### DISCUSSING THE PRODUCTION OF TOURIST SPACES AS THE TOOL OF CAPITALIST PRODUCTION RELATIONS: THE CASE OF KYRENIA (1)

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#### **INTRODUCTION**

Architectural space is a social product that reflects societies' cultural, political, ideological, and economic realities. Understanding space production and its dynamics requires the exploration of different aspects of society. On this basis, space is a material product that affects social relations, while simultaneously being a consequence of them (Gottdiener, 1993). Henri Lefebvre (1991) presents the dialectical connection between society and space via a socio-spatial theory conceptualised as a spatial triad: spatial practice, representation of space and space representation. Spatial practices reflecting daily life, is the perceived space. The space of representation refers to the social relations in the city, known as lived space. The representation of space or conceived space, is defined as the space of power, knowledge, and ideological aspects. Conceived space is a fundamental component of capitalist societies, since its production process, which maintains distinctive signs, codes, and oppositions, depends on the advantages of the capitalist system (Avar, 2009). By examining conceived space, this study attempts to understand contemporary space production influenced by capitalist economic systems and profit-oriented actors such as entrepreneurs and governments.

Spaces are the "ineliminable elements" of the capitalist economic system (Castree, 2007). There is a consensus that capitalism survives by occupying and producing spaces, treating them as commodities within capitalist production relations. During the production of built environments, spaces reflect capitalist social relations, including residential, leisure, and commercial spaces, while simultaneously reproducing these social relations daily (Saunders, 1989), in a way that supports capitalist structures. One of the main components in the sustenance of capitalism is its ability to reconstruct socio-spatial relations (Lefebvre, 1976). The built environment is organised and produced to meet the needs of economic capital, by creating the necessary conditions that support capital accumulation and

profit (Harvey, 2001). Thus, space production is positioned significantly in the plans for modern societies developed by policymakers and investors due to its positive economic effects.

Modes of production and production relations undoubtedly key factors in the formation of spaces in a capitalist society. Space itself is the knowledge or action of the existing mode of production, and is organised to support surplus production as part of the modern capitalist production system (Lefebvre, 2009). Each mode of production produces and reproduces convenient spaces that align with the demand of economic capital (Harvey, 2001). The modern-day built environment therefore physically reflects the needs of capitalist production relations (Zieleniec, 2007). Compendiously, capitalism requires unique spatial strategies and production modes to sustain itself.

The modes of production and the production of space are continuously reorganised through novel approaches, especially during cyclic crises of capitalism. Following the global economic crisis from the late 1960s to the mid-1970s, a significant shift occurred in urban and architectural spaces as the economy transitioned from manufacturing to service industry. During this period, the service industry gained particular importance for local and central governments as they integrated into the process of economic capital circulation. This transition in production modes created new types of production, and employment opportunities, providing a renewed sense of hope for cities long-affected by deindustrialisation (Sassen, 1991) and for societies that had not previously progressed in the manufacturing industry. During this period, cities, as "geographic nodes" of capitalism, gained significant importance in the capital accumulation process by introducing new spatial practices via emerging service industries (Kratke, 2014).

Meanwhile, the tourism industry, a niche sector created by capitalism to organise and commoditise leisure time, has developed in cities and become integral to national economic strategies within the capital accumulation process. Accordingly, the tourism industry significantly impacts the built environment by providing tourist spaces that offer desired leisure services and by utilizing natural or historical resources.

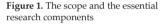
In particular, Small Island states with limited resources and weak manufacturing industries often rely on tourism as the key to their economic development plans (Bishop, 2010). The Mediterranean Region, with its favourable climate and natural and historical wealth, has become a popular leisure destination for advanced-industrialised European countries that have experienced long working hours since the mid-20<sup>th</sup> century (Lefebvre, 2009). Therefore, the capitalist organization and production of space in Mediterranean Islands like Cyprus is inevitable.

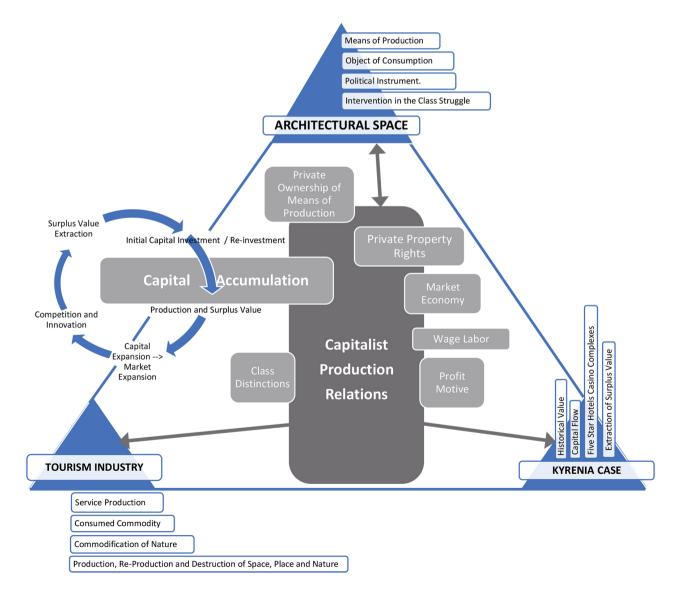
The main focus of this research is Kyrenia, a popular tourist destination in Cyprus located in the Mediterranean Basin, attracting visitors from various countries. Since the beginning of the 2000s, the city has experienced intense and problematic socio-spatial development driven by capitalist investors in the tourism, higher education, and construction sectors. This development has led to increased urban density, driven by the rise in tourist attractions and ancillary service spaces.

This study aims to examine how capitalist production relations shape social and architectural space and how capitalism incorporates architectural spaces into the capital accumulation process through the tourism industry. As seen in **Figure 1**, the study focuses on three interconnected domains

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related to capital accumulation: the tourism industry, architectural space, and the case of Kyrenia. The tourism industry, from a capital accumulation perspective, manifests attributes such as service production, commodity consumption, and the commodification of nature as well as the production, re-production, and destruction of space, place, and nature. Simultaneously, the production and utilisation of the architectural space exemplifying both investment property and service value, plays a strategically significant role in the cyclic process of capital accumulation. It entails capital investment and facilitates the production of services and goods to generate surplus value. This process contributes to capital expansion and market growth, incentivising competition and innovation, thereby generating surplus value and facilitating the prospect of re-investment. From a Marxist perspective, the study highlights Lefebvre four functions of architectural space: Means of Production, Object of Consumption, Political Instrument, and Intervention of Class Struggle (Lefebvre, 2009, 188). Using these functions, the study systematically examines Kyrenia's historical and cultural significance, capital flow, and the extraction of surplus value,, focusing on five-star hotel and casino complexes.





In this sense, this research adopts an empirical field study approach, and opens a discussion specifically through thirteen five-star hotels & casino complexes selected in Kyrenia. These architectural developments serve as essential cases for an in-depth analysis, offering insights into the intricate relationships between capitalism, architectural space, and the tourism industry. The study employs a combination of qualitative and quantitative techniques for data collection, presentation and analysis.

#### POLITICAL ECONOMY OF TOURIST SPACES

The tourism industry became noticeable during the mid-twentieth century, as a "growing feature of European cities" (Shoval, 2018), coinciding with widespread factory-based production and long working hours. It emerged as a service industry when capitalism sought new production and consumption forms to overcome the economic crisis and market stagnation in the 1970s. During this period, leisure-focused industries and the construction sector became the pillars of capitalism, displacing the manufacturing industry (Saunders, 1989).

Hence, tourism is a globally integrated fundamental constituent of advanced capitalist economies, acting as a typical feature of consumer culture that commodifies leisure and vacations (Britton, 1989; Featherstone, 1990; Santos, 2019). As such, it occupies a significant position within the capitalist economic system, as "an important vehicle of capitalist accumulation", encompassing the production of many tangible and intangible forms of commodities (Britton, 1991). Tourists are offered a wide range of services and an array of souvenirs, emphasising the industry's role in commodity production and distribution.

