Smooth Cohabitation in Amsterdam? The Impact of Increased Tenure Mix on Overall Neighborhood Confidence

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Several of Amsterdam's inner-city areas that formerly were dominated by affordable social and private housing are undergoing processes of gentrification. Most of the gentrification literature highlights tensions and avoidance between classes. Is this also the case in Amsterdam, or has an increased tenure mix in the Dutch capital had a smoother impact? We assumed that in areas with increased tenure mix in Amsterdam, neighborhood confidence levels would be increasing. Results analysed from the 2001 and 2009 biannual Living in Amsterdam Surveys showed that an increase in owner-occupancy rates was correlated with a small, but significant, increase in overall neighborhood confidence. Nor was there any evidence that gentrification led to widespread displacement of ethnic groups. Case studies of two gentrifying areas produced similar results. These results which question the usually pessimistic discussion of gentrification in the literature can be explained by a mild version of gentrification in Amsterdam. The paper discuses the prospects for such smooth cohabitation of classes continuing in Amsterdam in the future.

Keywords: Gentrification, urban renewal, tenure mix, ethnic diversity, neighborhood confidence, Amsterdam.

In American and British studies on tenure mix, multiple findings point to high tensions between classes. Studies on the social impact of gentrification, and to a somewhat lesser degree also studies on the effects of urban renewal, generally come to the same negative conclusions when they consider social life in the changing neighborhood. Lees et al. (2010) are typical of scholars who assert that gentrification - for a definition see Clarke (2005) - leads to class conflict. Gentrification, according to many American scholars, leads to neighborhood dissatisfaction among existing residents. They are said to feel disenfranchised and to experience a keen sense of relative deprivation. The out-migration of friends and neighbors disrupts social ties and the threat of displacement results in a sense of loss of one's own world and a feeling of not really belonging. 'There goes the neighborhood' is regarded as a dominant sentiment among lower class groups (Marcuse, 1986). But also recently arrived middle-class inhabitants of gentrifying neighborhoods are found to feel un-
comfortable. Gentrifiers in New York neighbourhoods complain about loudness and lack of civility among indigenous lower class residents (Freeman, 2006). Patillo (2007) highlights this issue in Chicago, although it should be noted that both the gentrifiers and the indigenous residents are black.

British gentrification case studies highlight “social tectonics” (Butler and Robson, 2003), clashing lifestyles and class conflict in previously poor areas that have been newly “discovered” by the middle class. These critical studies assert that neighborhoods are rapidly “taken over” by more affluent groups, leaving no space for the less affluent, original residents. Further, it is asserted that the process of ‘class replacement’ results in widespread discontent among residents. Similarly British and Australian case studies show that tenure mixing leads to negative stereotyping of vulnerable “deviant” neighbors by middle class groups (Ruming et al., 2004) and class tensions (Arthurson, 2002; Beekman et al., 2001; Cole and Goodchild, 2001; Jupp, 1999). The preceding suggests that gentrification, or tenure mixing associated with urban renewal, would lead to a decrease in the collective level of neighborhood confidence.

However, the literature suggests that gentrification and urban renewal do not always have negative impacts on established residents’ attitudes. For instance, Freeman (2006), in his case study research on Harlem and Clinton Hill (Brooklyn, New York) found that many established residents expressed satisfaction with their neighborhoods as a result of higher levels of safety and an increased number of amenities (such as newly opened supermarkets). Based on a review of British research on urban renewal areas, Sautkina, Bond and Kearns (2012) found mixed messages. Interclass contact and job opportunities did not improve and there was little evidence that middle-class people served as role models. On the other hand, tenure mixing improved the area’s popularity, reduced stigma, reduced crime levels and contributed to improvements in physical conditions. Thus it seems fair to say that tenure mixing can both help and hurt sitting residents. Apparently, a one sided gloomy picture does not tell the whole story.

COHABITATION OF CLASSES IN THE NETHERLANDS

How do urban renewal and gentrification impact overall levels of neighborhood confidence in cities that have a long tradition of social housing and relatively low levels of social inequalities and class and ethnic segregation? The Netherlands fits this description as a welfare state with long-established policies for redistribution. Furthermore, Dutch cities typically exhibit considerable cohabitation (i.e. mixing) of middle and lower class groups, even in areas that are dominated by the social rental sector (Musterd and Ostendorf, 2012). Furthermore, the level of ethnic segregation in large Dutch cities is moderate or average by European standards and is not increasing (Musterd and Ostendorf, 2009) although there are more than a
few neighborhoods in Amsterdam, The Hague, and Rotterdam, where non-Western groups constitute the overwhelming majority of the population.

