



Conceptual Framework for Gentrification Analysis of Iskandar Malaysia

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ABSTRACT

Gentrification is generally defined as the transformation of a working class living in the central city into middle-upper class society. It has both positive and negative consequences. Gentrification caused loses of affordable home, however, it is also beneficial because it rejuvenates the tax base as well stimulates mixed income. Question arises whether the characteristics of gentrification in developing countries will appear to be the same or varies to those in developed countries. Because of this research growth, a review of the body of literature related to the mutation of gentrification, i.e. type of gentrification and its characteristics is believed necessary. This will serve as a basis for a conceptual framework to analyze what is happening in Iskandar Malaysia (IM). As globalized urbanization area, IM offers a particularly interesting case as there are already signs of gentrification due to its rapid urbanization. In the residential market, house price in IM shows a rapid and continuous increment. Many foreigners are attracted to the new residential area in IM being promoted as exclusive while promising a quality lifestyle. The locals meanwhile face difficulties in owning a home because of the upward spiraling of house price. In certain area, the local low income people are displaced by middle and upper income group. The identification of such characteristics and the associated attributes which is the second phase of the study will determine to what extent IM is in the process of gentrification. The paper finally concluded that the sign of gentrification in IM is similar to the other developing countries.

1. Introduction

Gentrification, according to Ruth Glass's seminal definition, refers, on the one hand, to the displacement of certain groups by wealthier ones in central and working class areas, and, on the other, to the material rehabilitation of those areas (Lees et. al, 2008). A far broader concept of the process emerged in the late 1970s and by the early 1980s, scholars have linked it with the processes of spatial, economic and social restructuring (Lees et. al., 2008). Current literature suggest that, as gentrification has mutated over time, its characteristics as well as the term used to described and explain gentrification also evolved (Shinwon & Kwang Joong 2011; Less et. al., 2008). Recently, literature on gentrification in developing nations has also grown extensively showing that the phenomena have gone beyond Western cities context (Lees, 2011; Shinwon & Kwang Joong, 2011; Hulten, 2010; Slater, 2010; Lees et. al., 2008). A good debate about gentrification in Western cities has been made for a long period of time, however, its different actors and forms in developing nation context are not particularly well known (Shinwon & Kwang Joong, 2011).

In Malaysia, expectedly, as other developing countries, the signs of gentrification also began to emerge. The desire of national urban policies, local redevelopment, regeneration and revitalization strategies

as well as the real-estates agents is seen to strongly initiate the occurrence of gentrification process (Sabri 2012; Sabri et al. 2012). This study was developed to examine the emergence of its signs in Iskandar Malaysia. Basically this paper sought to provide a comprehensive review about the expansion of gentrification as a basis to construct a conceptual framework to analyze what is happening in Iskandar Malaysia.

The paper begins with exploring the issue raised from the expansion of gentrification. Part two will described the details on methodology of literature review giving the precise delimitation and sources used to derive the key literature regarding gentrification. Part three summarizes the evolution of gentrification and emergence of new forms over time exploring some cases of developing countries. Then, the conceptual is presented to analyze the Iskandar Malaysia developments based on our understanding in the final part of this paper.

2. Literature Review and Methodology

Following Lees (2000), we have considered thematic review as the methodology to organize the gentrification literature. Thematic reviews of literature are organized around a topic or issue, rather than

the progression of time. We find that this method is quite easy to gain understanding. We begin to search for the reference by using 'gentrification', 'gentrifying' and 'gentrified' as the main keywords. This led to the compilation of 3,944 reference relevant to gentrification itself. From the 3,994 references, about 36 of them were utilized to build a basic understanding of what gentrification is about. Internet search was the main method of collecting reference. There are two main databases to look for the reference which are <http://www.sciencedirect.com/> and <http://www.scopus.com/>. Next, from the readings, we build a suitable keyword and term combination to develop the theme use as a basis to analyze what is happening in Iskandar Malaysia. (refer to Figure 1).

There was a dominance of literature related to gentrification in developing nations. In relation to the keyword 'Gentrification and Developing Country', we found a total of 763 references. For the 'New-build Gentrification', a total of 934 references were located, for 'State-led Gentrification' and 'Gentrification Wave', a total of 101 and 435 references were found respectively (refer to Table 1)

3. Transformation of Gentrification Characteristics

3.1 The Emergence of New Gentrification Actors

Based on the literature over the past four decade, it reveals that gentrification is a dynamic and multi-layered process in which the roles of different actors and components continuously change over time and space (Mathema 2013). The explanations of gentrification have involved a variety role of actors. The actors range from economically marginal, young educated, builders, landlords, mortgage lenders, tenants, corporate investor, developers, real estate agents, bank and government agencies (Rérat et al., 2009; Shaw, 2008; He, 2007). In addition to the

growing interest in the *gentrifiers*, recent studies shows scholars have focused on the role played by the states and local government (policy-makers) as the main actors driving the changes in urban area (La Grange & Pretorius, 2014; Doucet, 2014; Shinwon & Kwang Joong, 2011; Maloutas, 2011; Kuyucu & Unsal, 2010). Hackworth & Smith (2001) summarize the evolving gentrification process and the changing role of the actors within the three waves of gentrification since the 1960s.

