# THE ESSENTIAL ROLE OF INFORMAL SETTLEMENTS IN THE CONSTRUCTION OF RENT-SEEKING URBAN POLICIES.

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# Abstract

In the context of the emerging world cities polarization phenomena are frequently intended as a sort of "collateral effect", since it is assumed that the transformations due to globalization imply the co-existence of winners and losers. The essay is aimed at overturning this point of view by showing that the spatialization of exclusion can be intended not as an undesirable effect of globalized urban economy, but rather as its starting point and as the essential support for contemporary forms of accumulation. The illegal settlements in Istanbul, their conceptualization and their role in rent-seeking urban policies are investigated in a historical perspective and also in the light of the idea of city as a "discursive construction".

Key-words: illegal settlements, rent-seeking urban policies, Istanbul.

#### Introduction.

Generally we tend to consider the increasing of social polarization phenomena as an effect – a sort of "dark side" – of globalized economy, which implies the co-existence of winners and losers. On the contrary, the aim of this essay is to demonstrate that socio-spatial exclusionary processes are rather to be intended as the essential factor for the contemporary form of accumulation. This is clearly shown in the case of the informal settlements in Istanbul through the role they have played in the development of rent-seeking urban policies not only during the recent neo-liberal phase, but since the earliest period of the construction of national identity, which is strictly linked to the idea of "modernity".

In this sense, a secondary aim of the essay consists of highlighting the existing links between socio-spatial exclusionary practices and conceptualizations of informal settlements. In fact, we can say that the idea of city as a "discursive construction" is largely accepted and especially in the light of the emerging of world cities (Hall, 1966; Sassen, 1991) as a result of globalization processes. Many are the scholars who highlighted the "immaterial" aspects in the construction of contemporary city (among the others: Castells, 1996; Sassen, 1999) and many of them pointed out the role of a "world class image" within a globalized "symbolic economy" in which cities are intended as "commodities" (Zukin, 1996). On this background, Lindsey (2009) underlines how (also) the exclusion is "manifested both physically (within the actual space of the city) as well as discursively (within the space the city occupies in the imaginary)". In other words, this means that the exclusion also is an exclusion from city's narratives, and this also allows to assume the existence of dialectical relationships between the (essential) economic motives and the (not irrelevant) ideological connotations of globalized and market-led urban renewal initiatives. This relationship clearly reveals how not only the end result of rent-seeking urban policies, but also the socio-spatial transformation process is determined by (and it is able to reproduce) hegemonic relationships.

# Contemporary spatial transformation in Istanbul and their narratives.

The recent designation of Istanbul as the 2010 "European Capital of Culture" highlights the social and spatial tensions that characterizes the so-called "stage city", in which the tendency to consider the citizens as consumers of "culture" appears to contrast with a metropolitan dimension primarily constituted by a marginal city of illegal buildings.

On the one hand, this is to be framed within the "image (re)construction" (Scoppetta, 2006) processes that currently take place at the global level, with the purpose of attracting resources by emphasizing (local) historical and cultural values as competitive factors in the context of international tourist flows.

But, unlike European conversion project for abandoned areas, what characterizes urban regeneration initiatives in Istanbul is the backdrop of a complex intersection of narrations finalized towards the construction (re-invention?) of the image of the city (Scoppetta, 2011).

The first narrative level relies on a set of written and visual "materials": from the descriptions by Italian and French XVI century travellers and missionaries, to those (although opposite) of both Ohran Pamuk and poet Yahya Kemal. The recourse to such a varied range of narrations clarifies its nature as a re-invention, the spatial result of which is the impressive regeneration project (7 million euro) and the enhancement of cultural heritage concentrated in the historic peninsula and in the areas of Galata and Uskudar, as per legislative decree 6848/95 and the relative framework protection plan, based on UNESCO's principles of preservation.

These are areas with an intensive concentration of historic buildings (in poor conditions) that coexist with a low-income population with a scarcity of steady jobs and a low level of education, largely immigrated from the province of Anatolia (as in the case of the Tarlabasi district, originally populated by Greeks, Armenians and Jews).

