GENTRIFICATION OF THE CHANGING STATE

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ABSTRACT
Taking Jason Hackworth and Neil Smith’s seminal paper on the ‘changing state of gentrification’ as a starting point, this paper argues for a reconceptualization of state-led gentrification to further our understanding of urban transformation. Rather than seeing the State as an extension of capital interests, we contend that class-state relations may produce urban spaces through representative politics and State hegemonies. To illustrate, we present a brief historical and geographical overview of the transformation of Amsterdam from 1982 to 2015, based on policy documents, media reports, archival research, interviews and secondary literature, as well as social and electoral data at the neighbourhood level. As the gentrification frontier advanced and working class voting blocs diminished, new electoral politics took hold, which permitted a new middle class hegemony to institute policy and institutional changes to further push gentrification and capital interests, leading to subsequent waves of urban change.

Key words: gentrification class; representative politics; local government; housing; urban development

It is hard to overstate the importance of Hackworth and Smith’s contribution to gentrification studies (Hackworth & Smith 2001). Their political-economic analysis shifted focus to how capital-intensive urban redevelopment has increasingly been curated and sometimes initiated, by the State. It increased awareness that gentrification cannot be reduced to the neighbourhood level, but should be seen as an outcome of a historical and multi-scalar transformation. Since publication, many researchers have analysed policy plans to explain neighbourhood change. A growing literature on state-led gentrification has revealed the means and rationales by which policy-makers and administrators justify and implement the class-based production of urban space (e.g. Davidson & Lees 2005; He 2007; van Gent 2013; Doucet 2014; Kadi & Ronald 2014). These studies typically cast class change as an outcome. However, if studying state-led gentrification implies interrogating the trialectics between State, class, and space, conceptualisations of these relations have been fairly limited. Some accounts tend to treat the State as an autonomous rationalising entity largely detached from social and spatial relations. As gentrification processes are seen as separate from the State, policy is often portrayed as misguided or ill-informed, and to be remedied. Critical gentrification scholarship, while acknowledging the role of the State, has a tendency to reduce the state apparatus to dominant class power, conceiving it as an instrument ‘owned’ by elites who use its apparatus to secure their interests. Such a portrayal makes class largely a moot point. For instance, in their work on ‘planetary gentrification’, Lees and colleagues (2016) emphasise the logic of capital and largely dismiss spatial class analyses as relevant to understanding gentrification today. While noting that middle
classes are required as real estate consumers, or to voice capital interests, Lees et al. (2016, pp. 109, 110) confidently state that the ‘key actor in planetary gentrification is the state – neoliberal or authoritarian’, which courts ‘(trans)national developers, financial capital, and transnational institutions’. However, policy does not always service the elites, and, in constitutional democracies, there is no class dictatorship. Furthermore, as we shall argue, class relations do not disappear when shifting focus to the State.

This commentary is a plea to reconceptualise state-led gentrification to advance our understanding of urban transformation. More specifically, we contend that, rather than seeing class change as an outcome of state interventions, class relations also feed into the process in two related ways: representative politics and state hegemonies. Despite global capital, local social relations and local politics remain central in urban development, particularly in high-demand regions. Furthermore, state apparatuses cannot be reduced to political domination; its institutional materiality may function as a secondary field of class relations.

After introducing our conceptual framework, the case of Amsterdam will serve as an illustration for how we may conceive middle-class urban transformation as being interdependent on the architecture of state power. Amsterdam is a critical case, because it has gone through a particularly striking change. Whereas the city was once held up as an epigone of social equity and justice, recent housing developments cater to the wealthy. These changes have been conceptualised as state-led gentrification (Aalbers & Deinema 2012; van Gent 2013; Hochstenbach 2017), yet it is less clear how socio-spatial, political and institutional changes have mutually pushed the frontiers of gentrification.

CLASS AND STATE

State apparatuses are not unitary, autonomous and rational entities, but are embedded in popular-democratic dynamics. Building on Gramsci, Nicos Poulantzas (1978) proposed that class relations and the State are autonomous but heavily related. The State is not the ‘primary field’ for class relations but these field relations, or struggles, have primacy over the State. The State incarnates and concentrates class relations – like those in the urban housing market. Poulantzas does not always present a consistent argument (Laclau 1975; Hall 1980), but we may find usefulness in his quest ‘to grasp a mode in which class struggle, and especially political struggle and domination, are inscribed in the institutional structure of the State’ (Poulantzas 1978, p. 125).

