Istanbul for the new capital. As the embassies left, many of those associated with them left too.

- The newly founded State of Israel in 1948 led to many Jews abandoning Istanbul.
- Some Muslims, Jews, Greeks and Armenians from the high-income group from neighborhoods close to the old city center moved to the popular new settlement areas around the city in the 1950s.
- Because of political tensions between Turkey and Greece, some of the Greeks living close to the old city center migrated to Greece between 1955 and 1960.

These developments led to an evacuation of Istanbul, especially in the regions where minorities lived, and the abandoned areas have become potentially open to gentrification. Nevertheless, following the migration from the rural areas (especially to major cities due to the liberal economic policies implemented during this period), the people who came to Istanbul from the villages settled in the residential areas close to the city center. These had previously been evacuated by the above-mentioned groups.

These regions, with residences of historical, architectural and aesthetic value, usually located in a limited area, experienced considerable dilapidation in the period between 1960 and 1980. But as the international standing of Turkey strengthened and the economy improved, a process of gentrification began after the 1980s. Every neighborhood in which the process of gentrification is taking place is affected by the process in a different way, according to its physical location and social composition. The following results can be seen in the gentrification process of Istanbul:

- It can be seen that architects and artists especially were the pioneers in the gentrification process of Istanbul.
- Following the process of gentrification, buildings with historical value in the area are renovated and either still used for residential purposes (Kuzguncuk, Cihangir) or some of them are transformed from houses to commercial, recreational units, art galleries or ateliers (Ortaköy, Tunel, Galata). Those living in or close to the gentrified area either reacted (Ortaköy) or adopted the gentrifiers and participated in the improvement of the area (Kuzguncuk, Cihangir).
- There was no direct impact from governments and municipalities in the process of gentrification, excluding Balat. The indirect effect of governments was as a law maker (such as the Bosphorus Law, or the Conservation Law) while municipalities re-organized some squares and streets. Generally, gentrification processes started with individual attempts, then following the increase in buildings’ prices and rents, some small-scale entrepreneurs bought, restored and sold or rented some historical buildings. People tried to control gentrification process via associations, except in Ortaköy.
- Municipality elections also affected the gentrification process. The failure of gentrification in Ortaköy and the delay of the project implementation in Balat despite the economic support of EU and UNESCO is due to the change of the local municipality and newcomers’ lack of desire to continue the projects.
- The gentrification process is a diverse one. For example, buildings with historical value are renovated and used for residential purposes, then they are abandoned once again or they change function and the area is transformed into a trade or recreation center (Ortaköy). Or it may become invigorated by its gentrification (Kuzguncuk, Cihangir, Tunel, Galata). And in some examples (Balat), the area is at the beginning of the rehabilitation process but it is supposed that the neighborhood’s residents will change after completion of the project’s implementation.

It can be seen then that the gentrification process in Istanbul is following a similar pattern to examples in other countries. However, it has differences in some aspects. The first one is that the gentrification process has started later when compared with the other countries, because Turkey’s economy has shown a major development only after the 1980s and the inner city areas were in decay until then. The gentrification process has started at residential areas far from the historical city center, because the Bosphorus is one of the most valuable places in Istanbul in terms of its location and view. And finally, gentrification in Istanbul has so far taken place in areas previously occupied by foreigners or minority groups, that were either empty or have become occupied by migrants from the rural parts of Turkey. So political developments, as well as the economic factors, have also affected where gentrification has taken place in Istanbul.

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