INTRODUCTION

Across the period of history stretching from what is considered capitalism’s first crisis, the Great Crisis of 1857-58 up until Black Thursday, which plunged the world into the Great Depression on 24 October 1929, and throughout the period of over a century since Marx’s declaration that due to its own logic of operation and structure, periodical economic crises are an inevitable part of capitalism, various concepts have been harnessed in order to grapple with the cause of economic crises. In the wake of the global crisis which began with the international banking and finance sectors in the fall of 2007 (Coşkun, 2011, 57), Harvey posited the notion that whilst the concept of “capitalism’s cyclical crises” was an approach which ought not to be disregarded, neither this, nor the fact of “securitization” and institutional approaches (i.e. the issue of the general deregulation of the US banking sector) were sufficient in accounting for the crisis. Rather, Harvey claims that it is more pertinent to make a careful analysis of the relationship between the cycle of speculative and productive capital, leading to his development of the displacement theory. An analysis of the tension between stability and motion lies at the heart of Harvey’s theory.

This study will examine the urban transformation processes and policies of the Republic of Turkey by taking a comprehensive and historical perspective within the scope of Harvey’s aforementioned theory. With legal processes in mind, the policies of urban transformation experienced in Turkey since heavy urbanization began in the 1950s will be analyzed without ignoring the role of the key actors behind it. The policies relating to urban transformation, and particularly the promulgation of the current concept of “urban

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According to this theory, there exist three distinct modes of economic integration, or coordination mechanisms: these pertain to organizations which can be surmised respectively as production (Harvey, 2013a, 189). Harvey borrows the concept of produce and intensify economic integration as a result of a geographical concentration of social residual (153-155).

This study evaluates the phenomenon of urban transformation with an approach which takes account of social, physical, and economic transformations. Such an approach takes as the an analysis of urban change in terms of a broader shift in social relations as a result of the determinism of macro unequal areas of socio-spatial development.

The state, for its part as the regulator and distributor of resources, intervenes and mediates these relations and processes directly or indirectly.

With this in mind, examining Turkey’s policies of urban renewal, in the short and long term, within a comprehensive framework requires considering the analysis at a more abstract level, considering that each spatial structure is shaped by the specific social dynamics, the internal processes continuing within the state, and the interaction of social and economic-political actors, and the two-way relationship between the state and the working class.

This article will firstly examine the concept of city, space, and urban transformation. This will be followed by a look at the methodological issues pertaining to Harvey’s displacement theory before embarking on an analysis of Turkey’s urban transformation policies in the light of historical perspective.

1. CONCEPTS OF SPACE, CITY, URBAN TRANSFORMATION

Current academic literature on the phenomenon of urban transformation emphasizes negative outcomes due to the physical, objective, and technical perspective used. In this respect, first of all we have to question what one is to understand of the concept of space. Is the concept one which is passive vis-à-vis society? Failing this, ought one rather perceive it as an integral whole encompassing interwoven values? Answering such questions will guide us in a fair analysis of the process of urban transformation.

Historically, space has always lay at the center of power relations; every society, whether wishing to preserve or shift its power relations, has found space a crucial issue. Within this process, the struggles of various interests have been the driving force spearheading socio-spatial change. Space thus reflects and itself experiences political struggle, lying at the heart of power relations. In this respect, space is not a separate realm of scientific matter which can be divorced from politics or ideology (Gottdiener, 2001, 248).

According to Harvey, space is a concept which may not be conceptualized as simply as physicists and scientific philosophers may conceive. As a prelude to discussing the meaning of space, one must analyze its impact on behavior through the symbolic meaning and cognitive processes it pertains to. Subsequent to this, forging a link between social processes and spatial processes and conceptualizing the constant interaction between “space”, “social processes” and “spatial formation” as a complex, dynamic system is the most useful way to move discussion forward (Harvey, 2013a, 40). According to Harvey, if we wish to understand our culture of shaping space, our current social order, our goals, our needs, as well as fears, symbols, and spatial organization, then we must turn to its symbolic qualifiers (Harvey, 2013a, 36).