Struggles and hegemonies in the primary field also drive transformations of the institutional materiality of the State. Here, internal contradictions between State branches and apparatuses may become apparent. State apparatuses may be favourably disposed towards different fractions, and function as a power base. Apparatuses at various levels are themselves divided in distinct circuits and networks, all of which may represent diverging interests of various fractions of (dominant) classes. There is a ‘strategic field of intersecting power networks’ (Poulantzas 1978, p. 136) where representatives and personnel of the dominant classes may take on political projects (e.g. collective provisions, liberalisation of housing, economic development). Contradictory and shifting tactics are obstructed or find their way, mapping out a general line of force: policy.

So, policy is not only a result of strategic calculation and national projects, but also a conflictual co-ordination of explicit and divergent micro-politics and tactics. Depending on the hegemonies, some institutions may be made more central to decision-making. Moreover, those apparatuses which serve class or fraction interests also tend to become the privileged seat of those interests. These dynamics underlie the transformation of the State over time. Jessop (1990) adds that new hegemonic projects have to strategically navigate earlier discourses, organisations and structures, leading to context-specific outcomes. Furthermore, while hegemonies may shift, power remains fragmented. For Poulantzas, fragmentation and internal contradiction of power, allow the State its organisational role and its ‘relative autonomy’. Internal conflicts are subdued by
an ideology of neutrality which is the institutional cement of state apparatuses.

Putting central class relations in State structures allows for a different type of analysis of state-led gentrification. For instance, Uitermark (2005) shows how the establishment of Dutch neighbourhood policies were the outcome of local state actors who operated in their own political and social context but had ‘jumped scale’ to achieve ‘manageable neighbourhoods’. Loopmans (2008) discusses gentrification of Antwerp as an hegemonic project which, through social, electoral and political struggles, instituted new state structures and slowly adapted urban policies. Also, in the context of class formation in Delhi, Ghertner (2011, p. 526) shows how middle-class interests with regard to urban space required a ‘reconfiguration of urban governance structures (...) to gain traction and become hegemonic’. These new networks of institutions, the gentrification of ‘state spaces’, allowed the circumvention of electoral politics dominated by the poor and cleared the way for slum removal and gentrification (Ghertner 2011).

Spatial feedback – Class-based institutional politics may also produce socio-spatial dynamics feeding back into politics through political representation. When analysing French ‘housing policies’ originating in the 1970s, Bourdieu (2005) conceptualises the State as fragmented: consisting of fields, intersecting with other fields (those of firms, builders, finance), where class relations play out.1 He shows how a shift from building subsidies to individual housing allowances was preceded by a struggle between moderate and liberal reformers within and beyond State materiality.2 Because the interests of finance successfully traversed into the field of state bureaucracy, liberals could introduce regulations that stimulated the development of owner-occupied single-family housing, while shifting away from publically provided housing. With these new regulations, the local bureaucratic field were able to adjust central policy and direct private-housing development in similarly-designed suburbs.

These new housing policies and their outcomes propelled reinforcing trends: the changes in housing regulation created a new ‘demand’ for single family housing, fuelling new political dynamics. Bourdieu describes the petit-bourgeoisie living family-oriented lives in suburban homes, a long commute away from urban centres, with little sense of political and social community. This suburbanism represents political disenfranchisement, as mortgage debt, pressured time schedules and spatial dispersal have has effectively undercut collective organising. Moreover, this new socio-spatial order feeds back into neo-liberal political dynamics. Suburban homeownership undercuts the stake of lower middle classes in collective provisions. Conversely, Bourdieu contends that, for middle classes, the rise of home-ownership in cities and well-connected suburbs has assuaged political tensions (left-right) leading to shared political interests. These socio-spatial and political shifts have been preceded by a change in housing policies, yet now feed new rounds of policy reform.

Such analyses, focusing on the interplay between representative politics, state structures and policy may also be conducted on the urban scale. To illustrate, the remainder of this paper will focus on class politics and state-led gentrification, and more specifically on the reinforcing tendencies between social change, politics and state transformation in Amsterdam in the past 35 years.