Some of the regeneration projects – for example, the Sulemaniye area – were harshly criticized by UNESCO for the progressive gentrification they caused, which expelled former residents to the more peripheral zones of the metropolitan area as the buildings were forcibly sold off, to comply with the "urgent expropriation" measures contained in Law 5366. The demolition of 620 buildings in the Sulukule district – and the re-location of the local Romani population – has become a symbol of the debate triggered by the projects for "tourist crystallization", which could be interpreted as the spatialization of inequality and exclusion, an expression of the neo-liberal urban policies deriving from the phenomenon of globalization.

But, on the other hand, the strategies adopted to enhance the cultural heritage as a competitive factor are but the necessary premise for the spatialization of a different kind of narrative that underlies the urban projects described above. This (more rooted) narrative is associated with the idea of (Western) "modernity" which is strictly linked to the process of structuring the national identity.

Originally developed to match the image of a "bourgeois city" designed by European planners on French models, and later according to the rational principles of decentralization and polycentrism, after the Eighties the idea of "modernity" was expressed in the rise of a social elite, whose demand for a better quality of life sustained the investments in large-scale projects for the construction of gated communities, first "horizontal" (second homes in coastal tourist zones) and later "vertical" (gated towers in urban zones), located near the areas concerned by the current main regeneration projects of Galata and Haydarpasa Port (the latter is a 5 billion dollar investment in the construction of a port for cruise ships and one for yachts, a series of shopping malls, five luxury hotels, residences and offices).

Gated towers are integrated residential areas with a shopping mall or with office buildings and towers ten-stories tall, often residential-hotels with a series of additional facilities (cleaning and baby-sitting, services, baths, health and fitness centres, etc...) where the rent includes security services, waste collection, broadband connections and relaxation areas. The private managed services contribute to the isolation of the tower and the community living in from the rest of the city: isolation and "security" are, in fact, central issues in the representations used for marketing them to possible tenants and, indirectly, to the local Municipalities, placing the accent on the benefits provided by these complexes to the surrounding areas, in terms of improvements in infrastructure, public transportation and (again) "security". This constitutes the premise for the beginning of gentrification in the adjacent historic districts and for the sedimentation of images functional to the formulation of urban projects that are totally alien to the reality of the city. In fact, the latter – which reached 12 million inhabitants in 2007 (16 million in 2023) in spite of having 0,7 percent land of a country area with 70 million inhabitants – is mainly constituted by illegal settlements that marked its modern history.

### Turkish Second post-World War urbanization process.

We can say that the roots of contemporary processes of image construction, which are described above, date back to the Post Second War period (and before). In fact, in the Post Second World War period, the mechanization of agricultural production and the emerging employment opportunities in cities brought about the most decisive dynamic of the urbanization process in Turkey, just as it did in other underdeveloped countries. But we can say that these processes date back to the Turkish modernization project of the Twenties, involved in the creation of a bourgeois class.

This was initiated in 1920s by providing substantial incentives, with an emphasis on industrialization by direct investments of the state in 1930s because of the lack of indigenous entrepreneurship in Turkish society. State's interventions in built environment was at the peek

between the two wars because of the obvious reason of constructing a nation. The main points of the spatial strategy for the organization of Turkish Republic in its early periods are the declaration of Ankara as the capital city, the transformation of the colonial-type of railway system into web-type system, and – after the big depression in 1929 – the establishment of factories in small Anatolian cities on the railway route.

In the framework of a corporatist model (based on fascist Italian regulation) that denies the existence of social classes, the urban bourgeoisie – which accumulated capital in the 1925-50 period by getting the ownership of resources of the minority groups and the extra profits of the World War – was seen as a useful mediator between the state and the labour class.

The first half of the 1950s has been marked by rapid growth and import liberalization (Celasun, 1994) through which, the most dramatic transformation has been experienced in rural areas as a result of the explosion in the import of agricultural machinery and road construction machines. Furthermore, also in the light of the U.S.'s development program for Europe (1947) - and of role assigned to Turkey by the U.S. as a producer of agricultural products in the international division of labour – government's policies in the first half of the 1950s have been marked by an emphasis on rural areas both by direct and indirect consequences of the economic policy. Instead, in the second half of the Fifties, the end of the post-war expansion in the world market forced limitations in import and led to the first efforts of import-substitute industrialization economic policies, which replaced the previous approaches aimed at supporting the agricultural sector. Industrialization policies - supported by the establishment of the Turkish Industrial Development Bank, promoted the World Bank - were framed in the stabilization program in 1958 (which is defined as the starting point of the so-called "planned period"), in the establishment of the State Planning Organization in 1960, with significant powers in allocation of credits and foreign currency, and in a broad redistribution of income in order to create domestic market.