Some Dutch authors have endorsed the gloomy scenario offered by British (and other) scholars. They question the need for tenure mix programs since segregation levels are low, and because mixing could lead to the adverse impacts mentioned above. For example, Van Bergeijk et al. (2008), states that “in [the] practice of urban renewal major differences in the neighborhood between rich and poor lead to tensions and friction.” Similarly, Reijndorp (2007) has argued that urban renewal fuels a “dichotomy between the disadvantaged and the educated.” Buys (2008) anticipates tensions ‘between haves and have-nots’ in gentrifying areas in Amsterdam. The national newspaper Trouw headed an article on an urban renewal area in The Hague with the statement that mixing was leading to unrest (Trouw, 2008).

On the other hand, individual case studies, particularly ones concerning nineteenth century gentrifying neighborhoods in Amsterdam, provide examples of peaceful co-existence among social classes, even when social distances between groups are considerable (Metaal and Teijmant, 2008). Similarly, Van der Veer’s survey of residents of gentrifying areas in Amsterdam (Van der Veer, 2009) shows high levels of satisfaction among all groups within the neighborhood. For example, in Oud-West (the old west) - where gentrification started before 2000 - most people experience a high level of income mix and value this positively. The level of satisfaction with income mix in the old west is comparable to that in the most expensive, prosperous areas of Amsterdam where there is a sense that the level of income mix is low.

Earlier research points toward a history of “mild gentrification” in Amsterdam. In the pioneer areas of gentrification in Amsterdam, the key ingredients were a gradual and limited increase in home ownership, the succession of those who left for “natural” reasons by local gentrifiers and a relatively stable tenure mix (Van Weesep and Wiegersma, 1991). We assume that the process of tenure mix is still mild and smooth. However, as noted, some Dutch scholars doubt if this is the case. Thus, bits and pieces of the puzzle have been collected, but they do not point in one direction regarding overall levels neighborhood confidence in mixed areas. Moreover, the effects of tenure mix on the ethnic dimension, are mostly neglected. The remainder of this article attempts to close this gap. First, however, we turn to the Amsterdam policy of tenure mix.

THE POLICY OF MIXING-UP AMSTERDAM’S “POOR” NEIGHBORHOODS

Since 1998, the city of Amsterdam has sought to increase the number of owner-occupied dwellings within areas that traditionally have been dominated by low priced rental housing. Most of the selected areas are considered by policymakers
as deprived neighborhoods. As a result, the post-war districts with large housing estates owned by social housing associations have been targeted for urban renewal. As part of this process, large parts of the housing stock have been converted into owner occupied housing.

On the other hand, many pre-war neighborhoods with cheap housing in Amsterdam and other Dutch cities have been undergoing gentrification. Amsterdam retains some control over this process through the “controlled” sale of social and private rental housing. Controlling the pace of gentrification is possible since owners of private rental apartments cannot freely convert their real estate from rentals to owner occupied homes. Furthermore, social housing corporations offer selected parts of their stock for sale. The combination of these pro-tenure-mixing policies has had a clear effect. Between 1995 and 2009, the percentage of social housing across the city decreased from 64 to 49 percent, and is expected to decrease to 40 percent in 2020 (Amsterdam City Council, 2008).

Compared to other cities, Amsterdam’s policy-makers have greater power in shaping the housing market. While this control is not as evident as it was in the 1970s, the liberalization of the housing market has been modest, especially in comparison with cities in the U.S. and the U.K. (Van Gent, 2012). Furthermore, Amsterdam’s tenure-mix policies are still strongly regulated and closely monitored. To minimize potentially negative effects of urban renewal or gentrification, low-income residents are supported by rent controls and subsidies.

Amsterdam’s housing vision for 2020 strives for “mixed neighborhoods of poor, rich, young and old.” The central aim is to avoid “social segregation and spatial division” (Amsterdam City Council, 2008). The policy frame of this undivided city politics is almost explicitly color-blind. While other Dutch cities such as Rotterdam (in certain periods) have openly focused on ethnicity i.e. the renewal of areas with “high levels of non-native Dutch residents” (Rotterdam City Council, 2005, in Ouwehand and Doff, 2013, in this issue), Amsterdam primarily focuses on social class based on the assumption that income mixing will lead to ethnic mixing as well (Amsterdam City Council, 2008).

Some experts are critical of this color-blind policy, because they believe that ethnic segregation is becoming a more serious problem than income segregation (Musterd, 2005). The Amsterdam color-blind policy also conflicts with public opinion. Many native Dutch residents are concerned with the expansion of non-Western ethnic enclaves and research shows higher levels of discontent in ethnically mixed than ethnically homogeneous areas (Van Oirschot et.al., 2011).