CLASS, POLITICS, STATE AND TRANSFORMATION IN AMSTERDAM

In the 2014 municipal elections, the social liberal party (D66) won 27 per cent of the vote, doubling its seats in the council and becoming the dominant party. This was significant as the social-democratic party (PvdA) had been the largest since 1950. The social liberals ran on a platform against the ruling PvdA, and after the election it formed a governing coalition with the conservative liberals (VVD) and Socialist Party (SP) as junior partners. For the first time since 1917 the social democrats were not represented in the administration.3 While this is a historic and momentous event, the hegemonic demise of social-democrats was hardly been surprising. The electoral decline of left-wing and the rise of liberal politics
had been in the making for thirty years, and, moreover, is the outcome of spatial policies that facilitated and, later, accelerated processes of gentrification.

Our historical overview is based on policy documents, media reports, archival data and secondary literature, as well as public social and political data at neighbourhood level. Our analysis of the most recent political changes also draws upon interviews with 11 officials in municipal departments working on urban development.

A red past – Urban politics in Amsterdam had been dominated by social democracy for almost a century. While social democrats never ruled alone and always had to broker a coalition government, social-democratic ideals have been firmly imprinted on the social and spatial institutions of the city. After a period of intra-party turmoil, the 1980s saw a confident and ideologically inspired social-democratic party. Under the leadership of Jan Schaeffer, some what of a working-class hero, the party together with its progressive and radical left-wing partners successfully lobbied for housing and renewal subsidies to combat the housing shortages of the city. Housing need was particularly high among the city’s remaining working class and the growing population of young and small households (often higher-educated) and students. To address the need, the city directed its resources to building and renovating social housing for these groups. The Public Works department, which had been dominant in the previous era, was broken up and the housing department, led by Schaeffer himself, became the dominant institution (De Liagre Böhl 2010). Likewise, the departments of social affairs and education were geared to developing and executing policies infused with social-democratic thinking (emancipation and social mobility). Because at the time, average incomes in Amsterdam were below the national average, the city did embraced the first signs of gentrification as a life buoy and also facilitated it by allowing loft conversion (Terhorst & van der Ven 2003). Yet, it remained fairly limited compared to the large-scale renewal. Gentrification was mostly restricted to the seventeenth century city centre.

New populations, new politics – While social-democratic class politics has a strong imprint on policy and state structure, the social and political landscape began to shift in the late-1980s and 1990s. The Netherlands had already been going through political changes for a few decades: depillarisation had caused the slow demise of religious voting blocs (Lijphart 1968). Also, economic growth and the emancipation of working classes resulted in an expansion of the middle class. In Amsterdam, a fading of the demographical and political importance of the traditional working class became apparent after the municipality failed to retain shipping wharfs and industry with subsidies. In addition to deindustrialisation, skilled workers continued to suburbanise. Simultaneously, growth in higher education and the emerging service economy caused an influx of young, relatively poor, but increasingly higher educated households. This influx had already started with the babyboomer generation, but continued through the decades. These young residents fuelled the city’s subsequent youth movements, from PROVO to the Squatter movement of the 1980s (Mamadouh 1992). The progressive and left-leaning youth movements had been a radical influence but a lot of higher educated newcomers began to mature, both in age and in means of politics, as the 1990s were coming around. They climbed the party ranks of the dominant PvdA, but also aligned themselves with new political parties such as the social liberals (D66) and progressive and green parties (merging into GroenLinks in 1986).

In addition to a growing middle class, the city’s population saw a larger growth from the immigrant workers and their families, many from Turkey and Morocco and the former Dutch colonies. Electorally, these new Amsterdammers and their children would be drawn to PvdA (Tillie 1998). For the social democrats, the immigrant vote would compensate for the disappearing native working class base.
With the population change, the dominant PvdA increasingly became a centrist party seeking to service the new middle classes and immigrant communities. As a result, the party effectively shifted its focus from class antagonism to integration politics (see Uitermark 2005).

**Meeting new demand** – The city’s class transformations – more higher educated households and gradually also more higher income households – began to resonate in politics and policy. After winning the 1990 election, the social-democratic party formed a coalition with the conservative liberals, social liberals and the green party. Governing with the conservative liberals was particularly ground-breaking. While the mixed structure of the city’s economy had ensured also that bourgeois elements were represented both in the population and in representative bodies, the conservative liberals were mostly side-lined in local government for decades. Their inclusion marked a gradual shift towards a more liberal Amsterdam, culminating in the 2014 elections.