All these factors led to a huge waves of population movements from rural to urban areas: the population growth between 1927 and 1950 was 690.857 to 983.041 in Istanbul, 153.924 to 227.578 in Izmir, and 74.784 to 288.537 in Ankara (Sengül, 2003).

The outcome of these waves of population movements from rural to urban areas – and especially in metropolitan areas – was the formation, in the period between 1950 and 1980, of *gecekondu* settlements (illegal settlements) defined by Sengül as the "urbanization of labour power".

Istanbul as a planned unplanned-city.

Although the post-war period in Turkey is generally labelled as the "planned" period, some scholars interpret it as the period of populism and "non-planned" growth because of the redistribution policies in macro level and/or the speculative land development patterns in metropolitan areas (Öncü, 1988).

This contradiction is clearly shown in the case of Istanbul. First, at the national level, despite the aim in developing policies for balanced growth – mainly expressed by the declaration of Ankara as the capital city, due to the goal of shifting the newly emerging bourgeois capital from Istanbul to underdeveloped cities – the industrialization process was inevitably focused on Istanbul (and to a lesser extent on Kocaeli and Izmir) because of the dependency of manufacture on imported inputs. Entrepreneurs in Anatolia also tended to move to these regions and contributed to the process of Istanbul-centred economic development. By this period, rural-to-urban migration movements have slowed down, while urban-to-urban population shifts have accelerated.

Second, at the level of the city of Istanbul, this contradiction is expressed by the difficult to implement proper planning and development tools yet successfully experienced in the European countries (which were seen as the flagship of a bourgeois modernization), since they weren't adequately conceived with regard to the local social and economical structure.

In fact, the first actions of modernization of the urban space in Istanbul dates back to XIX century: these went from the tracing of new roads and from the widening of the existing ones, already proposed in 1839 according to the Haussmann's model, about which the Italian architect and historian Manfredo Tafuri (1969) said that "the city becomes the institutional place of the modern bourgeois society". In this sense, the great fires, empting wide parts of the city, enormously facilitated this process: not only a sort of "tool" but also a metaphor of this first French-oriented modernization due to the destruction of the old Ottoman city.

In the second half of the XIX century the first guidelines of alignments, the first "regulation for constructions" (1848) and the (European) standards for public utility expropriation (1856) were introduced. But the need of a global vision of urban growth – with a shift from French to German models – emerges only at the beginning of the XX century, as a reaction against the economic decline, the demographic decrease (from 1,000,000 to 600,000 inhabitants in the decade 1912-1922), and the great fire of 1918 (which destroyed 2/5 of the Historical Peninsula). Thus, in 1925, Emin Bey (the first major of the new-born republic) established a Planning Committee, involving German architects; then, in 1931 the Swiss planner Ernst proposed a master plan based on a (spatial and social) zoning approach. Finally, in 1937, we have a return of

the French model with the Henri Prost's plan, centred on *boulevards*, *promenades*, waterfronts, crosses and plazas and based on an idea of modernization as "*embellissement*".

In these years many laws and regulations were enacted in order to cope with the urban problems in rapid urbanization processes: the Law of Municipalities (law number 1580), in 1930, and other regulations for public health (law number 1593, in 1930), construction (law number 2290, in 1933), and expropriation (law number 2722, in 1933). But the issue of informal settlements was substantially removed from public discourse: in fact, all these laws and regulations were enacted without using the term "gecekondu".

At the end of the Second World War, with the growth of rural migration, the city was deeply changing. In 1947 the *gecekondu* (which means "built in a night") started to appear and became the ordinary form of urban growth. As a consequence of massive migration waves, the Prost's plan obviously lost its relevance and, in 1950, it clearly appeared as anachronistic. Thus, at the middle of the Fifties, Sir Patrick Abercrombie – and his modern "rational" models – is called: he proposed the creation of satellite towns to oppose the sprawl of *gecekondu*.

According to the same line, the entrusted Italian town planner, Luigi Piccinato, designed the urban rearrangement at the metropolitan scale and the decentralization of industry and port functions. The plan was rejected and, on the other hand, the growth of the marginal outskirts became more and more uncontrollable. The *coup d'état* in 1960 didn't reverse this tendency, and the population doubled in ten years. Piccinato (and his polycentric model), recalled in 1967, works out a plan with reference to a 50 km-ray metropolitan area, with a proposed development along the coast of the Marmara sea, and towards Ankara.