The first wave was characterized by sporadic and state-led gentrification; the second wave has seen both expansion of and resistance to gentrification; third wave gentrification comes after the recession in the early 1990s and characterized by strong state intervention (La Grange & Pretorius, 2014; Shinwon & Kwang Joong, 2011; Lees et al., 2008). Hackworth & Smith (2001) argue that states' role in gentrification became stronger due to the devolution of power from the federal to the state and local governments. Decrease in federal funds put enormous pressure on local governments to increase their tax bases and were therefore attracted to pursue strategies to increase their revenues. They invested in projects that improved the tax bases by revitalizing their neighborhoods to attract middle-income residents (Mathema, 2013). Large redevelopment projects have an important role as they provide a great opportunities for investment, mostly through direct state action, highly profitable spaces (such as old industrial zones, waterfronts and inner-city slums) that have not been economically fully exploited (Kuyucu & Unsal, 2010).

Accordingly, the fourth-wave gentrification also began to emerge as Lees et al., (2008) argue that the current stage model is somewhat outdated. In the fourth-wave of gentrification identified by Lees et al., (2008), the gentrification was tightly coupled with national and global capital market. The nations have developed strategies to achieve the global status and attract more capital from transnational companies. Therefore, gentrification was driven by the new urban policies

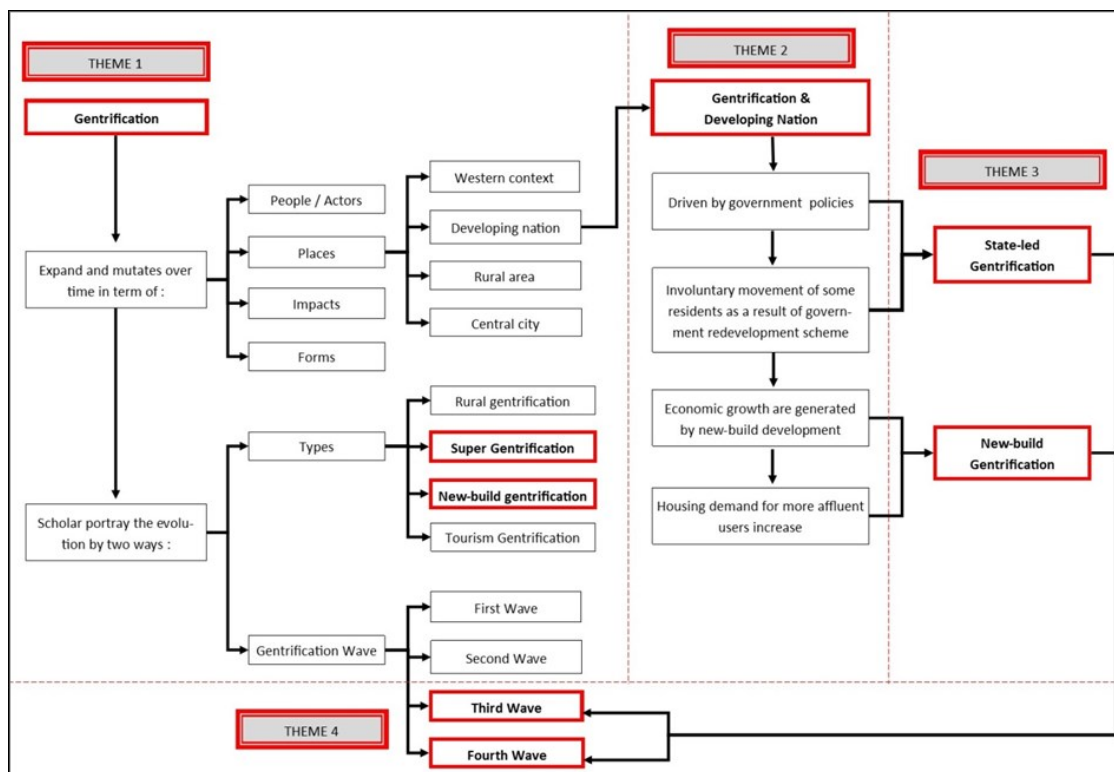


Figure 1: Framework of Theme Development

Table 1: Reference Allocation by Theme

Theme	Authors
Gentrification	(Maloutas, 2011); (Lees, 2011); (Lees, 2000); (Phillips, 2004); (Shaw, 2008); (Shaw, 2011); (Lees, 2002); (Lees, et. al., 2008); (Slater, et al. 2004); (Hackworth & Smith, 2001); (Hyra, 2012); (Hulten, 2010).
Gentrification and developing nation: i.e. Shanghai, Seoul, Istanbul, Semarang (Indonesia), South Africa	(He, 2010); (He, 2007); (Wang & Lau, 2009); (Lim et al., 2013); (Shinwon & Kwang Joong, 2011); (Visser, 2002); (Visser & Kotze, 2008); (Harris, 2008); (Ergun, 2004).
State-led Gentrification	(Visser & Kotze, 2008); (La Grange & Pretorius, 2014); (Kuyucu & Unsal, 2010); (Agus, 2002); (He, 2010); (He, 2007); (Davidson, 2008); (Doucet, 2014).
New-build gentrification	(Marquardt et al., 2012); (He, 2010); (Visser & Kotze, 2008); (Davidson & Lees, 2005); (Rérat et al., 2009).
Gentrification wave theory	(Murphy, 2008); (Bounds & Morris, 2006); (Nash, 2013); (Rousseau, 2011); (Shinwon & Kwang Joong, 2011).