In line with national ownership housing policies (van Gent 2013), the governing coalition started to highlight the need for more owner-occupied housing to meet demand of the local middle classes. This new direction constituted a radical break with the previous decade, which focused on social housing. The liberal parties had been advocating this shift, but it required the consent of the leading social democrats. It led to quite heated debates within the PvdA, yet a new generation of local politicians, led by Louis Genet, Schaeffer’s successor, successfully argued for housing market transformation. Within the planning department, a project team ‘market’ was set up to plan for more private developments to accommodate middle-class households who were less able to access social housing. While initially the municipality referred to existing population, its focus quickly shifted to accommodating demand from outside the city as well. Consequently, large new areas such as New Sloten and later the Eastern Docklands saw the construction of more private housing than during the renewal of the 1980s (Kahn & van der Plas 1999).

Meanwhile, the regeneration of older neighbourhoods, did continue under the auspices of the housing department, but would take on a new form. National housing policies had curtailed subsidies and changed the *modus operandi* of housing associations: they were required to operate as market-oriented social landlords (van Gent 2013). More importantly, urban concentrations of marginal groups had become increasingly problematic for local state apparatuses, who were struggling with managing the areas and their populations. For the city centre, this meant policing public space and the displacement of unwanted groups (homeless and drug users, see Smith 1996). Public fear of ghettos and segregation led to integration policies which sought to alter the social composition of poor neighbourhoods (‘social mixing’, see Uitermark 2014). To achieve this, area-based interventions would demolish and later sell social housing units and add owner occupied housing to attract or retain middle class. These regeneration efforts would help non-native middle class to buy housing in the post-war periphery, and would facilitate the expansion of gentrification into the nineteenth century neighbourhoods, adjacent to the historic centre.

While gentrification gathered pace in the 1990s and early years of the new millennium, the PvdA had become a party that openly supported and encouraged homeowner-ship, individual emancipation and embraced the privatisation of the electricity and public transport companies. Ideologically, the social-democratic party had thus become much closer to liberal parties.

**Remaking Amsterdam** – The rise of liberal parties and the more middle-class orientated politics of social democrats are interlocked in a feedback loop with processes of urban transformation, which are closely related to the changing structure of the housing market. The changing housing structure is largely the result of changing policies at the national and local level (see above). Initially, the policies that emphasised private housing in new developments were a response to changing demand related to the maturing babyboomer generation. Yet, with rising housing demand
in the early 1990s as well as the integration policies that focus on social mixing, the governing coalitions became more determined to aim for a more structural social change. In 1998, the planning department, under PvdA control, released the ‘Undivided Amsterdam’ memorandum, which sought to meet demand while also maintaining a level of social mix throughout the city. While the title and wording suggest social equity, this memorandum aimed to double the share of owner-occupied housing in 12 years, from 13 per cent to 26 per cent in 2010. To accomplish this, each new project would be dominated by private tenure with a 30 per cent minimum of social housing. Renewal projects in deprived would continue to rely on tenure restructuring. Additionally, a year earlier, the municipality and housing associations signed the first of several agreements to convert social rental units into owner occupied dwellings. While sales were slow at first, they picked up after the dotcom crisis in 2002 (Hochstenbach 2017). Strong economic growth, new development and housing market changes facilitated a demographic shift. While the previous decades saw years of growth as well, Amsterdam saw a consistent growth the years from 2005 to today. More people moved in from the rest of the Netherlands and abroad for study or work, while suburbanisation rates slowed down and more middle-class families chose to remain in the city (Boterman 2012).

The growth in population and economy sparked confidence in the municipality. Planning documents were marked by economic boosterism and stated the need to compete internationally (Peck 2012). To achieve further economic growth, these documents underlined the need to restructure the housing market. As homeownership already stood at 24 per cent in 2005, the municipality raised its targets to 30 per cent by 2010.