All these planning efforts, however, could not cope with the problem of housing. Even in 1950, *gecekondu* problem became apparent, comprising large proportions of the built environment: this was disrupting all the pre-determined schemes on land development.

#### Regulating informal urban settlements.

Sengül (2003) interprets the reaction of the state – prohibition and demolition – as an effort to protect the principal of private property and the primacy of exchange value over use value in the production of space. On the other hand, however, *gecekondu*'s were standing as a cheap solution for the immigrants, and immigrants had a prominent role in the supply of labour force during the period of import-substitute industrialization.

Starting from the second half of Forties, a series of regulations had been applied, but they did not provide solutions for unauthorized urbanization: they rather contributed to the dominance of illegal housing supply methods and land acquisition patterns. The first regulation was the exemption of *gecekondu* settlements in Ankara in 1948 and it was generalized for other cities one year later. Similar to the earlier slum-clearance experiences in U.S. cities, *gecekondu* phenomena was considered as a social problem at first and was tried to be solved by supplying cheap land – by 10 years installment – to families that suits to particular conditions. But the amount of housing need was far beyond the limits of these efforts. The huge rent pressure in authorized land was also exceeding the financial capacity of the newcomers and orienting these masses to solve their problems by their own.

Then, other laws and regulation were enacted in order to allow the allotment of municipal land to immigrants, transfer of lands owned by the National Treasury to municipalities, and the supply of infrastructure to *gecekondu* settlements (respectively in 1953, 1959, and 1963). But, until the enaction of the *Gecekondu* Law (law number 775) in 1966, we cannot find in them the term "*gegekondu*". All these regulations have contributed to the spread of unauthorized housing and they were degenerated for populist policies and located clientalism at the centre of urban policy-making processes in Turkey.

What can be seen as a positive step in the law number 775 is that the *gecekondu* problem was firstly expressed officially. In addition, contrary to the previous laws that were mainly made up of statements that were resulted with the exemption of unauthorized housing, the law number 775 expressed the necessity to categorize *gecekondu* settlements and proposed the assignment of these areas to common use (in "clearance zones"), upgrading the dwellings (in "improvement zones"), or constructing housing for low income groups (in "prevention zone") (Özkan, 1998). But, although this law can be regarded as a significant policy initiative, the only result of it was to enhance the tension between the state and the neglected masses since it was abused for the benefits of middle and upper classes in practice.

At the same time, we have an important twofold characteristic that shapes the urban morphology, especially after the second half of Sixties. Firstly, housing cooperatives, mass housing, and organized industrial sites resulted with a shift in urbanization process from oil-spot type to expansion by large land uses which are constructed for single purposes. Secondly, speculative tendencies caused leaping-type of expansion, which became possible by the launching of the production of automobiles in Turkey by Seventies (the idea of mass housing came into agenda in the Second Five-Year Plan in 1967, but it was applied by municipalities and private sector in that period). In this sense, we can say that Istanbul is the most alive example of land use/transportation relationship: by reason of a cyclic cause-effect relationship land use/transportation, one of them increases the requirement of the other and responding this need means accepting and supporting the growth of either.

The Flat Ownership Law, enacted in 1965, created cooperation between landowners, contractors and individual buyers, and cancelled the necessity of large-scale investment in housing for some time (Ayata, 2003). Furthermore, by 1965, small production units started to leave their traditional location in city centres and shifted to small industrial sites constructed in peripheral parts of cities. Large industrial complexes, also, tended to locate in organized industrial sites. These tendencies have reduced the compression in CBDs and increased the attractiveness of central parts of cities for middle-classes for residential uses.

On the one hand, provision of housing by small capital holders was meeting the demand of middle classes. On the other hand, transfer of public lands to housing cooperatives accelerated this kind of housing provision. But, although labourers have formed cooperatives by using the credit opportunities of Labourer Insurance by 1970s, these projects were far away from meeting the housing need of these groups.

Thus, it is possible to observe a disjunction between the efforts of regulating urbanization and the exiting processes that shape the built environment. However, the growing urban problems were by no means emanating from by-passing the notion of planning. What can be expressed as the reason of failure is the continuous rejection of the dynamics of Turkish society that, in fact, was influenced by the ideological presuppositions of the technocratic project about the organization of everyday life.