Despite being primarily based on service production, the economic importance of tourism goes beyond the production of commodities and services. It has a significant role in the economic development process of countries, as it triggers the development of various sub-sectors, such as the construction sector, ancillary services, sales, and transportation (Camilleri, 2018). Tourism is encouraged by governments due to its potential to accelerate and spread economic development and create employment opportunities (Vehbi, 2012). Thus, the tourism industry is dominated by various actors, including local and central governments and private enterprises, all seeking to integrate themselves into local and global capital flows. This makes tourism an indispensable component of the political economy of cities.

On the other hand, as a consequence of the flexible production and service industry, tourism requires specific spaces to manifest itself. Accordingly, tourism should simultaneously be viewed as creating its own "spatial ecosystem" (Santos, 2019),where tourist spaces reflect capitalist relations by commodifying leisure time alongside working hours (Saunders, 1989). By organising certain spaces, the capitalist economy effectively extends its influence over private life and leisure activities (Elden, 2007). This intervention has created two distinct division between work and leisure time, establishing a "spatiotemporal duality" between industrial cities and tourist destinations, separating leisure and working hours (Santos, 2019).

Tourist spaces become a part of the capitalist economic system, both as a factory of service production, and a consumed commodity. The capitalist society produced the notion of industrial space or industrial city; however, with the development of the tourism sector, new spatial approaches

emerged from the simultaneous exploitation of leisure time and natural spaces. In clearer terms, capitalism transforms natural spaces into commodities through tourism, integrating them into the exchange system. It continues by re-organising spaces through the burgeoning industries of leisure and culture (Lefebvre, 2009). Firstly, mountains, seas, and forests become new merchandise for global capital, accelerating, expanding, and intensifying surplus value extraction. Secondly, spatial production and organisation, particularly in cities, occur to accommodate tourist activities.

The integration of tourist spaces into the production chain makes them crucial for economic development strategies by governments and entrepreneurs. Thus, the production of tourist spaces is dominated by economic capital and decision-makers aiming to maximize profit. Here, the tourism industry plays a vital role, particularly in the economic development programs of non-industrialised geographies (Bianchi, 2011). Due to limited resources, government policies, and the growing leisure industry, tourism continues to gain prominence for small island economies (Hampton and Christensen, 2007; Seetanah, 2011). The sector has the potential to become the backbone of these economies, providing foreign exchange, tax revenues, and creating income and employment opportunities (Pratt, 2015).

Even though Small-Island Developing States prioritise tourism in their economic development strategies, Bishop (2010) emphasises both the rewards and significant challenges. Particularly, economic gain often come at the expense of built and natural environments, as well as socio-spatial structures. In addition, governments may adjust rules and laws to attract tourism investments and related sub-sectors. Santos (2019, 32) pointed out that tourism is a part of urban development strategies that impact the "rules surrounding accommodation and commercial activities" and "public urban facilities". The industry also drives property and land speculation, causing a rapid increase in land prices around tourist areas and affecting the construction sector and general urbanisation (Lefebvre, 1991).

Consequently, the tourism industry is crucial for developing societies and small islands like Northern Cyprus, which faces economic challenges and limited global recognition. This study will focus on Kyrenia, a coastal city in Northern Cyprus, discussion the capitalist production relations and the role of tourist spaces from a political economy perspective.

#### METHOD OF THE STUDY

This empirical study approaches tourist spaces from the frame of spatial political economy, linking capitalist production relations with space production. The political economy of space focuses on the spatial distribution of economic activities and the spatial strategies of capital. It serves as a "meta-language" of "meta-narrative" (Cuthbert, 2006), entailing production relations, modes of production, and the relations among actors during commodity production. Likewise, it explores how spaces shape the nature of politics, economics, and society within the capital accumulation processes (Hassan, 1999).

This study aims to create a meta-narrative by examining the production of tourist spaces through Lefebvre's functional categorisation of capitalist space in the capital accumulation process. According to Lefebvre (2009, 188), space in capitalism functions as a means of production, an object of consumption, a political instrument, and an intervention in class struggle.

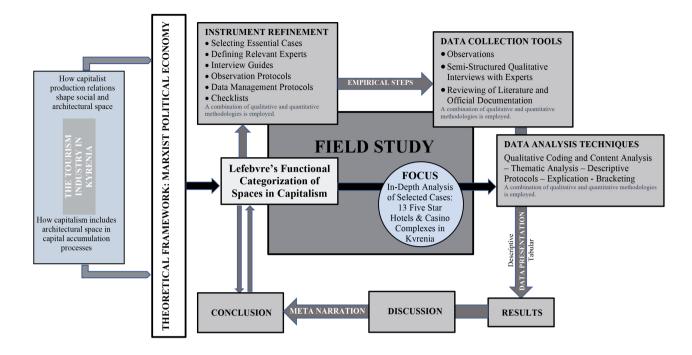


Figure 2. Research design and methodology

2. This group includes the president and former president of the Chamber of Turkish Cypriot Architects, four architects who own design firms where projects are implemented in Kyrenia, one urban planner, two academics, two local government officials, two ministry officials, and two high-level bureaucrats with strong knowledge of legislation.

The principles for semi-structured interviews were determined and a framework was created for researchers to examine the structure in detail and observe the users. It was planned to control and manage the data in the process and ensure operational continuity, and checklists were made. From this point of view, this research integrates these functions into its design and methodology, using Lefebvre's approach as a core idea.

As previously noted, the main research question, outlined in **Figure 2**, guides this exploration. The tourism industry in Kyrenia, known for its vibrant characteristics, provides an ideal apposite context to study the interrelationship between capitalism and architectural space. The theoretical framework is based on Marxist economic policy, providing a broad understanding of the socio-economic structures shaping the interaction between capitalism and architectural space. After defining the research question, scope and theory framework, the study focuses on Lefebvre's functional classification of spaces in capitalism. This conceptual framework, based on Marxist thought, offers a structured approach to examining the various functions of architectural space.

To conduct a systematic exploration, this research adopts a field study approach, concentrating specifically on thirteen five-star hotel and casino complexes in Kyrenia built between 2000 and 2019. This period marks the beginning of large-scale touristic activities in the city, extending up to the onset of the Covid-19 pandemic, which globally decelerated tourist activities. An in-depth analysis examines the physical, economic, and social structure of these developments, considering their facilities and their role in surplus value extraction in the capital accumulation process. To ensure precise data collection, the research instruments were carefully refined. This includes selecting essential cases, identifying relevant experts, creating interview guides, establishing observation protocols, and developing data management protocols and checklists. Accordingly, **Table 1** lists the selected cases and provides an overview of the content analysis of official documents. A group of 15 experts was selected for the interviews (**2**).

Subsequently, various data collection tools are employed to empirically capture the interaction between architectural space and capitalist accumulation. Direct observations, semi-structured qualitative interviews

3. A qualitative exploration approach is elucidated by identifying a group of experts and professionals competent in their respective fields for interviews. During the interviews, their opinions were sought to investigate the presence of tourist spaces in relation to capitalist production, their impacts on the economy, and to clarify how they operate in terms of conflicts and intermediations within the realms of production, consumption, and capitalism. To explore this, interview transcripts were created, and coding was performed to identify the level of functional quality of space within the context of capitalism. This determination was achieved through the interrater reliability process using a Likert scale, focusing on the four functions of space that form the foundation of the research. The resulting levels were marked as seen in Table 2. The inter-rater reliability process was implemented to ascertain the consistency and dependability of the coding results across different researchers, thereby augmenting the overall validity of the study. The achieved percentage, surpassing 85 for matching, signifies a high level of agreement among the researchers involved in the coding process. Averages for each parameter group for the identified functions are presented in the table.

4. Mainly based on written primary sources that consist of books, articles, and texts, about the tourism industry in Kyrenia, data from the Ministry of Tourism, Culture, Youth, and Environment, and State Planning Organisation.

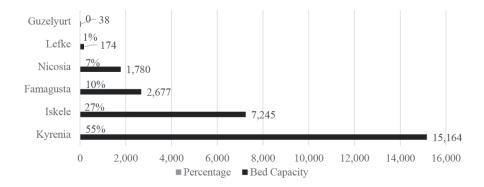
5. Net tourism income increased from \$302.2 million to \$954.4 million, and the ratio of net tourism income to the trade balance rose from 23.2% to 63% between 2006 and 2019. This data highlights the substantial growth in the tourism industry's contribution to the national economy (gross national product), which reached 22.2% in 2019. (Statistical Yearbook of Tourism, 2021, p.64).