This article examines the influence of increased tenure mix on overall levels of neighborhood confidence. More specifically we test for the impact of tenure mix on neighborhood levels of (1) residential satisfaction, (2) the sense of belonging, and (3) perceptions of social contacts in the area. As mentioned earlier many academic experts have been pessimistic about the impact of tenure mixing (either via gentrification or urban renewal), so our analysis tests whether this “doom and gloom”
scenario is justified. We also consider how these policies influence the position of ethnic minorities in these areas, and use both quantitative analysis and qualitative analysis to address these issues.

For the quantitative part, we are partly inspired by Putnam’s study (2007) on the effects of diversity on overall confidence in neighborhood life. One of the criticisms of Putnam’s work is that it does not make use of longitudinal research; it shows us snapshots rather than trends. Dutch researchers inspired by Putnam, for example Lancee and Dronkers (2009), also rely on cross-sectional data. Other limitations of Dutch studies include the fact that they often rely on outdated data and methods to operationalize and measure neighborhood confidence levels that are flawed. We address these limitations, for example, by employing a longitudinal rather than a cross-sectional data set.

Urban renewal in the Netherlands is found in almost all the medium and large cities. However, gentrification is limited to just a few Dutch cities, and within these, to a handful of neighborhoods. In Amsterdam, however, gentrification is a common phenomenon in almost all of the nineteenth century neighborhoods located within the Ring Road, i.e. the circular motorway that surrounds the central parts of the city (see Buys, 2008).

**RESEARCH DESIGN: DATA ANALYSIS OF TRENDS AND CASE STUDIES**

To examine the effects of increased tenure mix, we employ multivariate regression analysis. For our analysis, we use survey data from *Wonen in Amsterdam* (Living in Amsterdam, or WiA). This survey is conducted biennially by Amsterdam’s Dienst Onderzoek en Statistiek (Research and Statistics Department). We use data from the years 2001 and 2009, when 17,346 and 18,166 Amsterdam residents over 18 years of age, respectively, were questioned about their homes and their neighborhoods.

The sale of private and social housing units and the construction of new owner-occupied ones are the main instruments for altering the tenure mix of neighborhoods. For our selection of recent urban renewal and gentrification areas, we looked for neighborhoods that previously had a housing stock that was relatively “one-sided” (i.e. neighborhoods with less than 10 percent owner occupied housing in 2001) and had experienced an average or above average increase in owner-occupancy in the period 2001 to 2009. Neighborhood confidence, following Boutellier et al. (2007) and Van Oirschot et.al. (2011), is operationalized as the sum of five factors: satisfaction with the neighborhood, the extent to which people feel at home, expectations regarding the neighborhood’s future, perceptions of social interaction and perceptions of residents’ participation in neighborhood life. We analyzed changes in neighborhood confidence at the neighborhood level rather than the individual level. (Consequently our conclusions based on neighborhood level data may not be ap-
applicable to individuals). Are ‘upgraded’ areas previously dominated by cheap rental housing more likely to experience increases in neighborhood confidence? What is the importance of neighborhood variables versus individual characteristics in explaining changes in overall levels of neighborhood confidence? Maps are used along with the regression analysis. The scale of analysis that we used, (statistical neighborhood combinations, rather than cities, districts or blocks - the lowest community level), proved worthwhile. Currently, Amsterdam consists of 97 statistical neighborhood combinations, each with approximately 8,000 inhabitants.

In order to understand the apparent trends in neighborhood confidence in gentrifying neighborhoods, we selected two comparable pre-World War II gentrifying areas for further qualitative research (See Campbell (2003) for the wealth of case studies). We conducted interviews with researchers, policy-makers and professionals in order to best explain our empirical results for gentrifying areas.

**RESULTS: TENURE MIX AND NEIGHBORHOOD CONFIDENCE**

The survey data\(^{10}\) show that between 2001 and 2009, the overall level of neighborhood confidence in Amsterdam increased significantly, from an average of 6.23 (on a 10-point scale) in 2001 to 7.04 in 2009. Most neighborhoods show a parallel trend, based on the low standard deviation.

On a city level in 2009, 25 percent of Amsterdam’s housing units were owner-occupied, a 10 percent point increase since 2001 (Table 1).\(^{11}\) In neighborhoods experiencing gentrification, this increase is slightly higher, while in urban renewal areas there was sometimes more than a 30 percent increase. Between 2001 and 2009, property prices in Amsterdam more than doubled, increasing from an average of €125,642 per unit to €259,758. Finally, our data shows a slight increase in the proportion of non-Western immigrants over this period.