### Conceptualizing informal urban settlements.

The way of conceptualizing *gecekondu* phenomena since the earliest period and, more generally, before the Eighties, was generally shaped by the analysis about the discordance between the scale of massive population movements from rural to urban areas and the slow industrialization process with insufficient absorption capacity. This is a dualist model of economy, which explains the transition form feudalism to capitalism by focusing on the contrast between the inefficient and labour-intensive character of agricultural production and the growing industrial sector in urban areas looking for reserve labour power. According to this model, as the capitalistic way of production become dominant in agricultural sector, the excess population will shift to industrial sector and meet the need for labour force. But it is easy to underline the ineffectiveness of these models by highlighting the alternative survival strategies of unemployed rural population in urban environment, that is: shifting to informal sector. The latter is generally defined as being

unorganized, individual, inefficient, temporary and accessible jobs with no vertical hierarchy, but it can also be conceptualized as a buffer that functions to reduce the friction between the bourgeoisie and the "disintegrated" urban population by bringing the services that the latter group can not reach within existing mechanisms and by providing the ability to survive and accumulate capital until obtaining two basic reliance, which are employment in an organized job and ownership of land in the city. In this sense, the largest part of Turkish scholars in the Seventies tend to intend *gecekondu* phenomena as a temporary one, which would disappear in time as it is formulated in dualist models: marginal sector is not a problem, but a certain kind of process of transition into capitalism.

An example of modernization-theory-based interpretation of *gecekondu* phenomena is that of Karpat (1975), who perceives informal employment and housing opportunities as supplementary strategies for integration and attribute a positive meaning to clientalist relationships by interpreting the perception of state by *gecekondu* dwellers as a "father", who will protect them. On the background of the conservative tendencies of Turkish society and of the lack of municipal traditions (which roots back to the Ottoman period), this prepares the convenient conditions for a patriarchal model of mayor, who uses the same informal channels and strategies for creating resources (though using it for the interest of the citizens).

On the other hand, when *gecekondu* dwellers – as a part of working class movement – were involved in struggles for the right of shelter (contributing to the success of the left-wing parties in 1973 local elections), their involvement was criticized by emphasizing the heterogeneous structure of *gecekondu* population, based on "ethnic links" between leaders and community, and for exacerbating the illegalization of land development (Günes-Ayata, 1994).

All this led to the emergence of the "negative" conception of *gecekondu* dwellers, which has dominated the interpretations of housing problem in the following period and encouraged the rent-seeking policies with its constant approval of victimizing the neglected segments of immigrant populations. Thus, the once neglected part of urban population has been entirely excluded from the mainstream society.

In addition, the Movement's failure in combining its ambitions with the struggle in workplace left *gecekondu* dwellers alone in the post-1980 period, forced them to strengthen their emerging tendency of forging alliances with other agents of urbanization, and thus, to be the defenders of commodification of space.

#### Informal settlements as part of rent-seeking urban policies.

The end of Keynesianism in the second half of the Seventies in advanced countries has been experienced in Turkey as the end of the import-substitute industrialization policies. The deptcrisis in 1978-1980 period ended with the military-coup and set the stage for the initiation of market-oriented policies. Privatization, and private sector expansion, became the main economic policy and, after 1987, this implied the complete de-regulation of financial markets and the opening of the domestic assets markets to global financial competition by the elimination of the controls on foreign capital transactions and the declaration of the convertibility of the Turkish Lira in 1989. In this period public investments have shifted away from manufacturing toward transportation, communications and energy and contribute to the marginalization of the industrial labour force. By this transition, Turkish cities have witnessed vital transformations. Labelled by Sengül as the "urbanization of capital", post-1980 period marks a significant change in mode of accumulation in Turkey. By the shift of public investments from manufacturing toward infrastructure and the increasing tendency of private sector to invest in built environment, "the large cities became major sites of private and state investments" (Sengül, 2003).

This increasing attention of large capital to built environment nurtured large-scale mass housing and infrastructure projects and the construction of high-rise office buildings and shopping malls, which has been complemented by the new market policies that has opened the gates to foreign capital and goods. Deregulation has been applied in urban environment by the state through, on the one hand, indirect interventions in economy (like liberalization of financial markets) and, on the other, direct policies, like funding construction activities or relaxing planning regulations that encouraged the (re)developmental activities in a somewhat illegal way.