6. North Cyprus has 165 tourist facilities -five-star hotel-casinos, apart-hotels and boutique hotels-, and 79 of them are located in Kyrenia (Statistical Yearbook of Tourism, 2024). (3) with sectoral experts, and a thorough review of literature and official documentation (4) contribute to obtaining a comprehensive dataset in this research. A combination of qualitative and quantitative methodologies is employed throughout the data collection, analysis and presentation stages. The analytical backbone of this study includes qualitative coding for interviews and content analysis of government reports, coupled with thematic and descriptive analysis techniques for observations assessment of the physical environment and social and cultural conditions. Statistical summaries and numerical data are presented as needed (**Figure 3** and **Figure 7**). Findings are presented using both descriptive and tabular methodologies and are discussed and interpreted in relation to the research question in the conclusion section. Consequently, this assessment suggests a methodological approach for future studies on architectural spaces within the framework of Lefebvre's functional categorization of spaces in capitalism.

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The tourism industry plays a substantial role in the economic growth of Mediterranean Island of Cyprus, particularly in northern region. The geographic and social division caused by the 1974 War ushered in numerous challenges for the country, including lack of international recognition and economic embargoes. Accordingly, the tourism industry has emerged as a cornerstone of economic development for Northern Cyprus economic development after 1980, helping sustain an economy (Katircioğlu et.al, 2010) otherwise hindered by political isolation (Ismet and Abuhjeeleh, 2016). During this time, Northern Cyprus economy witnessed a shifted from a production-based economy to a service-based economy, encompassing sectors such as tourism, higher education, and banking. Among these service industries, tourism holds a significant share in the country's National Gross Domestic Product **(5)**.

Northern Cyprus's has been shaped by capitalist spatial organization and production relations over a long time. Particularly, luxury hotel-casinos and resorts serve as one of the main contributors to economic growth, since the spatial reorganisation of the country is driven by capitalist regime and production relations (Özdemir, 2020). Kyrenia, known as the tourist capital of north Cyprus, exemplifies these capitalist production relations where spatial production relies on economic profit and the interests of capitalist actors. The city host a significant share of tourist facilities in Northern Cyprus **(6)**, accounting for a substantial 55% (**Figure 3**). Following closely is



**Figure 3.** Distribution of total bed capacities of tourism facilities in Northern Cyprus by districts, 2024.

7. "The Sea View lacked not only the latest tourist facilities such as en-suite bathrooms, trained staff, and refrigerators but also running water. The hotel's staff carried water upstairs to the rooms in barrels and cans, wine and beer were cooled in an outside well, and meat was roasted in the kleftiko oven. With the help of a British entrepreneur, Catsellis upgraded his establishment, and the Sea View, Provided with the latest facilities, was reopened in 1926" (Wiblinger, 127-128).

the İskele District, which has recently attracted the attention of both local and foreign investors, boasting a commendable rate of 27%.

Today, Northern Cyprus boasts of 24 five-star hotels with a total bed capacity of 16,886. Kyrenia has the dominant share, with 15 hotels offering 9,176 beds, accounting for 54% of the total capacity (SYT, 2024). These statistics underscore the pivotal role that Kyrenia plays in the country's tourism industry.

#### Development of Tourism Industry in Kyrenia

Kyrenia has become a popular tourist destination due to its location, unique natural beauty, pleasant climate, and remarkable historical wealth, dating back to its time as a British Colony. The arrival of the British Empire in 1871, as one of the early capitalist nations, marked the island's introduction to capitalism.

The spatial interventions of the Empire started by analysing the harbours, considered gateways to capitalism. In 1886, the Empire sent a company named Coodes Co. of London to evaluate the harbours (Yetkili, 2013). Larnaca and Limassol Harbours were classified as offshore harbours, while Famagusta's was emphasised for significant transformation activities. However, due to its geographical characteristics and location, Kyrenia's harbour was deemed unsuitable for large-scale transportation and designated primarily for fishing. This decision may have pave the way for Kyrenia to develop into a humble tourist city.

In 1914, the island officially became a British Crown Colony, triggering an intensive influx of visitors and marking the advent of conventional tourism in Kyrenia (Wiblinger, 2016). This period which can be interpreted as. This period saw the emergence of capitalist activities occurred alongside tourism, such as taxi services, souvenir shops, and an increase in accommodation facilities. Due to the intensive tourist flow, numerous residences were converted into pensions and boarding houses to meet growing demands. The first hotel '*Akteon*' was built by the sea, follows by "Coeur the Lion Hotel" to accommodation tourists' needs (Kastelli, 2023). In 1922, the first modern European-style hotel, the Sea View, was built without major hotel services (7) by a Greek Cypriot Costas Catsellis, who had previously worked in the hotel industry in New York and New Jersey.

Following the success of Sea View Hotel, Catsellis opened the Dome Hotel in 1932, designed by architect William Douglas Caröe. It became one of the most renowned hotels of the British Empire at the time rivalling international establishments like Raffles, The Crescent, Shepherds, and The





**Figure 4. (a)** The Sea View Hotel, postcard. (Ebay web site) **(b)** A Postcard of the Seaview and Dome Hotel by Daphne Mawby, 1934. (British Forces in Palestine web site)

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Figure 5. Dome Hotel and its surroundings in 1950 and 2020. (Reno Wideson, Cyprus Drone)

8. Nowadays, British visitors are still among the top foreign tourist flows, ranking fourth after Turkish, Iranian, and German citizens (SYT, 2022). Indeed, the city's coastal location and unique features have made it a popular tourist place.

9. ".... Other than the many traditional cultural and religious fairs and festivals annually celebrated, flower shows, yachting races, concerts and theatre performances were organised." (Katselli, 2023).

Phoenicia (Wiblinger, 2016, 128). Today, the Dome Hotel remains one of the city's most significant buildings, retaining its symbolic meaning.

Kyrenia became a favourite tourist destination for British citizens during that time. After World War II, the increasing number of hotels made the city an ideal holiday spots for both local and foreigners, attracting many British citizens to settle there permanently **(8)**. In the early 1970s, there was a significant increase in hotels and tourists, driven by the construction of a new road connecting Kyrenia to Nicosia from the eastern side. Simultaneously, this period also saw a notable expansion of cultural and traditional activities in the city (Katselli, 2023) **(9)**.

After the 1974 War and subsequent social division, tourism development in Northern Cyprus slowed due to political isolation, transportation problems, and economic embargoes. Although a few new hotels were built, many of the hotels from the early 1970s have remained untouched. In the 1990s, there was an effort to market Kyrenia as a conference tourism centre, leveraging the increase in the number of universities and their prospects. However, this attempt could not achieve the expected success (Warner, 1999). Even so, many hotels still offer facilities for meetings, conferences, and various events.

From the 2000s onwards, Kyrenia underwent a remarkable physical and social transformation alongside the growth of service production and tourist complexes. Özdemir (2020) attributed this development to Annan Plan, which opens up opportunities for growth in the construction sector, resulting in the built environment besides tourist facilities. In this sense, Kyrenia experienced spatial progress aimed at attracting tourists and, local and foreign investments. This include the development of hotels, hotel-



**Figure 6.** Distribution of five-star hotelcasinos in Kyrenia between the periods of 2000-2019.

10. See Table 2, Section A

**11.** Including five-star hotel-casino, 4\*, 3\*, 2\*, 1\*, special class hotels, boutique hotels, holiday villages and bungalows, holiday homes and tourist guesthouses.

**12.** The spatial information presented in the table was collected from the pertinent architects and business owners. In cases that we could not contact architects or authorised officials, we reflected partial information taken from the official website of hotels.

casinos, holiday villages, holiday homes, and other auxiliary service spaces such as cafes and restaurants.

The remainder of this study will focus on tourist accommodation spaces, particularly hotel-casinos (**Figure 6**), and using Lefebvre's functional classification of tourist space to examine capital accumulation processes and surplus creation through qualitative and quantitative research techniques.