Figures 1 through 3 portray these trends spatially (i.e. owner-occupancy, levels of neighborhood confidence and the proportion of non-Western immigrants). We can see a ring of nineteenth century neighborhoods around the city center where the proportion of owner-occupied homes has increased due to gentrification. A sharp rise in owner-occupancy is visible in Amsterdam Southeast (the Bijlmer) due to urban renewal (Figure 1). There was little change in the prosperous central canal belt, where home ownership was already relatively high in 2001.

Figure 2 portrays trends in overall levels of neighborhood confidence. The most significant increases occurred in districts that have witnessed significant urban renewal or gentrification, including the Kinkerbuurt, the Baarsjes, Bos and Lommer (Amsterdam Old West), the Indische Buurt (Amsterdam East) and the Bijlmer (Amsterdam Southeast). We see that two traditionally high-status neighborhoods - downtown and the chic Old South - experienced only weak or moderate growth in confidence levels: they have exhibited high levels over time. Moreover, though
all show similar increases in owner-occupancy, not all of them show comparable increases in neighborhood confidence. In general, neighborhoods in Amsterdam Old West have witnessed greater increases than their counterparts in Amsterdam East.

**Table 1: Descriptive statistics**

<table>
<thead>
<tr>
<th>Item</th>
<th>Average</th>
<th>Standard deviation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighbourhood level</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Confidence in the neighbourhood 2001</td>
<td>6.23</td>
<td>0.60</td>
<td>4.82</td>
<td>7.27</td>
</tr>
<tr>
<td>Confidence in the neighbourhood 2009</td>
<td>7.04</td>
<td>0.47</td>
<td>5.93</td>
<td>7.83</td>
</tr>
<tr>
<td>Share of owner-occupied units 2001</td>
<td>15.24</td>
<td>11.53</td>
<td>0.36</td>
<td>62.95</td>
</tr>
<tr>
<td>Share of owner-occupied units 2009</td>
<td>25.13</td>
<td>10.45</td>
<td>4.79</td>
<td>55.83</td>
</tr>
<tr>
<td>Property value 2001 in euros</td>
<td>125,642</td>
<td>46,213</td>
<td>67,587</td>
<td>310,325</td>
</tr>
<tr>
<td>Property value 2009 in euros</td>
<td>259,758</td>
<td>114,264</td>
<td>143,699</td>
<td>752,094</td>
</tr>
<tr>
<td>Proportion of non-Western immigrants 2001</td>
<td>30.06</td>
<td>18.08</td>
<td>5.29</td>
<td>77.04</td>
</tr>
<tr>
<td>Proportion of non-Western immigrants 2009</td>
<td>32.80</td>
<td>19.10</td>
<td>7.77</td>
<td>78.42</td>
</tr>
<tr>
<td>Individual level</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female (%)</td>
<td>40</td>
<td>49</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Age (years)</td>
<td>47.64</td>
<td>15.50</td>
<td>18.00</td>
<td>98.00</td>
</tr>
<tr>
<td>Income (euros)</td>
<td>2,617</td>
<td>1,688</td>
<td>101</td>
<td>19,584</td>
</tr>
<tr>
<td>Length of residence (years)</td>
<td>11.17</td>
<td>10.84</td>
<td>0</td>
<td>81</td>
</tr>
<tr>
<td>Primary education (%)</td>
<td>6</td>
<td>24</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Lower secondary education (%)</td>
<td>13</td>
<td>34</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Higher secondary education (%)</td>
<td>19</td>
<td>39</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Higher education (%)</td>
<td>58</td>
<td>49</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Non-Western immigrant (%)</td>
<td>18</td>
<td>38</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Western immigrant (%)</td>
<td>14</td>
<td>35</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Private rental (%)</td>
<td>14</td>
<td>35</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Social rental (%)</td>
<td>45</td>
<td>50</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Owner-occupied (%)</td>
<td>39</td>
<td>49</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Feel safe in the neighbourhood</td>
<td>7.72</td>
<td>1.59</td>
<td>1</td>
<td>10</td>
</tr>
</tbody>
</table>

*N* 12878

*Note: This table is based on unweighted data. Data on owner-occupancy, property values and the proportion of non-Western immigrants in the neighbourhood come from the Research and Statistics Department (O&S) of the Municipality of Amsterdam, not survey data.
Surprisingly, but consistent with Amsterdam’s “moderate gentrification” growing owner-occupancy levels and rising property prices have not been accompanied by decreases in the percentage of immigrants residing in these areas (Figure 3). In contrast, in urban renewal areas, the immigrant population has increased. These results are in line with other recent research (Planbureau voor de Leefomgeving, 2010; Wittebrood and Permentier, 2011), which shows no ethnic dispersal or displace-
ment. It is possible that many of the new homeowners are economically mobile immigrants who are shifting from social housing to homeownership.