As far as it serves the purposes of this article, it pays to take account of spatial organization, in terms of the emergence and transformation of the concept of the “city” as occurred in the pre-Modern era.

The transition from the state of village, as an expression of an agricultural spatial organization, to that of a “city”, which results from the emergence of the institutions developed from the exchange of agricultural products and the subsequent emergence of state hierarchies, appears to constitute an expression of the division of labor and the accumulation of socio-economic and spatial transformation (Aydın, 2007, 153-155).

According to Harvey, cities are the result of an economic integration which has the ability to produce and intensify economic integration as a result of a geographical concentration of social residual production (Harvey, 2013a, 189). Harvey borrows the concept of economic integration from Karl Polanyi. According to this theory, there exist three distinct modes of economic integration, or co-ordination mechanisms: these pertain to reciprocity, redistribution, and market exchange – three distinct social organizations which can be surmised respectively as egalitarian, regional, and hierarchical (Harvey, 2013a, 190).
Reciprocity refers to a system characterized by the transfer of goods, appeals and services within a certain group exchanged according to set societal traditions and customs. Characteristically, this mechanism pertains to symmetrical groups in society: these societies are equitable; that is to say they do not possess the necessary means of systematic social oppression, and represent a voluntary co-operation which is softly supported by social customs, providing social coherence. This form of social organization is roughly equivalent to what Marx calls "primitive communism". Such societies cannot sustain urbanism, as typically symmetrical groupings do not afford the necessary concentrations of resources which result in it (Harvey, 2013a, 191).

Redistributive Integration, meanwhile, is a mechanism which may be used to support the activities of an elite group to allow to the flow of goods, and sometimes to establish certain rights over production. A redistributive economy refers to the concept of voluntary co-operation, religious ideology, and the seizing of rights over output and means of production, which refers to the concept of stratification and the protection and seizure of rights for a narrow set of elites, sometimes by force. Feudal societies in medieval Europe are strong examples of this. Such societies allow for the necessary concentration of resources to allow for the development of urbanism (Harvey, 2013a, 192).

The third coordination mechanism is Market Exchange. It is important to distinguish market exchange from individual barter and exchange actions that can occur in the context of reciprocity and redistributive integration. The activity of a large number of independent actors is coordinated in a well-regulated manner, with price-setting markets capable of coordinating market activities. As part of this mechanism, the focal point of exchange is not the value of use, but the value of exchange. Instead of money being used to buy other goods, goods are used to sell money in order to purchase a commodity and earn further profits. This type of circulation process is a typical characteristic of the capitalist mode of production (Harvey, 2013a, 193).

The formation of cities around these three forms of economic integration ought to constitute a focus of analysis as it is with these concepts that gives way to Harvey’s argument that the historical analysis that “particular cities can be understood only when they are viewed in terms of a certain historical circulation within a certain system of cities” (Harvey, 2013a, 227).

According to Lefebvre, cities have historically been shaped as a result of two rationales in the historical process. The first, is a logic that evaluates cities in terms of market value, seeing city space as a commodity which can be bought and sold, and thus a place to guarantee the prosperity of its denizens, whilst the second, via a logic which evaluates urban space through ‘use value’, sees urban space as a living space rather than an abstract commodity (Gottdiener, 2001, 253).

The phenomenon of "urban transformation" which can be gleaned in the light of all the aforementioned point, identifies from their first emergence onward, that cities come about as a constant process resulting from the spatial interaction of social, economic, and social breakpoints. However, to surmise in the narrower sense, the form of reconstruction or development of cities, one can point to the first process of urban transformation processes embarked upon in the West; the so-called ‘Park Movement’ – which aimed to open the city to natural life as a means of sanitation to mitigate the polluting effects of the Industrial Revolution.

The Park Movement followed a prior period of primitive "urban renewal", which was marked by the opening of wide boulevards in European cities. After the Second World War, many cities ruined under prior bombardments were rebuilt from scratch. In this period, "urban reconstruction" emerged as a matter of necessity. Over the course of this process, structures gained significance as a reflection of the glory of the nascent welfare state. For the first time, in the 1960s, Britain saw what is known as "gentrification", or rather, a restructuring of urban space to reflect the lifestyles of the British nobility. With the advent of neoliberalism in the 1980s, cities then became organized as centers of attraction shaped by a sense of competition. Since the 1990s, this latter element has only increased in the context of new concepts brought about by governance-oriented globalization (Akkar, 2006, 29-37).

