

**Does income diversity increase trust in the neighbourhood?
The social impact of gentrification in Amsterdam**

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Abstract

What happens when the residential composition of previously poor neighbourhoods becomes more socially mixed? Is the result peaceful co-existence or class polarization? In countries with neo-liberal policies, the proximity of different social classes in the same neighbourhood has led to tension and polarization. But what happens in cities with strong governmental control on the housing market? The current study is a quantitative and qualitative examination of how greater socio-economic diversity among residents affects trust in the neighbourhood in the Keynesian city of Amsterdam.¹ Our main finding is that the increase of owner-occupancy in neighbourhoods that ten years ago mostly contained low-cost housing units has had an independent positive effect on neighbourhood trust. We further examined whether increased neighbourhood trust was associated with 'mild gentrification' in two Amsterdam neighbourhoods. While this was partially confirmed, the Amsterdam model of 'mild gentrification' is under pressure.

¹ Amsterdam has a long tradition of public housing and rent controls. At present, 64% of the local housing stock is for low-income people (with monthly rents up to 554 euros). While the free market is making inroads into the Amsterdam housing market, to date there has been no drastic deregulation. Furthermore, reforms of the welfare state in the Netherlands remain relatively modest.

Introduction: social mixing in Amsterdam's working-class neighbourhoods

The City of Amsterdam advocates strongly greater socio-economic diversity within its traditionally working-class neighbourhoods. Since 1998, the city has sought to increase the number of owner-occupied dwellings within them – a policy that applies to both the post-war housing estates on the city's outskirts as well as to the old neighbourhoods in the city centre. The post-war districts have witnessed demolition of old housing stock to make way for urban renewal,² while pre-war neighbourhoods are undergoing gentrification³ through the sale of social and private rental housing. The most recent *Woonvisie Amsterdam* (Housing Vision Amsterdam) of 2009 reiterates that the city is striving for 'mixed neighbourhoods of poor, rich, young and old' and that 'social segregation and spatial division should be avoided' (p.17).⁴

Compared to many other cities, Amsterdam's policy-makers have significant powers to shape the housing market. While the Keynesian thrust of policy is not as evident as it was in the 1970s, liberalization of the housing market has been modest, especially compared to cities in Anglo-Saxon countries. While Amsterdam is trying to reduce the 'excess' of social and private rental housing, and to meet growing middle-class demands for urban living, two-thirds of the city's housing stock still caters to people with low incomes. The premise is that

² Urban renewal in Dutch cities mostly takes place within post-war neighbourhoods where housing corporations own much of the property. The average share of social housing in these areas will decrease from 65% to 42% (Veldboer 2010: 11). The aim is counter the 'excess' of social housing through demolition (and partial sale of new units) and the selling and upgrading of social housing. These measures for housing differentiation typically fuel income differentiation as well.

³ Gentrification – the economic and social upgrading of previously run-down or exclusively lower-class neighbourhoods – takes place in urban residential areas where the housing stock is (or was) mainly private rental housing, and to a lesser extent, social rental housing. Gentrification increases the value of existing dwellings and leads to changes in their ownership. The result is often greater income differentiation within neighbourhoods. Gentrification not only affects existing buildings; it may also involve new construction, for example in obsolete industrial areas near the centre. The Municipality of Amsterdam adopted the policy in 2009 that the stock of affordable housing in the popular neighbourhoods surrounding the city centre can drop to around 50% by 2020. In many cases, these neighbourhoods already report similar percentages. After this decrease in the stock of low-income housing, the emphasis is now on stabilization.

⁴ Policy-makers favour socially mixed neighbourhoods for three reasons (cf. Ouwehand & Van der Laan Bouma-Doff 2007). Mixed income neighborhoods provide greater opportunities for disadvantaged residents (whereas segregated neighborhoods with predominantly poor residents offer few opportunities for social climbing). Mixed income neighborhoods also reduce public nuisance and deviant behavior (whereas segregated neighborhoods are less safe and viable). Finally, income mixing contributes to neighborhood improvement (whereas segregated neighborhoods tend to be at the bottom of the urban hierarchy).

all groups have a *right to the city* – with low-income residents supported by rent controls and subsidies to minimize any negative effects of urban renewal or gentrification.

This study examines the effects of increased owner occupancy on neighbourhood trust. Were Amsterdam policy-makers correct in thinking that greater socio-economic diversity in previously poor areas would increase satisfaction and feelings of belonging to the neighbourhood? Or has income-mixing led to social polarization and declining trust, as has been found in many Anglo-Saxon studies? We then examine how positive or negative results can be explained in pre-war gentrifying neighbourhoods. Does the *kind* of gentrification matter? Is gentrification in Amsterdam a moderate and gradual process that fuels increasing trust in neighbourhoods? Or will gentrification – as in other cities – prove difficult to control and eventually exacerbate social tensions in Amsterdam?