#### Tourist Spaces as a Means of Production in Kyrenia

Urban and architectural spaces are considered components of economic capital, serving as means of production (Lefebvre, 2009). The importance of a produced commodity lies in the contribution of the surplus value generated through the exploitation of labour in production and the income from marketing the product. Considering the tourist spaces, the services and other parameters **(10)** offered under the umbrella of establishments function both as marketed commodities and surplus value generators.

Kyrenia is a spatial agglomeration of various service spaces, influenced by the tourism industry. Hotel complexes, cafes, and the real estate market, driven by residential tourism, cater to both foreign and local visitors, shaping the coastal city's physical organisation. The tourism sector considerably contributes to employment and capital flow through the production and consumption of various services. Regarding accommodation facilities, Kyrenia boasts 79 tourist establishments **(11)**, including 13 five-star hotel-casinos, built between 2000 and 2019, as listed in **Table 1 (12)**. These spaces not only provide employment but also drive economic activities and capital flow.

Hotels produce services marketed as intangible commodities, such as accommodation and dining. Each bedroom or restaurant in a hotel serves as a production area, enabling the production of these services, thus, directly impacting the quantity of marketed commodities and economic profit. Interviewees noted that this potential for increased economic income might occasionally lead investors to prioritise quantity over quality to

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		m Descripe Transf Bad Total Total Additional Services Employ							yement								
	Name of the tourism facility	District	Opening Date	Type of Capital	Bed Capacity	Campus Area	Building Area	Casino	litional Serv Convention	Spa/	Cap Hotel		Architect	Picture			
1	Merit Crystal Cove Hotel & Casino	Alsancak	2000	Turkish	632		39,000 m2	3,650 m2	2,068 + circulation	Wellness 1,500m2	388	564	Ziya Necati Özkan + Mustafa Dinçer (additional building)				
					349 rooms			9.3%	5,80%	3.84%	40.7%	59.3%					
2	The Arkm Colony Hotel Hotel&Casino	Girne	2003	Local	236	4,133 m2	7,944 m2	627 m2	130 m2	250 m2	192	333	Ziya Necati Özkan				
					94 rooms			7.9%	1.6%	3.1%	36.6%	63.4%		2			
3	Acapulco Resort Convention Spa	Çatalköy	2005	Local	2,597	120,000 m2	*	*	14,000 m2	4,700m2	823	251	Harun Kağansoy				
					850 rooms			*	*	*	76.6%	23.4%		Contraction of the Contraction o			
4	Merit Park Hotel & Casino	K/oğlu	2006	Turkish	580	50,000 m2	33,200 m2	4,380 m2	1,28	2,000 m2	342	472	*				
					286 rooms			12.9%	4.2%	%6.9	42%	58%					
5	Chamada Prestige Hotel & Spa	Çatalköy	2007	Local	342	42,680 m2	26,850 m2	3,500 m2 1100 m2	1200 m2	650 m2	373	349	Osman Sarper				
					rooms			13.03 %	4.4 %	2.4 %	51.7%	48.3%					
6	Vuni Palace Hotel	Girne	2007	Local	352	25,702m2	18,851m2	*	3256m2	500m2	6	256 97.7%	Pınar Göymen				
					rooms					2,00 /8	2.3%						
7	The Savoy Ottoman Palace	Girne	2008	Turkish	256	18,000 m2	10,000 m2	1,500 m2	*	*	148 21.7%	534 78.3%	Nazif Çataloğlu				
					rooms			1070			21.776	7010 70		-ALTEN VITIT			
8	Cratos Premium Hotel Casino Port Spa	Çatalköy	2010	Turkish + Local	820	200,000 m2	*	4,000 m2	1,510 m2	*	302	282	Mustafa Bladanlı				
					410 rooms									shutterstock.com - 605861810			
9	Grand Pasha Hotel & Casino Spa	Gime	2013	Local	256 128 rooms	6,691m2	10,518m2	*	2,530m2	1,000 m2	173	244	Pınar Göymen				
10	Merit Royal Hotel	Alsancak	2014	Turkish	508	38,500 m2 50,000 m2	87,092 m2	13,380 m2 + 2300m2 (2022)	7,220 m2 + circulation	3,500 m2	597	1194	Mustafa Dinçer				
					125 rooms			21.8%	8.5%	5.7%	33.3%	66.7%					

**Table 1.** Five-star hotel-casino complexes inKyrenia opened between the years 2000-2019.

maximise profits. Accordingly, expanding hotel campuses to maximise bed capacity or floor number can sometimes result in problematic consequences for the fragile urban fabric of this small-scale coastal city.

On the other hand, core services such as accommodation insufficient for generating significant income for investors and competing in the global tourism market. Functioning as means of production, these facilities attract consumers by offering a multitude of additional services, as outlined in **Table 1**. Within these conceived spaces, tourists can purchase luxury addons services as, augmenting their experiences. The variety and the number of services offered can be positively associated with consumers' satisfaction and the preference rate of the facility. Having spaces such as spa, casino, convention facilities, and diverse restaurants increase the profit capacity of establishments by catering to both visitors and locals. Most of the hotels highlight their spa, wellness, convention and casino services in names and advertisements to attract visitors seeking a comprehensive and luxurious experience. These services also boost the tourist preference rate in a competitive market.

Additional services create profit opportunities, especially during off– seasons, however, they also affect the spatial organisation of campuses and the urban context since each mode of production requires its own spatial counterpart to function, engendering physical growth of tourist campuses. These spatial diversity, catalysed by product diversity, affects affect architectural decisions from design concept to the building size. In the examined examples, the total area allotted to additional services ranges from 12.6% to 35.7% of the overall total building area.

Spa facilities generally include a many sub-spaces that have distinct spatial requirements. The richness of services offered corresponds to the diversity and specialisation of space, such as Turkish baths, saunas, therapy/massage rooms, and personal care rooms. These areas are specifically designed and crucial in architectural decisions, serving both as service production sites and surplus value generators due to the necessity for specialised personnel. In the examined hotels, spa facilities occupy between 4% and 20% of the total building area.

Convention facilities are another important service that has potential to generate economic income is. Considering the rise in education industry in Northern Cyprus, convention spaces are ready to serve educational activities such as congress and academic meetings. These flexibly designed spaces can also offer a wide range of services such as cocktails, exhibitions, company dinners, and wedding, generating income for the hotels across different seasons. Within this wide range of service opportunities, convention spaces are typically designed as multifunctional areas that can be combined or separated according to organisation and activities. This flexibility, observed in the selected hotels, support the production of various services. Both spa and convention spaces serve hotel visitors and temporary users who purchase services without staying in the hotels.

Nevertheless, in geographies such as Northern Cyprus, which are not economically developed and independent due to political embargoes, capturing a share of global capital may not be possible solely through luxury and variety of services offered. In such cases, to participate in global capital accumulation and attract capital flow from the global market may require some special niche sectors like gambling **(13)** which is an

**<sup>13.</sup>** Gambling is a 'coercive commodity,' in that its consumption is reorganised by consumers in a way that goes against their interests, even though they are aware of the potential negative consequences. (Young and Markham, 2017).

indispensable element of economic development strategies for both the state and entrepreneurs.

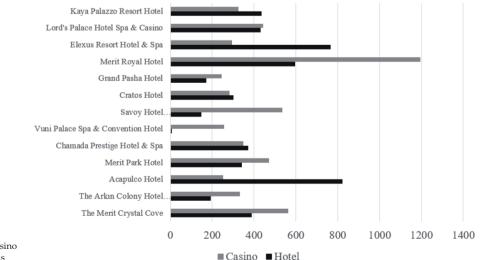
In addition to the profits gained through labour exploitation, gambling effectively generate surplus value through various tactics such as diverging sale price from value, taking advantage of a monopoly, and encouraging consumption by exploiting self-control issues (Young and Markham, 2017). Its high profit potential makes gambling a key service in tourist facilities in Kyrenia. Consequently, the development of spaces catering to gambling is a highly expected outcome within the capitalist system.

In the five-star hotels examined, as the surplus production areas, a total of 10,521 people are employed; 4,979 (47.3%) in hotel services and 5,442 (51.8%) in casinos (**Figure 7**). These figures indicate the importance of casinos as a commodity, that is, service producers and surplus generators.