These policies were the outcome of several coalitions with liberal parties, led by PvdA. Interestingly, the 2007 housing memorandum was published by under a PvdA-GroenLinks coalition. While the leftist Green party heavily protested homeownership policies in 1994, it no longer was an issue in 2006. Rather, its leader and alderman for spatial planning, van Poelgeest, reiterated a familiar discourse of gentrification; celebrating the city as a diverse emancipation machine, where young people should be able to develop their talents and make progress. The 2007 housing memorandum, drawn up by the housing department to match spatial planning goals, would literally cite gentrification as a potential strength, and frame it as a policy goal (Gemeente Amsterdam 2008). While before, the dominant political discourse stressed that Amsterdam had too much social housing for its changing population, this memorandum envisioned 45 per cent owner occupation by 2020, effectively working towards decreasing the absolute number of low income households in the city (van Gent 2013). The memorandum would prove to be the highpoint of gentrification as policy goal; the crisis would transform it into an imperative.

Post-crisis restructuring – The 2008 financial crisis hits Amsterdam hard and threatened the immediate solvability of municipality and housing associations. The crisis would transform inter-departmental dynamics and introduce a financial straightjacket to urban development and produce a step away from the old state-led developmental model (Savini et al. 2016). Before the crisis, the municipality financed urban renewal and development as well as the construction of new social housing through a revolving fund (Vereveningsfonds) and the Investment Fund Social Housing. Owning most of the land, the municipality’s revolving fund creates revenue from leasing land to developers and users. The fund allows profits in private development projects to be offset against projects with negative return. Managed by the land and development department (OGA), the fund traditionally operated with long term financial planning. However, the crisis threatened its immediate solvability. As a response to the most immediate problems, development and renewal projects with only long-term and insecure gains were promptly cancelled. The stop in building meant a sharp decline in new construction, from 6,500 units in 2006 to 2,000 units in 2011. Another financial solution was sought in charging housing associations market-rate prices for land leases. This was averted, but instead housing associations had to contribute more to the revolving fund per sold dwelling. Also, the investment fund for public...
housing was abolished and merged into the revolving fund. As most housing associations were struggling to remain solvent themselves, they increased sales of their possessions. To make this happen, *Bouwen aan de Stad II* memorandum in 2010 allowed for more conversions in total, but also for more sales in already gentrified central areas, which had been protected before. Also, the 30 per cent-rule for social housing in new developments was abandoned, but was reinstated in 2014.

More significant though, are the changes in how the local state managed urban development. An OGA letter to the municipal council summarised it as follows:

> Compared to the period before 2009, we shifted focus from initiating large-scale urban development to transformation projects [of existing real estate], the completion of existing plans and the allocation of already-prepared building plots for which gains are higher than costs (Gemeente Amsterdam 2014).

As suggested by an accountancy report on the performance of the revolving fund, OGA was given control over all development projects in 2011. From then on, risk management would trump any long-term planning (see Savini 2017). A newly-found team (Team GO!) led by OGA would dictate urban development assessing new developments on a case-by-case basis, only developing and issuing plots of land of which profits were guaranteed. This piecemeal planning that was in practice between 2011 and 2014 would undermine long-term planning and reduce opportunities for social developments. The crisis and a new financial regime affected state materiality and thereby the mode of urban development. Power clearly shifted to the Land and Development department and as one of its senior officials eloquently remarked: ‘one of the key lessons the crisis taught us is that we now have a flexible development strategy that allows us to follow market trends. This means that when it’s not going well, we simply don’t develop’ (interview senior official OGA, 2016).

From 2013, Amsterdam’s housing market was booming once again, topping pre-crisis prices in 2015. The cancelation of projects immediately after the crisis has arguably contributed to a housing shortage in Amsterdam. Low interest rates, short-term rental (‘AirBnB’), buy-to-let housing and speculation have also put further pressure on the housing market. The 2014 liberal coalition has seized this opportunity to expand Amsterdam. The 2016 memorandum *Koers 2025* seeks to develop 50,000 dwellings within the municipality. For a large part, these will be constructed on former industrial land and in post-war housing estates, along the gentrification frontier at Amsterdam’s pre-war ring and along the IJ riverbanks (termed ‘Ringzone’ in policy). These developments will feature new social housing but the goal is to keep the amount of social units stable, meaning a continuation of sales elsewhere and a relative decline. Conversely, new projects are characterised by expensive private tenure housing in tower blocks with luxury penthouses for the super-rich on top.