**Figure 3:** Change in share of non-Western immigrants

Figure 3 portrays citywide changes in the distribution of non-Western immigrants in Amsterdam. Areas that have witnessed more change, which is to say a greater growth in the percentage of non-Western immigrants lie in Amsterdam New West, North, and Southeast (Holendrecht). Surprisingly, the predominantly native Dutch city center and Old South have also witnessed relatively large increases.

Table 2 helps us to understand the determinants of neighborhood confidence levels in 2009. First of all, individual characteristics of respondents appear to have a greater impact on the levels of confidence than the characteristics of the neighborhoods in which they live. The intra-class correlation coefficient is 12.6 percent. This means that 12.6 percent of the variance is at the neighborhood level. Also perceptions of safety influence neighbourhood confidence levels.

The results indicate that housing differentiation has a positive effect on overall neighborhood confidence. To assess the impact that growing home ownership levels have on neighborhood confidence, we used four different models: 1) an empty model (the null model); 2) the empty model plus the proportion and trend of non-Western immigrants living in the neighbourhood; 3) the preceding plus changes in owner occupancy and property values, and; 4) model 3 plus individual characteristics.
Table 2: Multi-level regression analysis of determinants in levels of neighbourhood confidence, 2009

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>b</td>
<td>SE</td>
<td>b</td>
</tr>
<tr>
<td><strong>Area features</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of non-Western immigrants 2009</td>
<td>-0.0216***</td>
<td>0.00142</td>
<td>-0.00981***</td>
</tr>
<tr>
<td>Trend non-Western immigrants 2001-2009</td>
<td>-0.382***</td>
<td>0.127</td>
<td>-0.384***</td>
</tr>
<tr>
<td>Confidence in the Neighbourhood 2001</td>
<td></td>
<td></td>
<td>0.373***</td>
</tr>
<tr>
<td>Owner occupancy 2009</td>
<td></td>
<td></td>
<td>0.00323</td>
</tr>
<tr>
<td>Trend owner occupancy 2001-2009</td>
<td>0.00682**</td>
<td>0.00315</td>
<td>0.00511**</td>
</tr>
<tr>
<td>Trend property value 2001-2009</td>
<td>0.305***</td>
<td>0.101</td>
<td>0.153*</td>
</tr>
<tr>
<td><strong>Individual characteristics</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Age</td>
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<tr>
<td>Income</td>
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<tr>
<td>Length of residence</td>
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<tr>
<td>Lower secondary education</td>
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<tr>
<td>Higher secondary education</td>
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<tr>
<td>Higher education</td>
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<td></td>
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<tr>
<td>Non-Western immigrant</td>
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<tr>
<td>Western immigrant</td>
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<tr>
<td>Private rental</td>
<td></td>
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<tr>
<td>Social rental</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feel safe in the neighbourhood</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>7793***</td>
<td>0.0565</td>
<td>4633***</td>
</tr>
</tbody>
</table>

**Proportion of Variance**

<table>
<thead>
<tr>
<th></th>
<th>Neighbourhood level</th>
<th>Individuals</th>
<th>Neighbourhoods</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.02</td>
<td>12,878</td>
<td>74</td>
</tr>
<tr>
<td></td>
<td>.01</td>
<td>12,878</td>
<td>74</td>
</tr>
<tr>
<td></td>
<td>99.99</td>
<td>12,878</td>
<td>74</td>
</tr>
</tbody>
</table>

*** p <0.01, ** p <0.05, * p <0.1

Note: The bottom of Table 2 presents the proportion of variance. There are various ways to show the variance explained on an individual and neighborhood level, in which the latter is usually quite low compared to the explained variance on individual level. Here, the differences between the individual and neighborhood level are surprisingly high. Using absolute variance would probably lead to other scores. The highly comparable analysis of Van Oirschot et al. (2011) shows explained variances of 16%
on neighborhood level and 84% on individual level. We cannot account for the much bigger variance difference in our analysis.

However, we are not concerned with the difference between the variance on individual and neighborhood level. We are primarily interested in the relative impact of the changed tenure mix, i.e. the independent variable “trend owner occupancy 2001-2009” when a range of relevant independent variables (see Model 3) is taken into account. For such purposes, regression coefficients (b-coefficients) are often standardized into-scores (see Table 3), because that facilitates the interpretation when one wants to compare the effects of different variables within one sample (Hox, 2010).