The importance of gambling as a major profit generator is evident in the total square metres allocated to casino spaces. Casinos can occupy up to 22.5% total tourist facility. In the hotels examined, casino areas are generally located in the basement, having different gambling areas including VIP lounges for special plays that generate higher income. While these areas are housed within hotels, some casinos are operated independently from hotel management. This division provides extra profit for hotel owners.

In addition to benefiting private investments, gambling generates significant income for the state, acting as a state-led means of production. Gambling licences and permits are an important source of profit for local and central governments. For instance, each tourist complex is required to pay a non-refundable fee of 550,000 euros for to obtain gambling permission, renewable every three years. In addition, each casino pay 10% of its gross earnings from gambling activities monthly (Ekici and Caner, 2018).

Moreover, state intervention through legislations have redirected the production focus of tourist spaces, establishing conditions necessary for obtaining gambling permits. For example, a law enacted in 2009 mandate that hotels must meet certain criteria to qualify for a gambling permit. According to the law (Item 7), only 5-star tourist establishments or first-



**Figure 7.** Distribution of five-star hotel casino employment capacity in Kyrenia. Data has been taken from the Kyrenia Tax Office.

class holiday villages with a minimum capacity of 500 beds are eligible for these permits. This regulation incentivises investors seeking to capitalise on gambling services to invest in large-scale tourist complexes instead of small-scale developments more suitable to the modest scale of this coastal city.

The rapid increase in the number of hotel-casino facilities in Kyrenia since the early 2000s can be interpreted as the result of socio-economic factors driving growth in region's the tourism industry. Although gambling has become a remarkable contributor to the national economy, its impact on the physical environment warrants careful consideration. For example, the substantial economic return from casino services makes the produced service more important than the tourist space where it is housed. Besim et al. (2010, 118) drew attention to this issue, noting that "the significance of the casinos is proven by local signboards and newspaper advertisements which display a stronger emphasis on casinos than on the related hotels."

Intrinsically, tourist spaces in Kyrenia reflect the characteristics of capitalist spaces, primarily serving as venues of leisure activities and gambling services. This profit-oriented approach has engendered expansion of widespread and large-scale hotel complexes, allowing the production of more commodities, independent from the city's scale and context. This attempt generally approaches tourist space merely as containers, potentially neglecting the need for healthy physical and visual communication with local values, thereby risking destruction to natural, cultural and memorial assets.

Official records and numerical data serve as indicators of the impact of tourist spaces in Kyrenia, functioning akin to smokeless factories that profit from service delivery. In addition to the data gathered from observations, literature and content analysis of official documents, expert assessments are detailed in **Table 2**, Section A.

The establishment of 5-star hotels and casinos in Kyrenia significantly impacts diverse economic activities at a national level, creating employment opportunities and occasionally resulting in an overextended workforce during peak periods due to abundance of services. Furthermore, tourist spaces function as a means of production, producing core services like accommodation and restaurants, additional services like spa facilities, convention centres, and casinos, and auxiliary services including transportation, marketing, promotion, and retail.

Additionally, interviewees offered valuable insights into the economic significance of tourism properties as essential infrastructure that not only provides services but also bolsters the tourism sector. Their perspectives clarify the substantial contribution of these establishments to the broader tourism industry, supported mainly by government initiatives and preferred by capitalist entrepreneurs.

Thus, in addition to the descriptive analysis, it was generally observed that the function of capitalist space as a means of production was prominently emphasised in the evaluations of the fifteen interviewees across the seven parameters underlined in the interviews and outlined in **Table 2**, Section A.

#### Tourist Spaces as an Object of Consumption in Kyrenia

The basis of capitalist space production and organisation is to support and increase capital accumulation through production and consumption

### DISCUSSING THE PRODUCTION OF TOURIST SPACES AS THE TOOL OF CAPITALIST PRODUCTION RELATIONS

Slightly favorable

FUNCTION	1	2	3	4	5	6	7	8	6	10	11	12	13	14	15	Average assesment(*)	
s of	Fostering a variety of economic activities				•	•		•	•	•	•	٠					•
lean	Employment creation	•	٠	•	•		$\bullet$	٠	$\bullet$	$\bullet$	ullet	٠	$\bullet$		٠		•
N A a M tion	Surplus production which contribute to job creation indirectly	٠	٠	•	•		$\bullet$	•	٠	٠	٠	٠	ullet	•	•	٠	•
SECTION A Tourist Space as a Means of Production	Production of core services *	٠	•	•	•	•	•	•	•	•	•	•	•	٠	٠		•
SEC Spac	Production of additional services **	٠	•	•	•				•	٠	•	•	•	٠	٠		•
nist	Production of auxiliary services***	•	•	•			•				•	•	•		٠	٠	•
Tot	Tourism supporting Infrastructure and buildings	٠	٠	٠	•			•	٠	•	•	•	•	٠	٠	٠	•
General opinion of interviewers about 13 five star hotels & casino tourist spaces in Kyrenia functions as a means of production Very favoure											Very favourable						
an	Expenditure of Visitors****	٠	•	•	•	•			•	•	•	•	$\bullet$	٠	•	•	•
<b>B</b> 22 <b>C</b>	Consumption of natural resources	•	•	•	•		•		•	•	•	•		•	•		•
ECTION ist Space a Object of onsumptio	Consumption of historical wealth	٠	•	•	•		•	•	•	•	•	•	•	•	•	•	•
SEC urist Ob Cons	Consumption of architectural objects*****	•	•	•	•			$\bullet$	•	٠	•	•	•	•	٠		•
Tot	Consumption of city	•	•	•	•			$\bullet$	•	•	•	•	٠	•	•		•
	General opinion of interviewers about 13 five star hotels & casino tourist spaces in Kyrenia functions as a n object of consumption											Very favourable					
st sa al	Providing profit for local and central government from tourist investments	٠	•	•	•	•	•				•	•	•	•	•	•	•
Tourist C Tourist Space as a political	The manipulation of laws and bylaws for increasing touristic investments	•	•	•	•	$\bullet$	$\bullet$	$\bullet$	•	•	•	•	•	•	٠		•
SPE SPE pc	Encouraging foreign capital for tourist investment by incentive laws ******	٠	•	•			$\bullet$	$\bullet$	•	•	٠	•	•	٠	٠	•	•
General opinion of interviewers about 13 five star hotels & casino tourist spaces in Kyrenia functions as a political instrument Favorable												Favorable					
	Working class and the capitalist class	٠	٠	•	•		•		•	٠	•	٠	•		٠	٠	•
gle an	Conflict between local people and tourists / Local People and employees	•	•		•			$\bullet$	•		•	٠	٠	٠	٠		•
N D e as tion strug	Exclusion of local residents and workers from tourist facilities	٠	•		•			$\bullet$	•	•	•	•			•	٠	•
SECTION D urist space as intervention ne class strug	Prevention of the use of the environment	٠	•	•	•			$\bullet$	•	٠	٠	٠	٠	٠	٠		•
SECTION D Tourist space as an intervention in the class struggle	Increase in second home developments for locals due to the facility prices	•	•	•	•			$\bullet$	•	٠	٠	•	٠		٠		•
in To	Increase second home developments for tourists and create cultural diversity	٠	•	•	•			$\bullet$	•	•	٠	٠	٠	٠	٠		•
	Cultural differences regarding international workers and local people	٠	*		•		•	•			٠	•	•	٠	٠		•
General opinion of interviewers about 13 five star hotels & casino tourist spaces in Kyrenia functions as an intervention in the class struggle Favorable											Favorable						
*** Transportati ****Spending tin and recre *****The divers	, restaurants convention facilities (conference, meetings, weddings etc.), casino-gambling, on centers, tourist information centers, marketing and promotion areas, events me, money and energy to receive satisfaction from experiences of all kind of tu ation, culinary experiences, spa and wellness facilities, exclusive amenities and ity of aesthetic interpretations in architecture, themed environments, interior c endency on Turkey investigators due to political embargoes.	and ourist d ser	festiv tic fao vices	/als cilitie	es as o	custo	mers:	Ente	rtainı	ment	and o	casin	o fac	ilities	s, leis	ure	

· Moderately favorable

Table 2. Interview explication

\*). x Not at all favorable

14. See Table 2, Section B

**15.** Kyrenia is home to the unique historical 7<sup>th</sup>-century Byzantine Kyrenia Harbour and Castle, the ancient Shipwreck Museum, 12<sup>th</sup>-century Bellapais Abbey and village, and the St. Hilarion Castle, which is said to be the inspiration for the Walt Disney Castle. With the advantage of climatic conditions, beautiful beaches are visited by many local and international tourists each season. The city is commercialised as a commodity by various advertisements, newspapers, and brochures, which include various images of those natural and historic spaces.

activity, with commodities serving as fundamental drivers of this process. Until the mid-20<sup>th</sup> century, space primarily served as physical container for capitalist production relations. However, under capitalism's influence, which commodifies everything, space and land have evolved into object of consumption. This transformation is particularly evident in tourism facilities that require substantial investment and consumption of both tangible and intangible values **(14)**.