Theory: gloomy scenarios on the spatial proximity of classes

Studies elsewhere in the world have largely focused on the tensions and avoidance behaviour that arise in socially mixed neighbourhoods. Investigations have evolved along two lines. First, researchers have analyzed data on the effects of income-mixing to try to establish levels of trust between neighbours and trust in the neighbourhood. Putnam's work, which focuses primarily on the effects of ethnic diversity, is the most famous example. Next to negative effects of ethnic diversity, he found that socio-economically mixed districts score lower on volunteering and neighbourhood trust than more homogeneous areas: “generally speaking, people who live in neighbourhoods of greater economic inequality tend to withdraw from social and civic life” (Putnam 2007: 157).

The second line of exploration has focused on gentrification. Case studies in Anglo-Saxon countries invariably point to the workings of *social tectonics* (cf. Butler & Rose 2003), of clashing lifestyles and class conflict in previously poor areas newly ‘discovered’ by the middle class (for an overview, see Lees *et al.* 2010). The core finding of these studies is that neighbourhoods are rapidly ‘taken over’ by more affluent groups, leaving no space for the less affluent original residents. During this process of ‘class replacement’, there is much discontent. The poorer residents feel disenfranchised and feel a keen sense of relative deprivation. The more affluent groups – nursing surreptitious desires for security and homogeneity (e.g. Atkinson 2003: 184) – display signs of apprehension and superiority. Lack of trust in the neighbourhood follows.

The above-mentioned studies, as well as those that they have inspired, often build on the classic works of Simmel⁵ and Park⁶ as well as prominent theories from social psychology – for example conflict theory (cf. Blumer 1958) and Allport's (1954) contact theory. Their findings, in line with English and American studies on gentrification and urban renewal, tend to be bleak. Social mixing and spatial proximity fuel negative stereotyping (e.g. Ruming *et al.* 2004: 246) and class tensions (Beekman *et al.* 2001; Arthurson 2002: 247; Jupp 1999: 61; Cole & Goodchild 2001: 352).

Some Dutch authors have endorsed the gloomy scenario sketched by British and American researchers. Van Bergeijk *et al.* (2008: 238), for example, found that 'in practice, major differences in the neighbourhood between rich and poor lead to tensions and friction'. Similarly, Reijndorp (2007: 149-150) has argued that urban renewal fuels a 'dichotomy between the disadvantaged and the educated'. On the other hand, individual case studies of nineteenth-century neighbourhoods in Amsterdam have found peaceful co-existence among social classes.

Van Weesep & Wiegersma coined the term 'mild gentrification' in 1991 to describe developments in the central Amsterdam neighbourhood of the Jordaan, where gentrification has caused only minor social friction. This classification would also apply to other neighbourhoods that later became popular with the middle classes, such as the Pijp (Boer 2005) and Westerpark (Metaal & Teijmant 2008). The core of the 'mild gentrification' model is a very gradual increase in owner-occupancy – a 'natural' succession that takes place without social eviction – that leads to sustained diversity in the neighbourhood (Teijmant 2010). That these findings are more broadly applicable was suggested by a study confirming relatively high levels of satisfaction with social mixing in most nineteenth-century Amsterdam neighbourhoods (Van der Veer 2009).⁷ Has Amsterdam found a successful formula to increase socio-economic diversity in its residential neighbourhoods?

⁵ Putnam's finding that the mixing of social classes leads to lack of trust and withdrawal is a clear echo of Simmel's (1903) notion of mental distance in the city.

⁶ Researchers of gentrification who emphasize the class snobbery of the middle classes within mixed-income neighborhoods consciously or unconsciously recall Park's notion of *spontaneous disposition*. This is the assumption that encounters with members of the lower classes provoke among them visceral feelings of discomfort and superiority (Park 1924: 339).

⁷ Though there is some anxiety over the risk of eviction (Kleinhans & Bolt 2010; for the town of Enschede, see Veldboer & Van der Land 2011), residents of post-war targeted neighbourhoods also do not seem overly worried about the arrival of wealthier people. In formerly deprived areas where urban renewal (demolition and new construction) has led to a substantially larger share of higher-income residents, the presence of this latter group is seen as a 'positive tipping point'.