<table>
<thead>
<tr>
<th>Variables</th>
<th>b</th>
<th>Standard deviation</th>
<th>β</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood confidence 2009 (dependent variable)</td>
<td>not applicable</td>
<td>0.468</td>
<td>not applicable</td>
</tr>
<tr>
<td>Trend owner occupied units (2001-2009)</td>
<td>0.005</td>
<td>6.626</td>
<td>0.071</td>
</tr>
<tr>
<td>Trend property value (2001-2009)</td>
<td>0.153</td>
<td>0.246</td>
<td>0.080</td>
</tr>
<tr>
<td>Trend non western immigrants (2001-2009)</td>
<td>-0.325</td>
<td>0.195</td>
<td>0.135</td>
</tr>
</tbody>
</table>

N=12878

* Note: In multilevel analyses, calculating β-scores requires a simple procedure (see Hox, 2010: 22). One multiplies the unstandardized b-coefficient with the standard deviation of the independent variable, and divides the outcome by the standard deviation of the dependent variable (neighborhood confidence in 2009). The last column of Table 3 shows the results. As expected, the relative impact of the variable “trend non-western immigrants 2001-2009” (β =0.135) is bigger than the relative impact of the variable “trend owner-occupied units 2001-2009” (β =0.07). Nevertheless, the statistically significant effect of the changed tenure mix is small, but certainly not negligible.

It is possible that the positive effect of increased homeownership on neighborhood confidence is merely a function of an area’s changing ethnic composition. In other words, more home ownership reduces the number of non-Western immigrants, and this leads to higher confidence levels. However, this reasoning is incorrect for two reasons. First, tenure mixing policies apparently did not, as anticipated, lead to a drop in the proportion of non-Western immigrants. Second, an increase in owner-occupancy has an independently positive effect on neighborhood confidence over and beyond the impact of ethnic composition. Controlling for the percentage of non-Western immigrants living in the neighborhood and how this changed between 2001 and 2009, Models 2 and 3 show that increased owner-occupancy is positively related to neighborhood confidence. We also found that increasing property values had a significant positive effect. Our analysis further confirms Van Oirschot, Slot and Van Oirschot (2011) finding that the proportion of non-Western immigrants is negatively related to levels of neighborhood confidence. Finally, the relative impact
of the variable “trend non-western immigrants 2001-2009” ($\beta = 0.135$) is bigger than the relative impact of the variable “trend owner-occupied units 2001-2009” ($\beta = 0.07$, see Table 3). Thus, the statistically significant effect of the increased share of owner-occupied housing is small, but certainly not negligible. This effect appears independent of the effect of the share of non-western immigrants.

“MILD GENTRIFICATION” IN TWO POPULAR AMSTERDAM NEIGHBORHOODS?

The preceding analysis reveals that in gentrifying and urban renewal areas that were previously dominated by relatively cheap rental housing, an increase in home ownership and rising property prices lead to greater neighborhood confidence at a collective level. This is less of a surprise for urban renewal, since another recent Dutch study has produced the same results (Wittebrood and Permentier, 2011). However, it is a relatively new finding for gentrifying areas. Therefore we analyzed two case studies of gentrification areas.

How can we best explain the increase in overall neighborhood confidence that becomes apparent in gentrifying neighborhoods? Presumably, the higher confidence levels at the neighborhood level reflect optimism among both gentrifiers and indigenous residents—although it is impossible to verify this supposition from our analysis at the neighborhood level.

Two decades ago, Van Weesep and Wiegersma (1991) coined the term “mild gentrification” to describe neighborhood dynamics in the central Amsterdam neighborhood of Jordaan. Gentrification was mild both in tempo and in underlying social processes. First, there was a gradual and limited increase in home ownership less than 1 percent a year in the case of the Jordaan.

Second, gentrification reflected “natural change” rather than displacement. Indigenous families chose to leave voluntarily in favor of larger homes in suburban areas as well as on account of their aging (when the elderly were no longer able to live independently). In the meantime, young people who had moved to the city to study and work, and who had entered the housing market via student housing in the city center, moved into the vacant houses. This succession from within by “natural” gentrifiers was the cornerstone for mild gentrification.