While the boom may restore some coherence to municipal planning, the financial logic of OGA remains dominant in spatial planning and housing policy. Long-term anti-cyclical planning, speculating on growth, has been severely curtailed and social housing development remains problematic from a financial point of view. The department of housing, once a bastion of social-democratic renewal politics, has now largely been made subservient to land, development and planning departments.

### A LIBERAL MIDDLE-CLASS CITY

The shift from canal-view social housing to infinity-pool urbanism has been the direct outcome of intertwining dynamics of class, state and political change. Table 1 summarises Amsterdam’s transformation in four periods, each starting in times of economic crisis. As the gentrification frontier advanced and working-class voting blocs diminished, new electoral politics took hold, which permitted a new middle-class hegemony to institute policy changes to further push gentrification. Our account has primarily emphasised how party politics shifted along class lines, leading to shifts in the institutional materiality of the state. An important mechanism is ultimately
## Table 1. Summary of Amsterdam’s transformation

<table>
<thead>
<tr>
<th>Period</th>
<th>Social change</th>
<th>Dominant party</th>
<th>Dominant state apparatus</th>
<th>Hegemonic project in spatial and housing policy</th>
<th>Gentrification frontier</th>
</tr>
</thead>
<tbody>
<tr>
<td>1982–89</td>
<td>Working class decline due to deindustrialisation and suburbanisation. Young higher educated population increases</td>
<td>PvdA together with progressive and radical left-wing parties</td>
<td>Housing department</td>
<td>Housing development to meet demand of low income and small households. Social reproduction</td>
<td>The seventeenth century historic centre</td>
</tr>
<tr>
<td>1990–2001</td>
<td>More higher-educated residents remain, migrant communities gain in electoral importance</td>
<td>PvdA together with social and conservative liberals, on occasion augmented by Green Party</td>
<td>Housing department (renewal) and planning department (new development)</td>
<td>Integration policies and meeting a growing demand from middle classes within the city</td>
<td>Nineteenth century ring south of IJ river</td>
</tr>
<tr>
<td>2002–09</td>
<td>More dual-earners, domestic and international housing demand increases</td>
<td>PvdA with Conservative Liberals and Christian Democrats, later with Green party</td>
<td>Planning department</td>
<td>Urban boosterism and attracting middle class</td>
<td>Early-twentieth century neighbourhoods south of the IJ river</td>
</tr>
<tr>
<td>From 2010</td>
<td>Middle class demand augmented by demand for buy-to-let (short- and long-term)</td>
<td>PvdA with Green party and conservative liberals</td>
<td>Land and development department</td>
<td>Financial austerity and logic of capital accumulation in municipal development</td>
<td>The northern banks of the IJ river and high-density postwar neighbourhoods near the ring road</td>
</tr>
<tr>
<td></td>
<td>From 2014: Social and Conservative liberals with Socialist Party</td>
<td></td>
<td></td>
<td>Meeting housing demand by developing the ‘Ringzone’ with a particular focus on middle income groups as well as superrich</td>
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</table>
Support for liberal parties in national elections

Figure 1. Amsterdam's social and political transformation.


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related to changes in social base and political representation. Here, spatial dynamics join the class-state dynamic.

The spatially-specific social and political changes are illustrated by Figure 1, showing the average income and electoral changes in four decades. New developments brought more owners to new-built areas in the former docklands and in the new-built periphery. The conversion of social housing in the central areas introduced a population that is generally younger, more affluent and more often native Dutch than before (Boterman and Van Gent 2014). Whereas most districts were decidedly poor and working class in the 1980s, the average income of the centrally-located districts had become above national average in 2013. During this period, the post-war periphery – where much of the future development will take place – has seen a relative decline. As owners are more likely to vote liberal (Ley 1994; Ansell 2014), gentrification may change the social base and cause political displacement (Martin 2007; Hyra 2015). This is reflected in the rising support for liberal parties in central districts and in newly developed neighbourhoods at the periphery. So, as gentrification progresses from the city centre outwards, so does support for liberal policies, increasingly making Amsterdam a middle-class city.