The increasing significance of built environment for capital accumulation necessitated certain administrative reforms for decentralization, which brought about the enaction of regulations in the first half of the Eighties, which includes the transfer of larger funds and the authority to prepare and approve plans to municipalities. By the dismantling of the Ministry of Reconstruction and Settlement, municipalities restored their position as actors that determine the urbanization process more intensely and the establishment of metropolitan municipalities in 1984 played a decisive role. By obtaining the authority to collect real estate taxes – whose revenues were increased by the tax reform in 1982 – within their jurisdictions (Yönder, 1998), metropolitan municipalities have become important economic and political poles. This contributed to the transition from small capital's speculative city to large capital's speculative city.

Under these conditions, while formal sector has been shaping certain parts of cities by using the benefits of their coalition with international capital, informal relations have started to play an

increasing role in the production of space. New policies and regulations did not provide any solution for wage and service distribution: they have rather contributed to the formation of a particular type of capital accumulation in informal sector that benefits from the existing clientalist relationships and enjoys larger profits as a result of their increasing interrelationship with formal sector in urbanization. As a result, Turkish cities have transformed into environments that display fragmented morphologies.

The shortcomings of the regulations on housing (1981 and 1984) and the reluctance of policymakers to stand against speculation have accelerated unplanned and unauthorized development. In fact, state has played the leading role in the legalization of illegal housing market by enacting the law number 2981, which introduces the notion of "improvement plan". The latter played a vital role in the legalization of illegal urbanization: even vacant lands could have been defined as potential squatter development areas that should be preserved. This regulation has opened up the road for encouraging the formation of squatter settlements by announcing improvement plans, even in areas with no potential for unauthorized development. Up to four-floor permits within these plans resulted with the development of unauthorized settlements directly by the construction of apartments. The approval of metropolitan municipalities was not necessary for the application of improvement plans. By using political channels, new district municipalities have been formed illegally and these municipalities distributed title deeds without any legal basis. Even manufacturers have started to demand lands from these illegal settlements and squatter settlements flourished in naturally fragile areas, which have important functions for providing fresh water and air to metropolitan areas.

These regulations did not only encouraged the spread of speculative movements in squatter development, they were (and still are) also used for permitting the construction of luxury housing in areas closed for development. In fact, although the definition of the law implies that it will be operated in order to provide basic infrastructure facilities and improve the living conditions in unauthorized settlements without changing the legal status of *gecekondu* houses, it has encouraged the development of high-dense settlements in these unplanned areas by giving the redevelopment rights directly to owner-occupiers.

Thus, the transformation of urban fabric has been directed mainly by market forces that obtained the opportunity to conduct its own rules under the encouragement of speculative movements by regulations. In this period, state's urbanization policy was mainly a continuation of the previous period's clientalist approach in which, electoral concerns, network relationships, and pressure group politics constitute the main axis. Turkey became a "heaven for contractors" by the Eighties, since the involvement of large construction firms were still limited to the construction of gated communities for higher classes in the outskirts of the major metropolitan areas.

In the mid-Eighties, the policy prescriptions that emanate from the advanced countries' experiences in the period of urban restructuring have started to dominate the urbanization discourse in Turkey. The immediate impact of competitive city discourse is crystallized in largescale renewal activities in the central districts of Istanbul. In these projects some historical neighbourhoods have undergone large-scale demolishment, historically embedded small manufacturers have been removed, and touristy features of Istanbul were tried to be emphasized. At the same time, the conditions for launching rent-seeking urbanization policies have been set in the mid-Eighties both for the state - which demands its share from the profit that is partly produced from its investments in infrastructure - and the private sector, that is ready to turn its face to the second circuit of capital accumulation with its saving surplus. This means that the necessity of the transformation of unauthorized settlements for the image of the cityscape has finally carried urban renewal into the political agenda and accelerated the efforts to prepare necessary specific regulations, such as the Law of Metropolitan Municipalities (law number 5216) and that of Municipalities (law number 5272,) in 2004, the latter annulled in 2005 and substituted by the Law number 5393, living significant powers to metropolitan municipalities in project areas. As a result, especially in Istanbul - where the current GPD is 21,3 percent of the national GPD de-industrialization and growing service sector started to change the economic, spatial and social structure of the city with the raising of new income groups and new life stiles, new sub-centres with modern amenities attracting further residential developments.