• Favorable

Very favorable

Within the Kyrenia context, the city functions primarily as a consumable commodity within the tourism industry. Vehbi (2012) claimed that the viability of the tourism industry depends on the availability of natural and/ or built resources that tourists demand, expect, and are willing to pay for. From this point of view, Kyrenia, with its rich coastal setting, historical and natural values, represents a marketable object **(15)**. Thus, making it a valuable asset exploitable by capitalists seeking profits through the tourism sector. Harvey emphasises the importance of symbolic capital in the investment processes of cities, where qualities appealing to this demanding sector attracts economic capital for new investments. The natural and historical wealth serves as important symbolic capital, especially for attracting both foreign and domestic investors.

The city's wealth, as pointed out by Santos (2019), influences spatial, functional, and social changes in cities with significant historical heritages. Each value in Kyrenia can be accepted as a symbolic capital –architectural and natural heritage- that attracts local and foreign tourism investors keen on getting a significant share from city's potential. In addition, the governmental efforts to promote the city further increase both tourist arrivals and investments as well. Thus, Kyrenia has been capitalised by investors, through the tourism industry and the construction sector, despite constraints on foreign capital flow due to its unrecognized status. The number of Turkish investors is considerable, since Turkey is the only country that recognises Northern Cyprus. Of the thirteen five-star hotel-casinos, seven were invested by local investors, seven by Turkish investors, and one jointly invested by local and Turkish capital (**Table 1**).

Each tourist facility produced also functions as an object of consumption, Serving both local residence and tourists in functional and visual capacity. To be consumed as a commodity, these tourist places and buildings must have a symbolic meaning/value that convinces consumers of their worthiness. Thus, the symbolic language of architectural objects comes to the fore, because the architectural style of a building can become a symbolic capital in attracting the attention of the consumer. Urry (1995) states that there is a direct relationship between the consumption of space and goods, highlighting a relation between the consumption of the services produced by tourist spaces and the attractive tourist places with high symbolic value. Therefore, tourist spaces should have visual/ symbolic attractions capable of enticing tourists to visit and consume the services provided.

Examining selected hotel-casinos reveals a diverse architectural language in tourist facilities/objects, manifesting eclectic design approach that include postmodern facades. These design however, do not necessarily align to the island's architectural memory and context (16). It is not surprising to find a Venetian Palace on one street and a postmodern breeze near a humble neighbourhood of the coastal city. It can be said that these consumption-led places are designed with the aim to attract consumers by promising a luxurious life and executive services. However, consistent with this design strategy, as it was emphasised by Vehbi (2012), the production of tourist spaces may cause some problematic consequences in traditional environments, by altering the physical appearance of coastal cities. Inskeep (1991) also criticized poorly designed tourist facilities and hotels that do not harmonize with local architectural style. In Kyrenia, as the interviewees mentioned (17), the large scale and use of inappropriate building materials on external surfaces cannot be integrated into the fragile natural environment of the coastal city, both in scale and architectural style. Kyrenia has a complex and problematic production of tourist spaces that needs to be questioned and discussed, especially considering its unique natural and historical texture. Therefore, the integration of produced tourist spaces with the local context should be reconsidered, taking into account the existing historical, architectural, and natural patterns, as well as public memory.

The commodities produced by the tourism industry are not limited to buildings and the natural environment. For instance, public beaches have become commodities marketed even to local citizens, often controlled by private enterprises, as an extension of accommodation facilities. The local community are required to pay to use most of the beaches which are occupied and reorganised by luxurious tourist facilities in Kyrenia. The

**16.** Also Besim et al (2010) mentions these buildings are mostly designed in the figurative classicism and postmodern classicism styles, which present contradictions with the city texture in terms of both scale and architectural language.

17. The interviewees, specifically the president and the former presidents of TRNC Chamber of Architects, emphasised this fact. The fourth and fifth parameters in Section B in **Table 2** includes these interpretations.

**18.** From the documents obtained from the Deputy Chairman of Cyprus Turkish Building Contractors Association. Besides, issues between the years of 2005-2019 of Propertync, which is a reputable real estate magazine in North Cyprus.

**19.** From the interviews with president and former president of TRNC Chamber of Architects

20. See Table 2, Section C

industry may also affect and commodify the surrounding lands, creating speculative prices, and providing extinction through the commodity. This commodification, as Vehbi (2012) mentioned, notable impact upon land prices, further affecting housing cost and overall living cost. In Kyrenia, land prices have increased dramatically, rising from 15,000 to 100-120,000 English Pounds (18) between 2003 and today. This increase, particularly evident, after the Annan Plan period, marked a turning point emphasized by many interviewees, as it opens avenues for new investments. There is a general opinion that this plan, which also triggered an increase in tourism investments, encouraged investors, especially of Turkish origin, to invest in this geography, since it possesses the potential to become a European Union territory (19). This perspective underscores Annan Plan's (2004, 100) role to in stimulating tourism investment, which emphasises the possibility to own the land through investment in the Article 14 "the owner of a significant improvement to an affected property may apply to receive title to that property considers the ownership of an affected land".

Correspondingly, the interviews reaffirm the characterisation of tourist destinations as consumption object, viewed from two distinct perspectives. Firstly, this pertains to consumption, wherein tourists expend their financial resources, time, and energy to acquire experiences and leisure. Secondly, there is a consumption of the natural, historical, architectural, and urban attributes of the local as an object. The average evaluation of the parameters explained in **Table 2**, Section B further corroborates this designation of the place as a consumption object, describing the destination as "very favourable."

#### Tourist Spaces as a Political Instrument in Kyrenia

Tourism is an economic activity influenced and moulded by political forces (Henderson, 2003). It not only benefits private enterprises but also provides economic and political outcomes for states. The development of tourist activities generally relies on the government's policies and strategies in accordance with Henderson's claim. Tourism serves as a multifaceted political tool, vital in the capital accumulation process on both the local and global scales. Accordingly, the incentive, planning, and expansion of tourist spaces, are in the strategic program of central and local governments. In the Kyrenia context, tourist spaces are included in the capital accumulation process by local and central governments through three main approaches **(20)**.

According to Özdemir (2020), in capital accumulation processes, state intervention is mandatory for the continuous flow of economic capital. This market alliance manipulates and (re)interprets legal frameworks, presenting a capital-oriented attitude in Northern Cyprus. In Kyrenia, central and local governments tend to intervene and rearrange laws and regulations, in order to trigger tourism-oriented investments, ensure domestic and foreign capital flow, and support related sub-sector investments.

One legislative regulations that plays a pivotal role in attracting local and global capital and accelerating tourism investments is the Tourism Incentive Law. Enacted under Act no.47/2000, the State Planning Organisation has been evaluating tourism investment projects since 2001 and issuing incentive certificates accordingly. In line with this law, 80.79% of the 625 incentive certificates issued have been for tourism investments (Investment and Incentive Guide for Investors, 2020). These incentive certificates offers various advantages, especially in tax exemptions, aimed at encouraging foreign capital to invest in landed development. At the same time, the state allows tourism investors to lease public land for extended periods and grants easement rights for infrastructure development, in favour of the public institutions that will establish the infrastructure. Investors seeking to establish a touristic accommodation or auxiliary facilities on public land can apply for long-term rental agreements through the ministry (Özbil, 2019). In addition, the Development Plan Law 55/89 government provides an opportunity to promulgate decrees for the privatisation of public land and buildings, further stimulating investment in Kyrenia's tourism sector (Özdemir, 2020). According to the Development Law Act no.16.5.c, Kyrenia is allowed to have up to 23,000 bed capacity (Tourism Development Law, 2021). Today, the city has a 16,340-bed capacity, signalling opportunities for new investments in tourism sector (SYT, 2022).