2. DISPLACEMENT THEORY

Despite acknowledging that the concept holds an important place in Marx’s works, Harvey casts geographic diversity aside as a means of "unnecessary confusion"; thus coming to the conclusion that Marx's political vision and theory was overshadowed by the inability to function systematically in the context of a separate geographical and spatial dimensions. Thus, Harvey's theory of the transformation process of cities is distinguished by putting the space in the center of analysis; a unique approach in the Marxist tradition. Harvey reinterprets Marx's deep and diligent analysis of the basic features of circulation of capital in
“Capital” to form the basis of his own argument, which is none-the-less one set out in a manner close to Marx’s own thoughts (Harvey, 2012, 386).

Harvey stresses that the main reason for maintained existence of capitalism is the ongoing promulgation of the circulation of capital. The process of capital accumulation consists of production, circulation and exchange. The surplus value produced becomes profit through circulation and exchange. However, capital circulation must be completed within a certain time period in order for individual capitalists who circulate their capital faster than the social average gain extra profits. The greater the circulation and exchange, the more accumulation of capital occurs. In this process, there are two ways to increase capital: first, to increase the residual value produced; secondly, to expand the area of circulation. This second mode of circulation occurs either by increasing consumption or by reaching out to other markets beyond ones borders (Harvey, 2012, 372-375).

This second path necessitates a more dynamic process in terms of increasing the profitability of the capital. The desire of this capital to transcend space lies in full parallel with Marx’s claims (or rather, in Harvey’s terms “praiseworthy insight”) that capitalism is necessarily characterized by a permanent effort to overcome all spatial obstacles and eventually destroy space (Harvey, 2012, 388). This creates a contradiction; under the pressure to accelerate the conditions of competition and pace of the turnover of capital, infrastructural investment such as technological communication, transportation, energy and so forth, must be implemented. Thus, cable networks developed by information technologies, railways, airports, etc., emerge as a necessary spatial pattern to encourage the fixation of capital to a space (spatial fixation). At this point, every step taken to accelerate the circulation of the capital ironically slows it down. Some capital, such as fixed capital (machinery, physical factory and infrastructure) and consumption funds (durable consumer goods, real estate, etc.), necessarily circulate much slower. Other forms of capital circulation then slacken to support the remainder of the accelerated cycle times (Harvey, 2012, 378).

The shift of capital and labor surpluses created by each total rate to long-term projects (social expenditures, education, health, technology, etc.) in the physical and social infrastructure, allows for what Harvey terms “temporal displacement with long term investments” (temporal constant), thereby reallocating stock units and thus delaying a possible crisis of capitalism (Harvey, 2012, 379). Harvey states that the most important factor in shifting surpluses from existing production and consumption to long-term investments in physical and social infrastructures is the creation of “imaginary capital” (bonos, mortgages, debts and shares, government debts, etc.). Through credit and capital, surplus capital can at once then flow from one area to another; but the dynamic balance created means that it is constantly shifting temporarily by accelerating the formation of imaginary capital in lieu of solving the essential issue at hand. Harvey points out that the longer a crisis is delayed, the greater the amount of excess accumulation from the imaginary capital, extending the unresolved problem, and allowing the inevitable crisis to become deeper entrenched (Harvey, 2012, 381-383).

The basis of Harvey’s theory is the nature of the tension between the stability and motion described above. To summarize, the movement and speed of the capital increases, resulting in spatial fixation of the infrastructural means constituted by communication, transportation, energy and so forth. This process, which ensures that the circulation of capital is frozen in space for a period, is expressed by Harvey as the notion of time-space compression (Harvey, 2012, 157). This is expressed through the transition of capital from the first to the second cycle of capital (production-consumption area). Technological investments play a role in overcoming this compression, and the crisis is thus postponed through the commodification of areas of non-capital existence (e.g. education, culture). This results in a transition to the third cycle. As part of this process, the state is constantly redefined by its short-term strategies (taxation, incentives, subsidies, etc.) (Harvey, 2012, 382).