formulated by the states as well as large developers who are aligned with the government to spur the redevelopment and regeneration in the cities (Sabri et al., 2012). In the United States, referred as ‘redevelopment’ and ‘social mixing’, gentrification was seen as a practical solution to tackle concentrated poverty (Doucet 2014; Lees 2008). Paton (2012) stated that middle-class-driven gentrification can be the savior of the city because ‘it offers a cultural solution to fix economic and structural issues of poverty, unemployment and the decline of the built environment (Bridge et al. 2013)’. In developing countries, the role of state policies and local Governments are also confirmed as gentrification drivers (Sabri et al., 2012; Lees, 2011). Hence, gentrification is no longer seen as a problem for policy-makers, but to be seen as a solution. The concept is underscored by the ways in which gentrification is widely promoted in urban policy (Doucet 2014). Since then, gentrification is declared as a global urban strategy.

3.2 The Changing Forms of Gentrification

When the transformation of commercial and retail areas also appeared in the gentrification literature, scholars go for a broad definition of gentrification that includes ‘renovation and redevelopment on both residential and non-residential sites’ (Shaw, 2008). As cases of gentrification are increasingly documented across the globe, researchers have also begun ‘to no longer restrict the term to processes located in the city center’ (Maloutas, 2011; Visser & Kotze, 2008; Shaw, 2008; Slater et al., 2004; Lees, 2002). “The process of gentrification has mutated over time” (Lees et al., 2008), the spatial focus of gentrification now includes rural locations, infill housing, brownfield developments and the construction of newly built luxury housing developments in city centers.

Hackworth & Smith (2001) in their assessment of the progression and spread of gentrification had analyzed and introduced many new types of gentrification arisen during the third phases which began in the early

1990s. The third wave gentrification has four characteristics: it was primarily developer, rather than household-led, the role of governments was strengthened, anti-gentrification movements became more marginalized and it was spreading to neighborhoods outside the city center (Doucet, 2014; Shaw, 2008; Lees et. al., 2008; Bounds & Morris, 2006; Hackworth & Smith, 2001). They citing examples of luxury new-build condominiums in Long Island City, Queens, developer-led loft conversions in DUMBO, Brooklyn and the removal of municipal policies aimed at preventing gentrification and displacement in the Manhattan neighborhood of Clinton as third wave gentrification (Doucet 2014).

Among the types of gentrification in third waves which often debated by scholar is relates to new-build gentrification (Doucet, 2014; He, 2010; Shaw 2008; Visser & Kotze, 2008; Lees et al., 2008). New-build gentrification indicate the transformation of old industrial brownfield sites into high-end, new-build developments (Marquardt et al., 2012; He, 2010; Rérat et al., 2009; Lees et al., 2008; Davidson & Lees, 2005). Most commonly, new-build gentrification is manifested in the form of the development of large-scale luxurious apartment blocks and their consumption by the middle classes (He, 2010; Davidson, 2007; Davidson & Lees, 2005). It brings both direct and indirect displacement, e.g. exclusionary displacement and price shadowing. New-build gentrification was first examined in British cities, however it is now common in other countries in both the Global North and Global South (Doucet, 2014). Davidson & Lees (2005) outlined four reasons why new-build developments should be considered part of the gentrification process: reinvestment of capital; social upgrading; landscape changes; and displacement (Rérat et al., 2009). New-build gentrification fits in the framework of third wave gentrification, as it emphasize a strong role of the state in term of both public policy and investment (Doucet, 2014; Shinwon & Kwang Joong, 2011; Less et.al., 2008).

Another form of gentrification in third wave is super gentrification (Doucet, 2014; Shaw, 2008). Super-gentrification or *financification* is a further level of gentrification which is superimposed on an already gentrified neighborhood (Lees et. al., 2008). Super-gentrification is described by Butler & Lees (2006) as a process that includes a significant step change in social class composition and evidence of social replacement (rather than displacement) with a significant transformation in community relations. Here, the already gentrified upper middle class neighborhood is transformed again into an even more exclusive and expensive enclaves. Super-gentrification involves a higher financial or economic investment in the neighborhood. It is only likely to happen in neighborhood in global cities that are easily commutable to global financial headquarters such as the City of London and San Francisco (Lees et. al., 2008).

Meanwhile, in the fourth wave gentrification argued by Lees et. al. (2008), there are two elements distinguish the fourth wave from the third wave. First, the *financialisation* of housing and the second is a consolidation of the pro-gentrification policies which dominated the third wave (Doucet, 2014; Shaw, 2008; Lees et. al., 2008). New policies, which both favor the most affluent households and dismantle social welfare programs, have created the context for this new phase of gentrification. In this instance, gentrification is used as a policy tools to create affluent housing in a low-income neighborhood (Bridge et al., 2013). Here, the restructuring of housing estates capitalized by large developer and facilitate by the state, either on the periphery of cities or in more central areas is seen as another part of gentrification process (Doucet, 2014). Gentrification has been evident in this large-scale housing redevelopment process to promote home-ownership for more

affluent residents, which is facilitated by the state as an urban strategy for economic and urban growth. Elite decision-makers have devised the urban policies to encourage gentrification. Then, these pro-gentrification policies create optimal conditions for the private sector to invest in deprived neighborhoods (Shinwon & Kwang Joong, 2011).