Third, gentrification led to a relatively stable tenure mix. The rates of owner-occupied housing increased at the expense of the private rental sector. However, the share of the social rental sector also increased as a consequence of the drop in private rental housing. Today, after more than 20 years of gentrification, 40 percent of the housing in the Jordaan area is still social housing (Veldboer et. al. 2011). We believe that this type of mild gentrification is occurring in other Amsterdam neighborhoods that have become popular with the middle class, such as the Pijp (Boer, 2005) and Westerpark (Metaal and Teijmant, 2008).
To see whether “mild gentrification” accounts for the increasing levels of neighborhood confidence, we interviewed 24 key informants in two areas that have recently undergone gentrification: the Kinkerbuurt Noord in (pre-war) Amsterdam West and Oosterparkbuurt in (pre-war) Amsterdam East. Both areas (see Figure 4) have long histories as working-class neighborhoods. In recent years, they have witnessed similar developments: moderate and gradual increases in owner-occupancy, as well as in average incomes and relatively rapid increases in property values. In both neighborhoods, there has been a very slight decrease in the proportion of non-Western immigrant residents (see Table 4).

| Table 4: Developments in Kinkerbuurt Noord and Oosterparkbuurt, 2001–2009 |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Share of owner-occupied units | 6.9                        | 17.7                       | 9.8                        | 19.2                       | 15.2                       | 25.1                       |
| Non-Western immigrants      | 27.7                       | 24.4                       | 40.6                       | 38.2                       | 30.1                       | 32.8                       |
| Overall level of Confidence in the Neighborhood | 5.77                       | 7.33                       | 5.87                       | 6.87                       | 6.23                       | 7.04                       |

We conducted semi-structured interviews with researchers, professionals, and politicians, who we assumed would have a good feel for the neighborhoods. We asked them about the pace of gentrification, the distinguishing characteristics of gentrifiers, and how indigenous residents perceived gentrification. Based on these interviews, previous research, and existing reports we can conclude that the idea of mild gentrification is not completely applicable to both Kinkerbuurt Noord and Oosterparkbuurt. First of all, the voluntary move-out by low-income residents has decreased significantly. (Furthermore, their opportunities to move up the housing ladder in the area are constrained by long waiting lists for social housing and their low incomes). Conversely, the neighborhoods’ social climbers, such as former students, are no longer the obvious “natural” gentrifiers. Instead, high property prices have increased the inflow of others, more affluent families at later stages of the family life cycle. The latter have greater financial means, but do not always have an eye for the neighborhood’s history. According to key informants this has led to some tensions based on lifestyle differences between the “new yuppies” on the one hand,
and the two neighborhoods’ original residents and immigrants on the other. In a sense, the newcomers are situated in opposition to earlier gentrifiers, with the latter having lower levels of income, but a more permissive attitude towards sitting lower-income residents.

**Figure 4: Interview areas in Amsterdam**

It is apparent that the term “mild gentrification” does not accurately describe what is currently happening in these two neighborhoods. While the tempo is still slow (“no shock”), and the modest changes in the housing stock (so far) appear to support the maintenance of mixed neighborhoods, the replacement of residents is less smooth and less “natural” than we had assumed. Gradual transition is being replaced by a sharper process. Current gentrification of Amsterdam is most accurately termed “semi-mild.” This “semi-mild” population change helps to account for the rise in confidence as gentrification proceeds.

**CONCLUSION**

Most scholars studying tenure mix emphasize the negative effects on social life in the neighborhood. Gentrification has often been linked to class conflict. Our quantitative and qualitative analyses for Amsterdam refute this gloomy picture. In contrast to what might have been expected based on earlier writings, the greater tenure differentiation associated with urban renewal as well as gentrification was associated
with greater not lesser neighborhood confidence. Furthermore, urban renewal and
gentrification have apparently not led to the displacement of ethnic minorities.

Our two case studies help to explain the surprisingly positive results to be due to
Amsterdam’s “semi-mild” gentrification. The slow pace of change and the relatively
slight changes in the socio-economic and socio-cultural composition of these areas
is not a coincidence but is rather a result of government policies such as rent regula-
tion and a social housing presence.

However, the City of Amsterdam is relatively powerless to safeguard housing
opportunities for original residents and for “natural” gentrifiers (e.g. students); “suc-
cession from within” has become a less certain element of the gentrification process.
Whether these shifts will lead to more intra-community conflict in the future is
hard to say.

In general, however, our findings refute the predominantly negative scenarios of-
fered by critical scholars in the Netherlands and elsewhere. Why, then, are Dutch
scholars so pessimistic about neighborhood change in Amsterdam? The answer is
that most critical authors use a kind of stepping-stone theory. They focus on signs
and signals for the marketization of housing policies, which, in their eyes, con-
firm a development towards “American situations.” In two historical overviews, Van
Gent (Forthcoming) and Uitermark (2011) sketch a trend of diminishing attention
given to the interests of low-income residents, “a decreased level of social considera-
tion” in Amsterdam housing policy, presumably comparable to a lack of concern for
gentrification induced displacement in America. Whether these assumptions about
America are true is beyond the intended scope of this article. Reasoning that this
Americanization trend is irreversible, they foresee an increase in class and racial po-
larization. However, they overlook some of the real time empirical evidence.