Thus, the increasing rate of circulation of capital causes it to shift from where the excess accumulation is fixed (Spatial Displacement) to elsewhere. As a result, tensions between chronic instability of regional and spatial configurations, fixation, and movement embody themselves constantly by creating and reconstructing geographical landscapes (Harvey, 2012, 394). In other words, the social space must be reformulated and organized according to the demands of further accumulation. The driving force of this exchange process is the constant demand for more acceleration; spatial reflection of this is uneven and irregular development.

As a result of uneven development, new geographical areas are built and destroyed, whilst elsewhere, spatial hierarchies are formed. Geographical scales form the reflection of these hierarchies. Each geographical scale is formed as a result of certain historical, social and geographical processes. Capitalism, while benefiting from these spatial differentiations, also requires homogeneity in which structures which
imburse a geography with the same laws and same currency and create "spatial constants". The nation state constitutes such a spatial constancy.

3. METHODOLOGICAL ISSUES

Harvey’s concepts of "sociological and geographical imagination" explain the means which force individuals to infer the meaning of the spaces around them, how they associate with it, and how the processes between the individual and various organizations are shaped by the space separating both. In light of this idea, Harvey emphasizes the necessity of defining an individual at the intersectional surface between sociological and geographical imaginings as well as the necessity of writing an upper language that combines the necessary features of both languages. That an appropriate methodology is formed by synthesizing two different languages is explained in that there is no language; and it would be most appropriate of bilinguals to use the same context (Harvey, 2013a, 28). This is the expression of the constraint of Harvey’s own theorem.

Harvey’s concepts of "sociological and geographical imagination" are the means which make an individual’s understanding of inference of the meaning of space from her life to the spaces around it, associating the space around her, and how the processes between the individual and the various organizations are shaped by the space separating them. With this in mind, Harvey’s stress that it is necessary to define an individual at the intersectional surface between sociological and geographical imaginings, and that this necessitates writing an upper language that combines the necessary features of both languages with an appropriate methodology by synthesizing two different languages is explained in that there are no languages, and that it would be most appropriate for bilinguals to use the same context (Harvey, 2013a, 28). This is an example of one of the constraints of Harvey’s own theorem.

Another methodological problem embedded in Harvey’s theory pertains to the limited role it gives actors in the urban process, specifically to the state as an intermediary of the capital in its ontological position. This is especially so in relation to long term investments designed to compensate for failures in the market. However; although Harvey focuses on the one-way determination of the capital, he has attempted to soften this perspective by emphasizing mutual relations in later work. He finds it useful to repeat; capitalism evolves by the heterogeneity and difference it produces at the same time; but only within certain limits (Harvey, 2012, 158).

After mentioning the methodological limitations of Harvey's theory, we can examine the processes of public policy for urban transformation in Turkey.

4. AN ANALYSIS OF PUBLIC POLICY IN THE PROCESS OF URBAN TRANSFORMATION IN TURKEY

A look at the various social-spatial shifts experienced in Turkish cities can help give us an idea of the process of urban transformation. The period under scrutiny begins in the 1950s, a time in which numerus labor targeted urban areas as a consequence of a strategy undertaken to develop agriculture-based exports by modernizing the agricultural sector with the new funds received in the form of Marshall Aid (Ataöv and Osmay, 2007, 58). An intensely rapid fervor for urbanization can be seen from this period. Whereas in 1950, the urban population of Turkey numbered 4.8 million, by 1980, this figure had quadrupled to 20 million, while the rate in the general population of the urban population increased from 18.5% to 45.4% over the same period (Keles, 2000, 42). Various governments’ failure to handle this flood of migration to the cities and develop the infrastructure needed resulted the spread of “gecekondu”, a term meaning “put up in one night” which refers to vast swathes of makeshift housing forming slums across Turkey’s cities.