In China for instance, a new form of housing redevelopment, has been shaped to meet the desire of local state and private developers to generate the physical and economic expansion (Shinwon & Kwang Joong, 2011; Wang & Lau, 2009; He, 2007). In Korea also, the local government actively facilitated housing redevelopment and urban renewal projects to improve housing conditions and to increase the housing stock in big cities, especially in Seoul. Old inner city neighborhoods have often been completely demolished and rebuilt into high-end commodity housing in which the capital is provided by developers. In most cases, the government's housing redevelopment result in gentrification (Shinwon & Kwang Joong, 2011). Fourth wave gentrification however, received less attention than Hackworth and Smith's three wave. This is because the idea of fourth wave gentrification is seen as the extension or modification of existing policies, rather than as a bold departure from existing urban forms and spatial locations (Doucet, 2014).

4. Gentrification in the Developing Nations

4.1 Istanbul, Turkey

Gentrification in Istanbul is not related to de-industrialization. Early gentrification occur through the evacuation of non-Muslim population (ethnic minorities) from some part of the city in the 1940s. These ethnic minorities left their neighborhood by moving out of the country. Soon after, rapid industrialization and urbanization process have led to the massive influx of immigrants coming from the rural parts of Turkey (Islam, 2005; Ergun, 2004). Meanwhile, in 1980s, the inward-oriented development policies of the former period were replaced with neo-liberal ones, which led to the greater opening of Turkey's economy to world capital flow. In some part of Istanbul, Ortakoy area for instance, gentrification was driven by the uncontrollably expanding nuisance of night-life activities (Islam, 2005). As a result of gentrification, the provision of world brand boutiques, new shopping centers, giant hypermarket, night clubs and the organization of international festivals, theatre, music, jazz and art were adapted extensively since 1980s. Istanbul has successfully create approximately of 100,000 new jobs and increase the yield of import and export of Turkey. The impacts of the gentrification also have led to the rise of gated communities in Istanbul (Genis, 2007 ; Islam, 2005).

4.2 Seoul, Korea

Korea has undergone tremendous state-led urban change resulting in the mass displacement of low-income households especially in Seoul. Urban renewal projects were pursued to support continuous physical expansion and economic prosperity for middle and upper-middle income household rather than low-income households (Shinwon & Kwang Joong 2011). Seoul has clearly shown all the indicators of successful growth like expanded labor force; a rising scale of retail and wholesale commerce; intensive land development; higher population density; and increased levels of financial activity. The opening Cheonggye Stream for example, has successfully improved environmental conditions and economically revitalize the area. Heejim Lim, Jeeyeop Kim, Cuz Potter and Woongkyoo Bae, described gentrification by identifying the of land

use changes due to the Cheonggye Stream Restoration Project, a large-scale open space megaproject in Seoul, Korea. The result of the research shows, a total of 168 land use changes occurred since 2006 which almost half of it can be categorized as commercial, including activities such as cafes, restaurants, bars, and retail. The broad pattern of changes in land use stimulates a movement of more affluent users settle in Seoul (Lim et al. 2013; Shinwon & Kwang Joong 2011). Basically, Seoul has not undergone major urban deterioration like some major industrial cities in developed Western countries experiencing serious urban decay. Gentrification was challenged by an accelerated physical expansion and growth.

4.3 Shanghai, China

In the context of Chinese cities, studies on urban restructuring always cite urban redevelopment as one of the primary forms of gentrification (Wang & Lau, 2009 ; He, 2007). In Shanghai, urban redevelopment started in the late 1980s when the government attempted to renovate the old towns. A series of measures was carried out by the state to initiate and facilitate the process. The process of urban redevelopment has been mostly in the form of demolition-rebuild development involving direct displacement of residents. Large proportion of urban population was relocated to the outskirts mostly because land was more available with lower price comparing to the city centre (He 2010). Housing redevelopment is no longer developed by the local state only but predominantly developed by private developers for the purpose of economic and urban growth (He 2007). Xiesan Site at Luwan District for instance, was leased to Hong Kong-funded Haihua Property Company for redevelopment. About 864 original households and 16 factory plants were relocated to give way to the development of four 31-story high-rise, called Waixiaofang ('house for sale to foreigners') (Wang & Lau, 2009). Extensive urban redevelopment has effectively removed shabby houses and changed urban landscapes in central Shanghai. As the state endeavours to create an image of modern and civilised urban life in the central city, the social benefits of the urban poor are ignored. Massive modern apartment blocks, mixed-used commercial and green space have been built in the central area indicating new-build gentrification (He 2010).

4.4 Tembalang, Semarang Indonesia

In *Tembalang*, Indonesia gentrification process occurred most likely because of the expansion of Diponegoro University (UNDIP). The UNDIP has been located in the Central Business District of Semarang but later on moved to the suburbs in the southern part of the city, called *Tembalang*. Land value in *Tembalang* has reached 625–1750 per cent within 10 years because of UNDIP. More residents choose to settle in *Tembalang* because they were interested in the rise of the economic activity and could make good investments in land or property (Prayoga et al., 2013). The newcomers bought house that were constructed by developers which have been generally luxury houses with high prices. As Smith (2002) stated that gentrification brings a difference in residential quality, the luxury expensive houses in *Tembalang* are clustered by gated communities.