Our results fail to support an irreversible negative scenario. The Dutch welfare
state and local policies have been able to minimize the negative impacts of gentri-
fication and urban renewal for indigenous residents. Housing advocates need to be
vigilant in order to insure that Dutch (local) policies continue to be “just.” Further
liberalization of the housing market, such as measures to raise rents for social hous-
ing in areas with high property values, could harden the impacts of gentrification.
Amsterdam needs to find ways to consolidate and maintain current policies, which
appear to insure high levels of neighborhood confidence among indigenous resi-
dents as well as gentrifiers.

NOTES

1. The selected areas not necessarily fully match with the list of areas with the
highest level of income deprivation. This is related to the multitude of reasons
that underlie policies for urban renewal. Policy-makers favor tenure mixed
neighborhoods for three reasons (cf. Ouwehand and Van der Laan Bouma-
Mixed income neighborhoods are suggested to provide greater opportunities for disadvantaged residents (whereas relatively poor neighborhoods offer few opportunities for social mobility). Mixed income neighborhoods also are aimed at reducing public nuisance and deviant behaviour (whereas relatively poor neighborhoods are less safe and viable). Finally, tenure mixing is supposed to contribute to neighborhood improvement (whereas neighborhoods dominated by cheap housing tend to be at the bottom of the urban hierarchy).

2. Urban renewal in Dutch cities mostly takes place within post-war neighborhoods where housing associations own much of the property. The average share of social housing in these areas is foreseen to decrease from 65 percent to 42 percent (Veldboer, 2010). The aim is to counter the “excess” of social housing through demolition, the construction of new owner occupied housing, and the selling and upgrading of existing social housing. These measures for housing differentiation effectively fuel income differentiation (Planbureau voor de Leefomgeving, 2010).

3. Gentrification takes place in Amsterdam’s residential areas where the housing stock is (or was) mainly private rental housing, and to a lesser extent, social rental housing. In 2009, the Municipality of Amsterdam established a policy to reduce the stock of affordable housing in these popular neighborhoods to around 50 percent by 2020. Yearly, the city allows a small percentage of private rental housing to be “split” into owner occupied housing.

4. In 2012, 790,000 people lived in the municipality of Amsterdam. The housing stock currently counts 27 percent owner occupied housing, 48 percent social housing and 25 percent private rental housing.

5. According to Kleinhans (2005), people in urban renewal areas mostly choose for better housing in better neighborhoods, with an affordable and good price-quality balance. Part of these compensations is now under pressure as a consequence of cuts by the current national government.

6. According to official Dutch definitions, people are considered immigrants or non-native (allochtoon) if one of the parents is born in another country. There is a further distinction between western immigrants and non-western immigrants. Allochtonen from Europe, North America, Australia, Japan and the former Dutch colony Indonesia are considered Western. Non-Western immigrants are mostly Surinamese, Antillean, Turkish and Moroccan. In 2012, 35 percent of the population of Amsterdam belongs to this group of non-Western immigrants, versus 15 percent Western immigrants and 49 percent autochthonous Dutch citizens.

7. Contrary to Putnam, these researchers have found overall neighborhood confidence to be greater in areas with a relatively equal distribution of income groups than in areas where poor groups dominate. This may be due to conditions fostered by the Dutch welfare state and strong government regulation of the housing market, which limit social inequality and soften the rough edges of
income mixing.

8. Lancee and Dronkers, for example, operationalize neighborhood confidence as opinions about the neighborhood and the friendliness of social contacts within it.

9. We chose to use tenure mix variables instead of using the Herfindahl index due to income. This is largely because the latter measure does not capture clear shifts in income groups over time. To calculate the Herfindahl index, residents of an area are divided into different income groups: the more groups are equally represented, the greater an area’s income diversity. The disadvantage of this method is that it does not tell us the extent to which groups are present; for example, a shift of residents from middle to upper income bracket has no impact on the Herfindahl score. We saw hardly any change in Herfindahl scores between 2001 and 2009, even though many neighborhoods indeed witnessed significant changes in owner-occupancy rates as well as in property values.

10. The surveys reveal a slight over-representation of highly educated residents, native Dutch people, and men.

11. This table is based on unweighted data. Data on owner-occupancy, property values and the proportion of non-Western immigrants in the neighborhood come from the Amsterdam Research and Statistic Department (O&S), not survey data.

12. We keep N constant in all models by omitting from the regression analysis the large number of respondents with missing values. We also removed neighborhood combinations with fewer than 100 respondents, which resulted in the inclusion of 74 of the original 97 neighborhood combinations in our analysis.

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