Kıray describes the gecekondu as “a phenomenon that emerges in societies in which industrialization occurs slowly in spite of an acceleration of the pace of productivity in agriculture, and thus the population in the city increases rapidly relative to the transition to urbanization (Kıray, 1982, 339). This period is characterized as the flow from the first cycle of the capital to the second. The gecekondu phenomenon can also be understood through Harvey’s understanding of the link between time and space, with the tension between stability and velocity reflected in a distortion of socio-spatial structuring.

The state at first felt powerless against the increasing spread of these slums, which it perceived as a physical, rather than socio-political issue. However, with the shift to an import substituting industrialization model based on the internal market in the 1960s, the population of the gecekondu began to be considered a positive means of contributing to the economy (Şenyapılı, 1998, 310-311). In this regard, Kongar posits the development of the slums over this period as a “buffer mechanism” by which individuals who migrate to the city see the gecekondu as a protective mechanism to increase her capacity to adapt to the otherwise entirely foreign urban space (Kongar, 1982, 28-31).
The flexibility of the construction and usage processes of the gecekondu, soon enough became parallel to one other in the economic sphere (Şenyapılı, 1998, 310-311). The development of these residential areas directly produced casual modes of employment from the 1950s until the 1970s, with residents eventually finding jobs in all sectors of the city and becoming a semi-organized part of the urban economy, or “apartmentization squatters” living in the largely industrial fringes of the cities. (Ataöv and Osmay, 2007, 62). All these processes can be interpreted as a spatial adjustment of surplus forwarded by Harvey.

As denizens of the gecekondu increased their influence in the political, social and economic spheres they were soon able to obtain inclusion in municipal infrastructural projects and electricity and water grids. This situation came about as a result of the state’s attempt to place the manifestation gecekondu, as a threat to the balance between property relations and political balance, within a legal framework (Ataöv and Osmay, 2007, 64).

The period between 1980 and 2000 began with a military coup that brought about a shift from the import substitutionary model in favor of outward oriented growth under the impact of the international conjuncture and was characterized by the suppression of increasing social opposition, triggering a radical transformation of the process of urbanization (Coşkun, 2011, 103). The famous “January 24 Decisions” reformulated the relationship between the first cycle and the second cycle of capital accumulation processes central to the urbanization process, encouraged an outward oriented development strategy which stressed the importance of exports in lieu of the previously coveted import substitutional policies. As Harvey expresses, this marked a continuous redefinition of the process of capital transfer from the productive sectors to the urban area via state means (taxes, incentives, subsidies, etc.) (Harvey, 2013b: 14). Initially, medium and large-scale capital groups entering under frame of the state tenders into this process began to invest in cities, as a result of an increase in rents in urban areas.

In the early phase of this period, perhaps the most decisive legislative regulation in terms of urban transformation determining the urban macro form came in the implementation of Law No. 2985 Regarding Mass Housing, announced in 1984. The application of this law created new housing areas on the urban fringe and accelerated the transformation of old slum areas into new residential areas. Furthermore, between 1983 and 1988, five “gecekondu amnesty laws” were put in place to solve the issue of unauthorized settlement; which, in addition to the transforming such areas also paved the way for illegal multi-story construction (Şenyapılı, 1998, 312). The period was also marked by illegal transformations resulting from competition between municipalities seeking a large stake in capital (Ataöv and Osmay, 2007, 67).

Another intervention in urban transformation came in the preservation and gentrification of areas of historical and cultural value. To use Harvey’s terms, this constituted a reflection of the transfer of capital to the third cycle (Harvey, 1986), in which historical sites are renewed to draw capital in a “commodification of culture”, and beginning of evaluation of non-capitalistic assets as capital (Harvey, 2012, 464).

The period from 2000 until the present day has been one in which capital has been put under the intense pressure of globalization. This period has been shaped by various policies pertaining to EU alignment, the Customs Union, the rapid privatization of state economic enterprises, sustainability, democratization, equality, participation, multi-actor decision-making processes, NGOs and strategic planning. Throughout this process, remaining public resources have been sold off and incorporated into the third cycle of the capital (Harvey, 2012, 382). In Harvey’s view, the third cycle is characterized by a shift to long-term projects (temporal constants) to overcome the capital accumulation crisis Harvey mentions.