The gentrification in select developing nations is summarized in Table 2.

From the example of gentrification cases in Turkey, Korea, China and Indonesia, it can be concluded that gentrification was driven by rapid industrialization, urbanization process, housing development and mega project development. The responsible body behind this process was government in collaboration with the private sector (Figure 2).

Table 2: Summary of Gentrification in Developing Nations

Country	Actors	Based on Lees et al. (2008)		Impacts
		Forms of Gentrification	Stage	
Istanbul, Turkey	Immigrant from rural part of Turkey Local government Property developer	New-build gentrification	Third wave	Eviction of ethnic minorities Influx residents from rural area New giant hypermarket, shopping complex etc. Rise in gated communities Job opportunity Increase economic activity
Seoul, Korea	Local government Property developer Affluent users	New-build gentrification	Third wave	Displacement of low-income household Land use changes Improve environment Lots of new commercial area Increased levels of financial activity
Shanghai, China	Local government Property developer Transnational companies	New-build gentrification	Third wave	Involuntary movement to outskirts area Mixed-used commercial area and green space Modern apartment block, high rise residential area Demographic changes
Tembalang, Indonesia	Local government Private developers Middle-class	Rural gentrification, <i>Studentification</i>	Third wave	Expansion of economic activity Increased in land value and house price Land use change to residential area

5. Iskandar Malaysia: Background and Sign of Gentrification

Iskandar Malaysia (IM), the latest development in Johor, was initiated in 2006 to spur the growth of Malaysian economy. The Malaysian government has committed a significant investments to improve infrastructure and develop catalytic projects to attract critical mass in Iskandar Malaysia (Xian Yang et al., 2013). As a result, IM has seen encouraging success since its inception in 2006. The region has attracted RM118.93 billion of cumulative committed investments in the first half of 2013, with manufacturing as the key driver. An estimation of 386,000 jobs was created in IM in the same period (IRDA, 2007).

5.1 The State Policies

In Malaysia, land matters are governed by individual states. However, Iskandar Malaysia is a joint development with two co-chairmen - the Prime Minister of Malaysia and the Chief Minister of Johor – which reflects the importance of this development as one of the national priorities for Malaysia. Therefore, Iskandar Regional Development Authority (IRDA) is set up as a federal government body which responsible for the development of IM. IRDA is also responsible to regulate and drive various stakeholders in both public and private sector towards realizing the vision of developing Iskandar Malaysia into a strong and sustainable metropolis of international standing (CDP, 2006). Although IRDA is the main statutory body, *Majlis Bandaraya Johor Bahru* (MBJB), *Majlis Perbandaran Johor Bahru Tengah* (MPJBT),

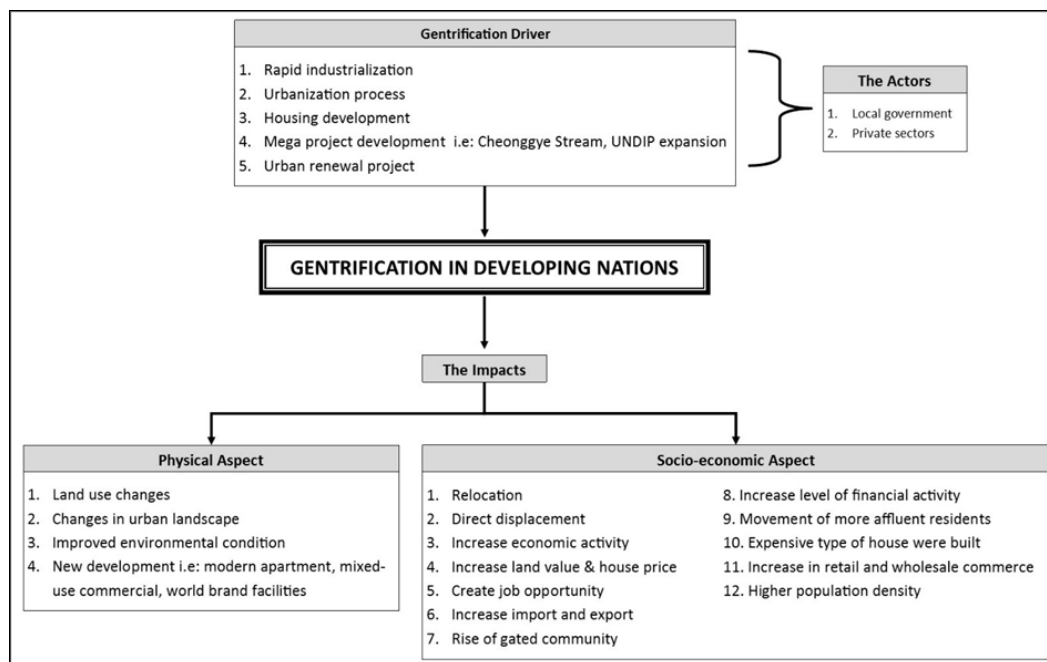


Figure 2: Conceptual Framework of Gentrification in Developing Nations

Majlis Perbandaran Pasir Gudang (MPPG), *Majlis Perbandaran Kulai* (MPKu), *Majlis Perbandaran Pontian* (MPP) still play an important role in the development of IM because the land matters falls under the jurisdiction of local authorities. The projects to be developed in IM must have the planning permission approved from local authorities first before it can be implemented.