In their analysis of New York, Hackworth and Smith seem attuned to the transformative interplay between State and physical space: they highlight that the shift from second- to third-wave meant a change in State power, at multiple levels. The legacy of neighbourhood resistance and the New Deal institutions had to be neutralised or converted in order to have the State effectively accommodate urban development. Yet, while the second wave period is defined by a fragmented State with various class interests being represented by elements of the State, we get less sense of institutional arrangements in the third wave era. More generally, they assert that the local state is inscribed by politico-ideological relations associated with the constitution and reproduction of the dominant mode of production: real estate investment in the era of financial capitalism (see Kaika & Ruggiero 2016; Aalbers, this issue). For this reason, the post-crises period has amounted to a new wave of (state-led) gentrification (cf. van Gent 2013).

The four periods in Table 1 seem to neatly fit the ‘waves’ in New York (see also Wyly, this issue). It would, however, be a mistake to conflate these and other cases into one model. Our case has some traits typical for Western European cities. These include the demise of social democracy, national housing policies promoting ownership, fading welfare state arrangements that still manage to assure social inequalities, extant tenant protection, and the impact of immigration from the 1970s onwards. We should particularly note the importance of urban social policies in Western Europe. In contrast to the US, the governance of urban marginality has typically resulted in integrative, rather than segregationist, spatial policies (Uitermark 2014). Also in Amsterdam, politics and policy continue to stress that polarisation and segregation are unacceptable. Indeed, while spatial restructuring is taking place, Amsterdam has also been adamant in its anti-poverty policies, and new social housing is still being developed. Anti-segregationist sentiments seem to become increasingly stronger among the populace as well. In recent years, as housing affordability is threatening the middle classes, political parties are advocating new housing regulation. This is no social revolution, however. New policies are suggested to protect and cater to middle income groups, who struggle to find housing. Hence, the housing department’s new ‘social’ policies focus on providing rental housing with regulated rents for ‘middle income’ groups (about €750–€1000 p/m). Meanwhile, for the poorest residents, social housing and its affordability remain contested. The contrast between social policies and catering to capital investment reveal paradoxes in Amsterdam’s politics and policy, which imply multiple struggles in State structure.

**CONCLUSION**

In abstract terms, the process of urban gentrification is the spatial expression of class differences and therefore deeply political (Smith 1996). Hackworth & Smith (2001) were influential in analysing the role of the State in that process. Their efforts and that of many others have made the case that we should theorise state-led gentrification as a dynamic trialectic of
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state, class and (urban) space. There are multiple ways to engage with this triad. Arguably the most common way is to implicate the State in relation to a logic of capital and treat spatial class change as an outcome of nebulous policy processes. However, we contend that there are multiple ways to analyse state-led gentrification by refocusing the trialectic. Our approach sought to frontload class in the production of space within the political economic framework.

Building on Hackworth and Smith’s original thesis, our starting point was that class relations should not vanish in the conceptualisation of state-led gentrification. Class struggles traverse the State’s materiality and representation politics. The point of our case is not that our lens is superior, but that it revealed different social dynamics, allowing us to analyse class politics within the institutional and political framework. Our line of approach may contribute to political studies on the interaction between representative politics and institutional materiality of the State (e.g. Mollenkopf 1994; Ghertner 2011; Hyra 2015). Our findings also raise questions over class positions of politicians, civil servants and policy makers. Bourdieu argues that ‘functionaries “fulfill their functions” with all the characteristics, desirable or undesirable, of their habitus’ (Bourdieu 2005, p. 131). So, within state frameworks, policy analyses may study how class dispositions and interests may impinge upon strategies (e.g. Van den Berg 2018; van Gent et al. forthcoming).

These implications point to the importance of state theory in gentrification scholarship. When implicating the state, conceptualisations should transcend notions of an autonomous rationalising entity and avoid reducing it to an appendage of capital (Poulantzas 1978; Jessop 1990). In a word, regardless of theoretical foundations, understanding the State is a key challenge to analyse urban transformation.

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Notes
1. The similarity to Poulantzas is likely the result of the common influence of Louis Althusser.

2. The moderates, while in favour of social policies, did advocate welfare state restructuring.
3. ‘Liberal’ refers to parties adhering to the principles of political liberalism, not ‘left-wing’.
4. This change was also happening nationally and internationally, known as Third Way politics.
5. The group also had representatives from departments of housing and of land and development.

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