The laws and enactments serve as tools for local/central governments to vitalise the industry. On the other hand, the lack of a comprehensive city master plan leads to arbitrary decisions regarding tourism and city planning, resulting in a scattered urban pattern while the laws and enactments serve as tools for local/central governments for utilising the industry. As emphasised in the semi-structured interviews, these decisions, usually motivated by economic profit, include relaxed regulations to attract more investors, the rental of public properties and the unplanned distribution of tourist facilities throughout the city. Accordingly, this unplanned and inevitable spatial development creates many problems in terms of lack of infrastructure, deterioration of neighbourhood context/ texture, inconsistent building heights, and zoning permits.

In another respect, political relationships between countries, which are one of the important determinants of tourism patterns, has a strong influence on tourism planning in cities (Katircioğlu, Arasli, and Ekiz, 2007). Due to the unclear political conditions, the industry has a high dependency on the Turkish government in many ways, in terms of the tourism market, financial issues, and as a link to the world (Ismet and Abuhjeeleh, 2016). This dependency partly explains the increase in hotel-casino after 2000, following Turkey's ban on gambling and casino in 1999. Consequently, Kyrenia's tourism sector shifted its focus. Additionally, a strong demand has developed from the south side of Cyprus after April 2003, where gambling is also forbidden, with the opening of the border between the two Cypriot communities. Thus, hotel-casino tourism has become an important component of Northern Cyprus's economy (Scott, 2003), while simultaneously heightening dependency on Turkish tourism due to political embargoes (Altinay and Bowen, 2006). This situation has also paved the way for Turkish investors to invest in Northern Cyprus's tourism industry making them key actors in directing the sector and shaping space production in Kyrenia (Table 1).

It can be inferred that the development of the tourism industry in Kyrenia is contingent upon the political decisions by administrative bodies, particularly concerning infrastructure enhancements and new investments. Experts discussions, as seen in **Table 2**, Section C, broadly suggest that both local and central administrations benefits from tourism-related investments. There is a prevailing consensus that legislative frameworks are often manipulated to increase tourist investments, deliberately

21. See Table 2. Section D encouraging foreign capital through tailored regulatory measures to foster growth in the sector. Tourist Spaces as the Intervention of Class Struggle in Kyrenia Class struggle refers to the conflict between different social classes, typically between the working class and the capitalist class. The state and investors direct and accentuate class struggle to benefit the capitalist system (Lefebvre, 2009). The physical reflection of this struggle between these two groups shows itself in the production and organisation of spaces. In Kyrenia context, there is a notable struggle among various groups, including the working class, capitalists, locals, tourists, international workers, and residents, driven by the tourism industry. This struggle shows itself through a socio-spatial distinction between tourist facilities and their surroundings. The emergence of class conflict triggers capital accumulation through seven main parameters (21) related to tourism industry. Tourism negatively impacts the social and cultural environment, leading to alienation and social tension as local residents are excluded from tourist facilities in Kyrenia (Gunce, 2003). Hotel-casino complexes, in particular, create an invisible wall between the tourist space and local citizens. The production of tourist spaces is often designed to maximise benefit for investors and the state, which may not align with the interest of the local people. Moreover, tourist campuses can create significant pressure on the artificial and natural environment as well. Enclosed tourist facilities, offering a dream world to tourists with plethora of services, restricts local residents from accessing beaches, which is a fundamental right. These invisible barriers not only prevent physical interaction, but also prevent social interaction between the locals and guests. Particularly, gambling-focused tourism widens the distance between the two poles. The negative impact of gambling/casinos on the local society has been emphasised by different authors (Ekici and Caner, 2018; Altinay and Bowen, 2006; Gunce, 2003). According to Altinay and Bowen (2006), Turkish tourists, often gamblers, typically seek short-term accommodation and hotel-related activities, and generally require fewer services outside the complex. While this maximises benefits for capitalist entrepreneur, it severs the connection between local

people and tourists.

Besides, gambling service is exclusively produced for tourists, as they are forbidden for locals. Although many produced services like gambling appears accessible, they are economically inaccessible for the workers who produce them and are not intended for local benefit. In particular, five-star hotels target foreign markets with their prices instead of locals. As noted by interviewees (**Table 2**), this approach causes locals to invest in holiday homes for personal use or rent.

It is important to mention residential tourism in terms of class/social conflict, and the production of tourist spaces in Kyrenia. Residential tourism is an economic activity that concentrates on constructing, developing, and selling housing (Bru Giner, 2012), which is used either as holiday accommodation or as permanent/semi-permanent residences away from the owner's usual place of residence. This trend is a response to the contemporary modes of mobility that are prevalent in advanced societies. However, second-home developments often differ from the

**22.** The statistical data from the year 2015 up to today can be reached in the web site of TRNC Tourism Planning Department.

spatial habits and activities of the local people, encouraging different space production characteristics. Periodic users tend to construct residential units in accordance with their own spatial activities and living patterns, potentially changing the urban layout. Vehbi (2012) highlights these spatial effects of tourism due to second-home developments in the coastal city. While this market increases investor profits and provides income for both state and local/foreign investors, the socio-spatial texture of Kyrenia has been changing since the beginning of the 2000s.

In this sense, Kyrenia attracts Turkish citizens as well as British, German, Iranian and Russian people (22), who want to invest in this tourist area. This influx has significantly impacted the real estate market alongside residential tourism. The increase in foreign settlers has driven up land and housing prices, excludes local people from the target customer group. Interviewees noted that high foreign demand restricts locals' access to real estate. When we look at the real estate sector's public announcements in foreign languages, it is clearly observed that they target foreign demographic (**Figure 8**). The market, which progresses in this

<image>

<complex-block>

**Figure 8.** Different advertisements from the real estate sector in Kyrenia, 2024.

direction, offers residences consisting mostly of studios and, 1-2 bedroom apartments, catering to holiday and short-term rental needs, which do not meet the requirements of traditional Cypriot families and contribute to urban density.

The increasing number of foreigners and tourists has led to the growth in demand for other service spaces in Kyrenia. The city now has a great number of auxiliary service spaces such as bars, restaurants, coiffures, and local gathering spots that appeal and cater to this new social group. This demand has engendered the emergence of a cosmopolitan neighbourhoods within the city. The social diversity brought by the settling tourists has resulted in frequent destinations that appear randomly within the urban fabric and are generally preferred by people from similar nationalities. As emphasised by interviewees, a pub preferred by British citizens, a cafe preferred by Iranian people or a cafe frequently used by local people can be located in the same neighbourhood without any physical distinction or a pronounced difference in architectural language. Thus natural socio-spatial distinction can be observed in one street which is divided by invisible borders.

In line with this argument, interviews with experts and professionals (**Table 2**, Section D) generally emphasised that the establishment of hotel and casino establishments in Kyrenia has restricted public access to the sea, beaches, forests, and recreational areas, requiring fee for entry. Consequently, instead of staying in expensive hotels, local residents opt to own or rent holiday homes, leading to a conceptual and physical separation from these facilities. Moreover, overcrowding and inadequate infrastructure make it challenging for locals to access services. These restrictions on environmental usage hinder locals from freely enjoying their natural and cultural resources, leading to dissatisfaction and a sense of injustice. This situation can create conflicts between the local population, hotel and casino owners, and indirectly, tourists.

Additionally, due to high prices, some tourists prefer to reside in neighbourhoods where they can express their own identity rather than in hotels. This has resulted in different ethnic groups congregating in specific areas of the city, driving up real estate prices for the locals. Furthermore, the presence of multinational hotel employees, who possess socio-cultural backgrounds distinct from the local population, has resulted in the emergence of discernible social clusters.

#### CONCLUSION

This study examined the impact of the tourism industry on the urban and architectural space production within the framework of the political economy of space. Within this context, the dynamics underlying the production processes of tourist spaces, particularly five-star hotelcasinos in Kyrenia, a touristic coastal city, were discussed through the four functions of space in capitalism defined by Henri Lefebvre. This investigation into the function of architectural space within the framework of capitalist production relations has revealed compelling insights into the complex interplay between capitalism, architectural space, and capital accumulation, particularly within the dynamic context of the tourism industry.