5.2 New Development

Iskandar Malaysia is set to become southern Peninsular Malaysia's most developed region, where living, entertainment, environment and business seamlessly converge within a bustling and vibrant metropolis (CDP, 2006). The local authorities in collaboration with IRDA, believed that it can be achieved through the provision of attractive living accommodation facilities, environment and recreation facilities within a 'green environment' as well as excellent education and health facilities (IRDA, 2007). As a result, more places in Iskandar Malaysia have undergone development and upgrading process in terms of both physical and socio-economic purposes. Johor Bahru's urban form reflects more spontaneity than planned regulated growth. Speculative and massive estates of more than 15 stories mushroom randomly from a formerly low rise built environment made up of linked houses and two/three-story buildings (Rizzo & Khan, 2013). In Iskandar Malaysia, more luxury and exclusive residential area promising a quality lifestyle is built. Horizon Hills, East *Ledang*, and *Ledang* Heights are the example of gated low-rise residential area provided for the wealthy (Rizzo & Glasson, 2012).

In particular, the bulk of the investments are concentrated in Nusajaya, a new green field settlement which have been set up as a new major growth center of Iskandar Malaysia (Figure 3).

Among the new developments are health facilities (Afiat Healthpark), education facilities (Raffles University Malaysia, Marlborough College Malaysia, University of Southampton etc.), and tourism facilities (Legoland Malaysia, Johor Premium Outlet, Hello Kitty Town etc.) The target is to attract companies, institutions and knowledge economy professionals (ICT industries, R&D firms, universities, professionals, etc.) to raise the value chain in Iskandar Malaysia (Rizzo & Glasson, 2012). Besides, the existing new developments, there are also several upcoming catalyst project to be built in Iskandar Malaysia such as Gleneagles Medini Hospital, Motorsports City, Afiniti and Avira Wellness Resort, Ascendas-UEM Land Technology Park and Angry Birds Theme Park (Xian Yang et al., 2013).

5.3 Residential Sector

Table 3 shows the price of houses located in Nusajaya area increase from 2010 to 2011. The house price for 2-storey terrace in Horizon Hills, Nusa Bestari and Bukit Indah are range from RM 216,000 – RM 321,250 in 2010 and RM 260,000 – RM 367,000 in 2011. Gated and guarded security and better management remained the main features for better popularity (Property Market Report 2013, 2013). Meanwhile, houses outside the area of Nusajaya showing decreasing in price.

In the residential sector, high rise condominiums continued to be popular, aimed at Singaporeans and Malaysians who work in Singapore (Property Market 2013, 2013). As shown in Figure 4, not only high rise condominium. Landed property in Nusajaya area also become the main area for the Singaporeans buyer.

5.4 Involuntary Relocation and Social Disruption

Bunnell (2002) has highlighted how the process of developing new federal administrative center of Putrajaya and Cyberjaya has resulted in

