

History of Urban Change in Berlin – Raze & Rebuild to Renew.

The issue of gentrification in Berlin was never an issue until the late 1990's but it has become a central point of discussion and protest in recent years. You will see evidence of this process in the different sites that we visit on our fieldwork but this document aims to make sense of the main urban and political processes that shaped Berlin into the very unusual city it is in 2018.

Our study area will be primarily be located in the East of Berlin. That is the area to the east of where the Berlin Wall and Death Strip once stood. In the years directly after the end of World War II, much of the city stood in ruins. One might say that wide scale Urban Renewal was never actioned primarily as this process involves the 'raze and rebuild' approach and was achieved by the allied blitz of the city that left 75% of the buildings destroyed or badly damaged. Indeed, if you see historic buildings, look carefully and you will see the bullet holes and shrapnel marks that show the scars of the war on the city.



In the east of the city in the late 1940's much of the unscathed and salvageable real estate was confiscated by the occupying Soviet government and the owners subsequently fled to the west of the city. This resulted in a massive reduction in the levels of private ownership in the East and further downturn as the Soviets ideologically devalued the CBD in an attempt to rid the city of its capitalist past instead favouring the construction of high rise suburban developments constructed using soviet style prefabricated concrete slabs. You'll see evidence of this construction style extensively on our fieldwork.

These issues within areas of the east of Berlin led to wholesale neglect of neighbourhoods and high vacancy rates (up to 20% by 1990). This free and neglected space attracted what has become known as Berlin's alternative scene consisting of artists, musicians and counter cultural lifestyle seekers. On the other side of the divide, West Berlin initially saw extensive rebuilding but this was quickly curtailed by being cut off from the rest of the world and the subsequent reluctance of business and industry to invest (limited supply lines).

Back in the East, extensive squats in unused property sprang up to number over 170 by 1981 but at the same time a massive housing shortage was ravaging West Berlin with 80,000 people seeking apartments or social housing. With the enormous costs associated with the 'raze and rebuild' programmes (urban redevelopment), East Berlin started to see more urban renewal (renovate & repurpose) projects taking over.



After the fall of the Berlin Wall and in the months following the reunification, former occupants of East Berlin were given the chance to lay claim to confiscated property. The take up was high although 70-90% of this returned property was then sold to real estate companies and brokers. This quick sale of property exerted high pressure on existing rental prices and average sales prices of certain areas of East Berlin. Prenzlauer Berg was a particular target and at one stage in the 1990's was the largest urban renewal project in Europe. This is also the locality that we will be staying in and where a number of our surveys will be carried out, e.g. the Kulturbrauerei.

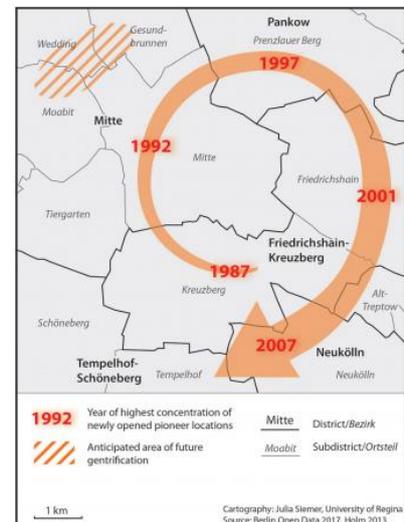


As private financing of renewal projects accelerated, Prenzlauer Berg started to gentrify and by the start of the 2000's, residents were paying twice as much as 10 years before. Additionally, 85% of the renters were now in the 18-45 year old age category. Other demographic trends were noticed. Educational status of the areas was also raised with those achieving the equivalent of the IB doubling and those with a university degree rising from 15,500 to 35,000 by 2005. However, this also led to a large gap appearing between the most wealthy and those

with very little (wealth gap). The beginning of the 2000's also saw the phasing out of renewal incentives and increasingly, property was re purposed into single ownership apartments with upmarket features.

Gentrification may be defined simply as *'the displacement of existing communities by wealthier newcomers'*. This process started to be widely noted in the early 2000's as pioneer facilities took off. Pioneer facilities are facilities such as art galleries, clubs, and lounge bars that are aimed at middle class professionals working in media, design and digital technologies (note the link to the F**k off Google documentary).

By 2002, the city of Berlin was declared bankrupt and began to sell off 110,000 publicly owned apartments abandoning decades of progressive social housing policy. As the investors began to increase rents heavily, which, as part of the selloff deal became less and less subsidised, the resulting protest claiming the "right to live in the city" became a focal point for affordable housing campaigners across Berlin.





The 2006 FIFA World Cup gave the country and city of Berlin much needed positive global publicity and this in part led to the other pioneers of gentrification – tourists, arriving in huge numbers due to the opening of Ryanair and EasyJet routes from other EU cities. Berlin quickly became a popular and affordable weekend destination known for its liberal attitudes to partying and cheap and affordable hotels, hostels and apartment rentals. Historical tourism also flourished and the number of companies offering guided

tours of the city increased tenfold in just five years. This was also complimented by investments in museums and memorials such as the Palace of Tears and more recently, the 360° The Wall – panorama.



2015 saw huge protests against this perceived tsunami of renewal and subsequent gentrification. Faced with this, the local government introduced a federal rent cap where landlords could not raise rent by more than 10% above the average local rate. This aimed to give some protection to long standing residents and slow down the mass exodus of priced out and discontent residents to the outer suburbs.

In 2016, further legislation was then brought in to address tourism gentrification by limiting short term rental of apartments by companies such as AirBnB. In 2017, Berlin government then levied a tax on second residences of between 5-15% of yearly rent in a bid to undo the damage caused by the huge sell off of social housing and lack of affordable housing in this part of the city. Protests and ill feeling towards companies such as Airbnb can still be seen around the city.



Further to this information, you will be given the chance to evaluate the extent to which eight different areas in the former East Berlin have been gentrified. Has the city been improved? Has it got to look to the future or should it be more concerned with protecting the rights of the 'real Berliners' who have lived through the most testing and unusual of times. Over to you....