Ultimately, the findings of this comprehensive field study, focused on thirteen five-star hotels and casinos in Kyrenia, employing various data collection methods including observation, interviews, and document review, underscore the significant role of the tourism industry in the economy of Northern Cyprus, particularly concerning spatial production. The study reveals that tourism spaces are intricately designed to align with the imperatives of economic capital, aligning with Lefebvre's conceptualization of space within capitalist frameworks. The results adversely highlight the organised nature of these spaces, which operate under the influence of decision makers driven by the pursuit of economic gain. Likewise, the evaluations of experts frequently underscore a range of issues, including the lack of compatibility of tourist facilities with the local context, their inability to integrate with the fragile natural environment, resulting in infrastructure insufficiency, and their propensity to create speculative effects by driving up land prices. Furthermore, discussions highlight the control exerted by tourist facilities over natural and physical spaces, often necessitating local residents to pay for their use. These developments often diverge from the spatial needs and habits of the local population, potentially fostering the creation of spaces at odds with the local identity. Thus, this dynamic contributes to a transformation in the socio-spatial fabric of Kyrenia.

This research has generated data that subsidies result in two main areas. Firstly, it established the relationship between the process of capital accumulation and touristic architectural space in a general sense, within the framework of Marxist political economy. The theoretical basis was established, and the research design is developed accordingly within this framework.

Secondly, it specifically scrutinised this relationship within the context of Kyrenia tourism spaces: In Kyrenia, tourist spaces are vital tools in the economic system, enabling capital accumulation and profit maximisation. These spaces, as per Lefebvre's functional classification, primarily serve as a means of production, generating various types of services such as core services (accommodation) and additional services (convention, spa, gambling). In most cases, additional services are dominantly highlighted in the marketing process to capture the attention of consumers, Serving as the profit drivers particularly during off-peak seasons The additional services causes' physical growth trend, making tourist spaces an absolute abstract container. The aim of increasing the profit margin and appealing to more tourists by offering more functions and services has created physical problems such as incompatible, and out-of-scale buildings within the context of this small coastal city.

Moreover, tourist spaces in Kyrenia serve as a consumable object within the framework of capitalist production relations. The city itself is a positioned as a consumable tourist space, readily available for investments, and to be consumed by visitors. It attracts a vast number of capitalists for investing in new tourist spaces, often transforming natural and traditional spaces and generating spatial production opportunities through the tourism industry. Besides, the city host many tourist spaces that visitors can consume both visually and functionally. However, it evident that five-star hotel-casino complexes threaten the coastal city's context due to their incompatible architectural language. The sector cannot produce a common architectural language suitable for the coastal city spirit, with the aim of marketing the "luxury" image and insensitivity to the context. Considering the fact that tourism has an economic contribution to developing countries, central and local governments and investors should develop political strategies that

support investments offering and marketing a coastal city life with smallscale tourist areas in line with the traditional texture of Kyrenia.

Further observed is that tourist spaces are part of the political strategies of governments in Kyrenia. Due to the recognition issues and economic underdevelopment, the sector is a profit generator for central and local governments as well. Thus, the production of tourist spaces directly depends on the economic capital strategies of profit-oriented governments besides entrepreneurs. The political interventions carried out via the changes in laws, has rendered the spatial formation of the city suitable for new touristic investments. The industry became a state-led activity, not only in Kyrenia, but across Northern Cyprus. The state supports space production both for attracting the new local and global investments and increasing the income deriving from tourist activities. At this point, the state should be aware of its potential in the global market and it should prepare laws and by-laws to preserve the coastal city life in terms of its natural, historical, and built environment.

Finally, the profit-oriented industry plays a significant role in shaping the socio-spatial dynamics of Kyrenia. It leads to a socio-spatial distinction, particularly between the two prominent social groups -tourists and local people-. The foreign customer market-oriented policies, that exclude local people, produce spaces in this direction. In this regard, new investments threaten the socio-spatial fabric via the new trend of residential tourism, which causes dense housing with an unsuitable spatial typology for the local society. However, it creates a great profit opportunity for investors, targeting foreign users demanding short-term touristic residential spaces. Additionally, the increase in service spaces such as restaurants, cafes and entertainment facilities primarily targets tourists and foreigners, making an invisible spatial distinction between locals and foreigners.

Consequently, space production under the influence of the capitalist economy is constantly evolving within changing framework of production modes, restructuring to supports the current economic system. Tourism, a striving industry today, creates its own ecosystem where governments and investors play crucial roles. The production of space thus becomes an integral part of the political economy of cities. This capital-oriented approach transforms spaces into abstract tools that is ready to be continuously reproduced, aim to increase economic profit. However, without comprehensive spatial strategic plans, as seen in the case of Kyrenia, this approach can lead to problematic environmental results in societies.

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#### TURİSTİK MEKAN ÜRETİMİNİN, KAPİTALİST ÜRETİM İLİŞKİLERİ ARACI OLARAK TARTIŞILMASI: GİRNE ÖRNEĞİ

Bu çalışma, kapitalist üretim ilişkilerinin mekan üretimi üzerindeki etkisini tartışmayı amaçlamaktadır. Kapitalizmin sermaye birikim süreçlerinin bir aracı haline dönüştürdüğü mekansal üretimi tartışırken, gelişmekte olan toplumların bu süreci yerel ve küresel sermaye akışını desteklemek için nasıl kullandığına odaklanmaktadır. Bu doğrultuda, kapitalist hizmet sektörünün bir ürünü olarak turistik mekanlara odaklanarak, mekansal politik ekonomi perspektifinden bir tartışma açmaktadır. Çalışma, Kuzey Kıbrıs'ın Girne kentinde, kapitalist üretim ilişkileri ile turistik mekanların üretimi arasındaki ilişkiyi irdeleyen bir saha çalışması sunmaktadır. Çalışma Lefebvre'nin sunmuş olduğu mekanın kapitalizmdeki dört temel işlevi üzerinden bir meta-anlatı sunmayı hedeflemiştir. Bu doğrultuda, Girne'deki turistik mekanlar bir üretim aracı, bir tüketim nesnesi, siyasal bir araç ve sınıf mücadelesinin müdahalesi olarak irdelenmiştir.

Sonuç olarak tartışmalar, Girne'deki turistik mekan üretiminin, kapitalist yatırımcıların ve hükümetin yönlendirmesiyle, ekonomik sermayeden yararlanabilecek bir şekilde geliştiğini göstermiştir. Ancak sermaye odaklı bu tutum, ekonomik kârı artırma hedefi doğrultusunda mekânları sürekli yeniden üretilmeye hazır, bağlamdan kopuk soyut bir araca dönüştürmektedir. Girne özelinde bu yaklaşım, güçlü bir mekânsal stratejik plana sahip olmayan bir toplumda sorunlu sosyal ve çevresel sonuçlara neden olmuştur.

# DISCUSSING THE PRODUCTION OF TOURIST SPACES AS THE TOOL OF CAPITALIST PRODUCTION RELATIONS: THE CASE OF KYRENIA

This study aims to open a discussion in relation to the production of space, under the effects of capitalist production relations. It primarily focuses on how developing societies utilise the production of space, as a tool of capitalism, for their articulation into local and global capital accumulation in a theoretical framework. In doing so, it concentrates on tourist spaces as a product of the capitalist service industry, thus opening a discussion via the perspective of spatial political economy. In this respect, the study presents a field study in Kyrenia, Northern Cyprus, investigating the relationship between capitalist production relations and the production of tourist spaces. The study intends to constitute a meta-narrative via Lefebvre's functional categorisation of space. Accordingly, tourist spaces in Kyrenia were scrutinised as a means of production, as an object of consumption, as a political instrument, and as the intervention of class struggle.

As a result, the discussions indicated that the production of tourist spaces in Kyrenia develops with the guidance of the capitalist investors and government, in a manner where economic capital can be benefited from. However, this capital-oriented situation turns spaces into an abstract tool that is ready to be constantly reproduced, in line with the aim of increasing economic profit. Within the Kyrenia Context, this approach has caused problematic social and environmental results in a society that does not have a strong spatial strategic plan.

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