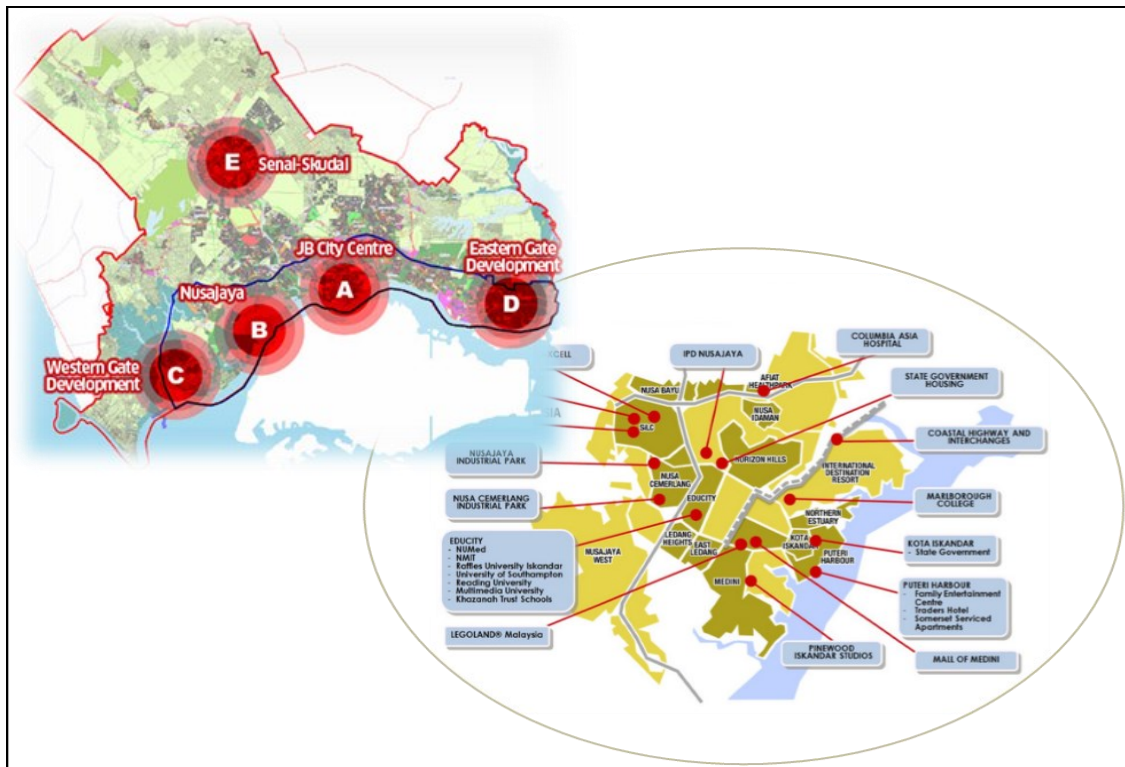


Figure 3: New Development Concentrated in Nusajaya
Sources : <http://www.iskandarmalaysia.com.my/our-development-plan>

Figure 3: House Price in Nusajaya and Surrounding Area

Area	House Type	Average Price 2010	Average Price 2011	Price Change (%)	
Within Nusajaya	Horizon Hill	2-story terrace	321,250	367,000	14.27
		2.5-story terrace	677,143	707,500	4.48
	Nusa Bestari	1-story terrace	165,000	177,083	7.32
		2-story terrace	216,686	260,000	19.99
Bukit Indah	2-story terrace	278,000	325,000	16.91	
Outside Nusajaya	Permas Jaya	2-story terrace	202,466	172,800	-14.65
	Mutiara Rini	1-story terrace	185,794	166,500	-10.38
	Sutera Utama	2-story terrace	383,600	357,000	-6.93

evacuation of Indians ethnic residents living in the Ladang Perang Besar and several other farms elsewhere (Rostam et al., 2011). A similar story is today replicated in Nusajaya, the new major growth center of Iskandar Malaysia. Rostam et al. (2011) stated that due to the Iskandar Malaysia development, the land owned by villagers was taken. Most of the agricultural land involved traditional villages. *Kampung Baru, Gelang Patah* which consists of 400 household was evacuated (Figure 5). Several families in eight traditional Malay villages namely *Tiram Duku, Pekajang, Tanjung Adang, Kampung Pok, Tanjung Kupang, Ladang, Pedas Laut* and *Paya Mengkuang* also had to move elsewhere. Some people were relocated to new settlement such as Taman Perintis I. Villagers and aboriginal fishermen communities are being relocated elsewhere in Johor Bahru, including to the periphery of the metropolitan region, to facilitate Iskandar development (Rizzo & Glasson 2012).

In addition to relocation, the development of Iskandar Malaysia has resulted in economic resources disruption of aboriginal community

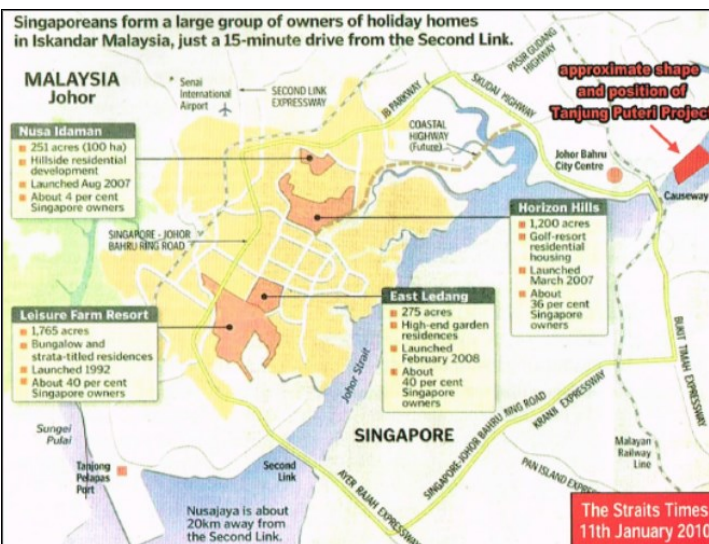


Figure 4 : Percentage of Singaporean Residential Owners in Nusajaya Area

living in the Kampung Simpang Arang, Kampung Bakar Batu and Sg. Temun (Mat Nor et al., 2009). The construction of the Second Link (linking Johor-Singapore) which involved the construction of bridge near Kampung Simpang Arang for instance has reduced their catch.

This situation causes their income continues to decline. Development taking place in Gelang Patah and Nusajaya has resulted in the increasing population of the area. The increasing population has also affected the market price. Nevertheless, the aboriginal fisherman communities do not have the opportunity to benefit from the increased market price, particularly from the increasing fish price as their catch has declined. Low level of education and lack of working skill also made a difficulties for them to find for another better jobs. Only a small number of them have the opportunity to work as a labourer in plantations or restaurant workers. The admission and recruitment of foreign workers in industrial sector near to their village have further complicated their opportunities in finding jobs (Mat Nor et al., 2009).

6. Conceptual Framework for Gentrification Analysis in Iskandar Malaysia

The studies presented thus far provide evidence that there are variety of elements and subjects that should be taken into consideration upon the development of conceptual framework for gentrification analysis in Iskandar Malaysia. The Figure 6 illustrates the overall conceptual framework for this study.