Over this period, the transformation of city, in whole in specific parts was placed within the legal framework of the Law No. 5366 on the Protection and Renewal of the Historical And Cultural Real Property Assets, which entered into force in 2005, and Law No. 6306 Law on the Transformation of Areas Under Disaster Risks, which was brought in in 2012. The necessary legal groundwork was thus put in place for multinational companies investing in cities. The develop Istanbul as a financial center was also encouraged in parallel with this development. Financial sector processes, which Harvey describes as “fictitious capital”, provide the necessary environment for intensive construction investments to overcome crises of the capital, and provide the necessary environment through quick operation. This allows for demand for construction investments through indebtment (Harvey, 2013b, 70).

All these legal processes also show how natural disasters have been exploited to legitimize the neoliberal logic through which the process of urban transformation has occurred in Turkey (Demirtaş-Saracoğlu and Milz, 2014). The determination of areas set for urban renewal have not, however, been limited to areas at particular earthquake risk, but also the old central areas and historically preserved areas that promise high rentals.

CONCLUSION
A sound comprehension of contemporary society rests on an honest appraisal of urbanization and the nature of urban transformation; and this requires understanding how capital moves. Harvey himself conceptualizes the circulation channels of surplus value as the arteries that circulate all interactions and interactions that define the whole of society. To understand the circulation of surplus value, in fact, means to understand how the community works (Harvey, 2013a, 281), drawing attention to the association between the circulation of capital and the socio-spatial transformation of cities.

Harvey’s “displacement theory” can be used to explain capitalist urbanization processes and means of overcoming periodical crises of capitalism by focusing on capital cycle as a coordinated mechanism in the form of “market exchange”. Upon analyzing the public policies surrounding the rapid urbanization which has occurred in Turkey since the 1950s, one observes a consequently unequal social, economic and spatial development.

Today, it seems that in order to overcome the crisis of the excess accumulation of wealth, areas previously not subject to capital, i.e. urban space and the land itself is made a commercial product, both directly and indirectly. Due to globalization, the faster capital is circulated, the greater the profit, and so conversion and restoration works have accelerated incredibly. The circulation of global investments has been facilitated through support for fictitious accumulations of wealth that feed the global supply of money and credit systems, as well as production and consumption. This leads to timely pressure on the use of land in cities; capital moves too quickly, resulting in unequal socio-spatial transformations around the cities. Similarly, capital circulation in the center of the public, construction and finance sectors lends to an unequal process of urban transformation.

Rapid urbanization in 1950s led to uneven socio-spatial development. In Turkey, this was manifest in the concept of the gecekondu; a result of industrialization and the urbanization occurring at different speeds. Since the development was regarded as a physical phenomenon, the state initially believed the solution lay in destroying the rapidly spreading slums, but eventually followed a policy that, while continuing demolitions, gravitated towards indifference in the face of a phenomenon that was growing out of control. The 1960s saw a shift in attempting to utilize the residents of the gecekondu in line with the promulgation of the import substitute industrialization model, leading to attempts to legitimate the formation, which otherwise threatened property relations and balance in the political system.

The period between 1980 and 2000 saw a process in which capital transferred from productive sectors shaped by intensive construction and infrastructural activities (spatial constructions), which occurred parallel to strategies aimed at shifting from production to consumption; thereby passing from the first cycle to the second. Over the period, as a result of a populist policy followed by the state in the face of the gecekondu phenomenon, capital by rent was not only encouraged but sanctified through a succession of amnesty laws.

The period from 2000 onwards has constituted a transition to the third cycle of capital, with globalization characterized by an emphasis on long-term projects (education, health, science, technology, culture) (temporal constants) in order to overcome what Harvey posits as the crisis of capital accumulation. The period has seen public resources commoditized like never before. The process of urban transformation has been legally framed, with multifaceted relations between the construction and finance sectors as well as the state playing a vital role in driving urban transformation. It is through this framework that one must comprehend the ongoing matter of uneven development and the transformation of urban space.

REFERENCES