## Understanding contemporary socio-spatial fragmentations.

Transformation of *gecekondu* settlements is not regarded as a solution for the problem of housing the urban poor: instead these projects are going to accelerate the transformation of the property relationships. A short survey about the socio-spatial configuration of Turkish cities will display the fact that the implications of this new approach may be severe and it has the potential to foster an urban crisis that has never been experienced in Turkey before.

In fact, with the shift of public investment from manufacturing toward transportation, opportunities for formal sector employment has been limited to particular social groups, while the domain of informal relations has been enlarged and even has influenced formal sector. Insufficient absorption capacity of industrial sector has long been a recognized phenomenon, which have resulted with the shift of immigrant populations toward informal sector. This process

have fragmented the working class by igniting competition between the immigrant labourers – who could not obtain a permanent position in formal sector – and the organized labour force, who developed class consciousness. This fragmentation has been reinforced by the creation of a so-called "working-class aristocracy" through intensification of the duality in the labour market.

These processes have been going hand in hand with other sources of tension resulting from the dramatic transformations in the socio-spatial morphology of urban areas. Changing dimensions of migration movements and urban land markets did not only feed the existing urban problems, but also exacerbated them by the emergence of additional unequal relationships.

In fact, as an important aspect of this shift, 1980 has witnessed a transition from chain migration movements into compulsory-massive migration waves as a result of separatist movements in eastern regions. The difference between these types of migration movements is that, while immigrants in previous periods were members of same social stratum, massive migration waves pushed populations who are members of various layers (Erder, 2000). These new groups were coming to cities in a desperate situation, without any support from their homeland. Since they did not have enough resources to built their own shelters, they did not have any choice, but to settle in existing *gevekondu* settlements (Keyder, 2000). These groups are one of the main components of the new type of excluded populations, who have little or no access to upward mobility opportunities through enjoying the benefits of speculative and illegal urbanization processes. Furthermore, a sort of institutionalization of illegality has added new dimensions to inequalities, like criminalization of land market: for example, in 1993, 80% of squatter owners who has settled on the lands owned by the National Treasury in Istanbul have paid money to "land mafia".

Such tendencies in urbanization are interpreted as a consequence of the incapability of the state in establishing of necessary institutions, which will organize public life. Furthermore, though being influential for a long time, the function and content of informal relationships has gone through significant transformations that made them not only one of the main determinant factors in housing problem and redistribution of urban services, but also the an additional source of disparity. In fact, these informal relationships have different aspects with different outcomes. For example, the latter consist of relationships between relatives and fellow countrymen and of the fact that these relationships do not include certain families that do not meet particular conditions. Considering the dependency of the squatter dwellers on these informal relationships, the exclusion of certain groups from them necessitates an inquiry on the content of solidarity within these communities. Hierarchical power relations embedded in conventional local relationships do not only stand as a source of inequality by attributing primacy to ethnicity (and by being male and adult dominant), but also reveal the fact that the function of these relationships in previous periods in reducing the problems of the immigrants are changing in a way that they become more exclusionary and rigid.

On the other hand, departing from the post-modern critique of social sciences that denies static definitions of the informal, it is possible to reconceptualise it as heterogeneous relationships with self-dynamism, introducing the concept of "poverty-in turns" by emphasizing the unequal power relationships within the urban poor. In fact, by using the illegal land market, some groups accumulate capital over their exploitative relationship with other segments of deprived populations. Once these groups get wealthier, they pass over their turn to following group, who seeks for obtaining the control of another piece of land, where they can accumulate capital by exploiting others. In this sense, poverty-in turn is reaching its culmination and leaving its place to a "new poverty", which has to survive under little or no regulative rule (formal or informal).

These dimensions of urbanization mark a tendency towards a new spatial and social stratification. While wealthier groups prefer to settle in their "gated communities" in isolation, deprived communities has started to display fragmented compositions, in which exclusionary relationships have emerged through congregations. It is becoming more and more difficult to conceive of squatter settlements as communities in conventional sociological terms, since solidarity relationships are not functioning in the way that they were in previous periods. The gradual dissolving of middle class also contributes to this stratification process, since these groups are moving toward one of these opposite ends.

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