7. Conclusions

The situation taking place in Iskandar Malaysia is much similar to the other developing countries. The process-like gentrification was driven by urbanization process, housing development and mega project development. Strong state intervention in collaboration with property developer played an important role contributing to this situation. The development of Iskandar Malaysia has resulted in enormous physical and socio-economic changes. Financial and economic activity, job opportunity, population density are increased. New development taking place in Iskandar Malaysia provide more choices of facilities and services with better quality. Besides the positive outcomes, the negatives are overriding especially from the social point of view. As the state endeavors to create an image of modern and civilized urban life in the region, the social benefits of the urban poor are ignored. Due to the increasing population of higher income group in the region, the neighborhood business structure inevitably changes as it does not longer serve the low-incomes (Sabri et al., 2012). The poor are relocated to other place giving way to the development to operate. The increasing price of house and land value will surely burden the young from poor family. As the conceptual framework of Iskandar Malaysia is much similar to the other developing countries, it can be concluded that the signs in Iskandar Malaysia match the characteristics of third wave gentrification.

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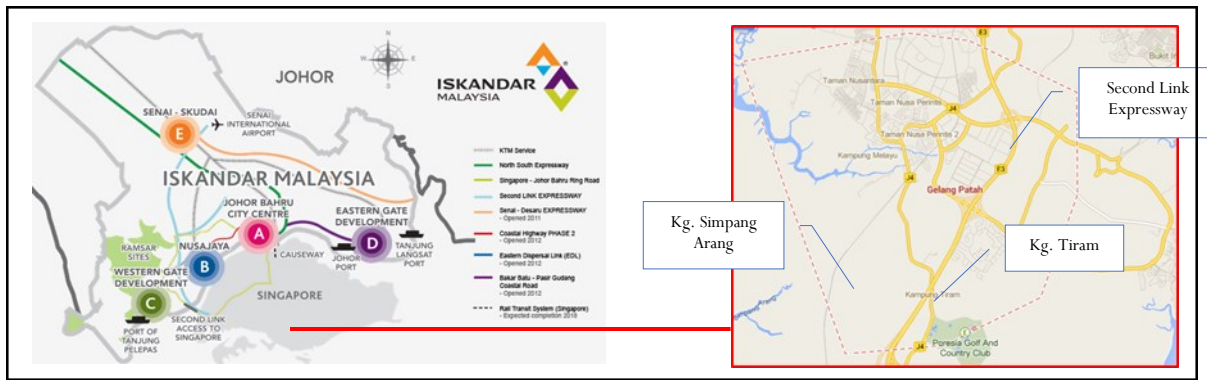


Figure 5: Affected Village Due to Development of Second Link Expressway

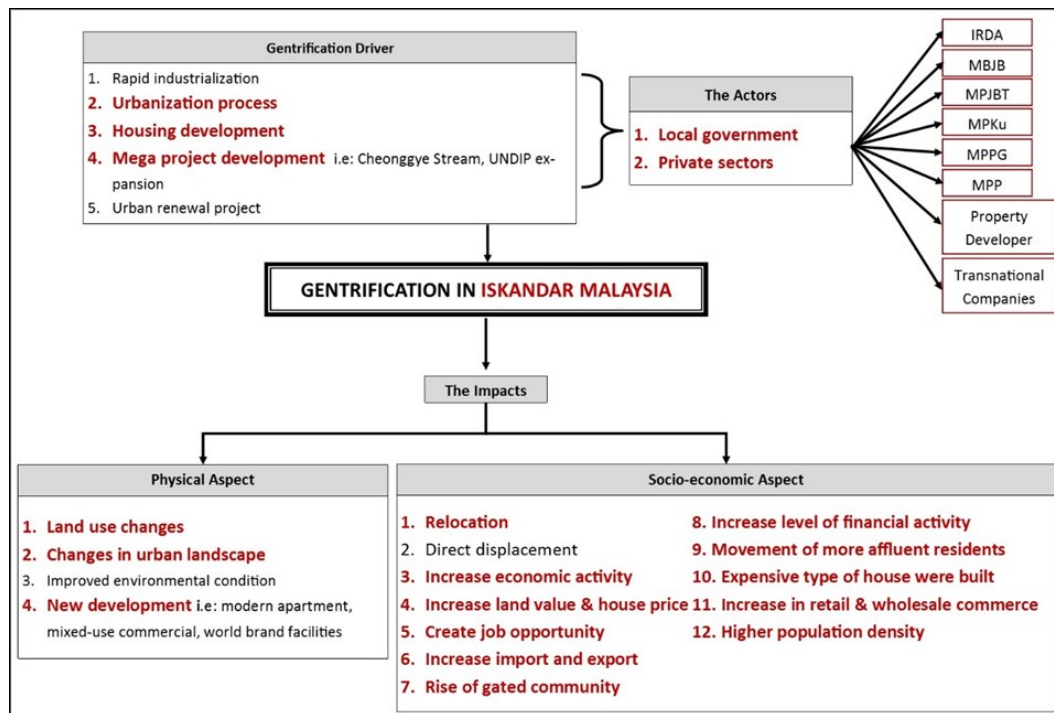


Figure 7: Conceptual Framework for Gentrification Analysis in IM

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