Research design: trends and case studies

Our research design combines Putnam's quantitative methods with qualitative case studies. We have also made our own amendments. 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 & Dronkers (2009), also provide us with static pictures.⁸ Furthermore, these large-scale studies often rely on outdated data and operationalize neighbourhood trust in limited ways.⁹ Finally, the scale of research is sometimes very large and there is no differentiation between cities and the type of change within them. Urban renewal in the Netherlands is found in almost all (medium) large cities. But gentrification is limited to a few Dutch cities, and within them, to a handful of neighbourhoods. In Amsterdam, gentrification is a common phenomenon in almost all of the nineteenth-century neighbourhoods within the Ring Road (see Buys 2008).

To examine the effects of increasing income diversity, 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, or O&S). We use data from the years 2001 and 2009, when respectively 17,346 and 18,166 Amsterdam residents over 18 years of age were questioned about their homes and the physical and social aspects of their lives.

The sale of private and social housing units and the construction of new owner-occupied ones are the main instruments for altering the class composition of neighbourhoods. We thus use the growth of owner-occupancy between 2001 and 2009 as indicative of growing income diversity within previously poor neighbourhoods.¹⁰ Trust in the neighbourhood, following

⁸ Contrary to Putnam, these researchers have found neighbourhood trust 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.

⁹ Lancee & Dronkers, for example, operationalize neighbourhood trust as opinions about the neighborhood and the friendliness of social contacts within it.

¹⁰ We chose these variables instead of using the Herfindahl index (based on income and company data) as 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 which groups are present to what extent; for example, a shift of residents from a middle to an upper income bracket has no impact

Boutellier *et al.* (2007) and Van Oirschot, Slot & Van Oirschot (2011), is operationalized as the sum of five factors: satisfaction with the neighbourhood, the extent to which people feel at home, expectations regarding the neighbourhood's future, perceptions of social interaction, and the perception of residents' participation in neighbourhood life. The scale of analysis – neighbourhood combinations, not cities, districts or the lowest community levels – proved reliable.

To interpret the effects found through data analysis, we – like many gentrification researchers – make use of case studies. Case studies are not isolated inquiries; they are part of broader analyses, for example to test specific hypotheses (Campbell 2003). We conducted interviews with researchers, policy-makers and professionals in two pre-war Amsterdam neighbourhoods as well as policy analysis to determine how we can best explain the results.

Results: rising neighbourhood trust...

We see that between 2001 and 2009, overall trust in neighbourhoods increased significantly, from 6.23 (on a 10-point scale) in 2001 to 7.04 in 2009. Most neighbourhoods show a parallel trend as the low standard deviation indicates. In 2009, an average of 25% of Amsterdam housing stock was owner-occupied, a 10% increase since 2001. In neighbourhoods experiencing gentrification, this is often slightly higher, while in urban renewal areas it can exceed 30%. Between 2001 and 2009, property prices in Amsterdam more than doubled, from an average of €125,642 per unit to €259,758. Finally, the proportion of non-Western immigrants over this period increased very slightly. The surveys reveal slight over-representation of highly educated residents, native Dutch people, and men.

on the Herfindahl score. We saw hardly any change in Herfindahl scores between 2001 and 2009, though many neighborhoods indeed witnessed significant changes in owner-occupancy rates as well as in property values.

Table 1. Descriptive values of variables used ¹¹

	Average	Standard deviation	Minimum	Maximum
<i>Neighbourhood level</i>				
Neighbourhood trust 2001	6.23	0.60	4.82	7.27
Neighbourhood trust 2009	7.04	0.47	5.93	7.83
Share of owner-occupied units 2001	15.24	11.53	0.36	62.95
Share of owner-occupied units 2009	25.13	10.45	4.79	55.83
Property value 2001 in euros	125,642	46,213	67,587	310,325
Property value 2009 in euros	259,758	114,264	143,699	752,094
Proportion of non-Western immigrants 2001	30.06	18.08	5.29	77.04
Proportion of non-Western immigrants 2009	32.80	19.10	7.77	78.42
<i>Individual level</i>				
Female (%)	40	49	0	100
Age (years)	47.64	15.50	18.00	98.00
Income (euros)	2,617	1,688	101	19,584
Length of residence (years)	11.17	10.84	0	81
Primary education (%)	6	24	0	100
Lower secondary education (%)	13	34	0	100
Higher secondary education (%)	19	39	0	100
Higher education (%)	58	49	0	100
Non-Western immigrant (%)	18	38	0	100
Western immigrant (%)	14	35	0	100
Private rental (%)	14	35	0	100
Social rental (%)	45	50	0	100
Owner-occupied (%)	39	49	0	100
Feel safe in the neighbourhood	7.72	1.59	1	10
<i>N</i>	12878			

The maps below¹² show trends for owner-occupancy, neighbourhood trust, and the proportion of non-Western immigrants for each area of Amsterdam. We see a ring of

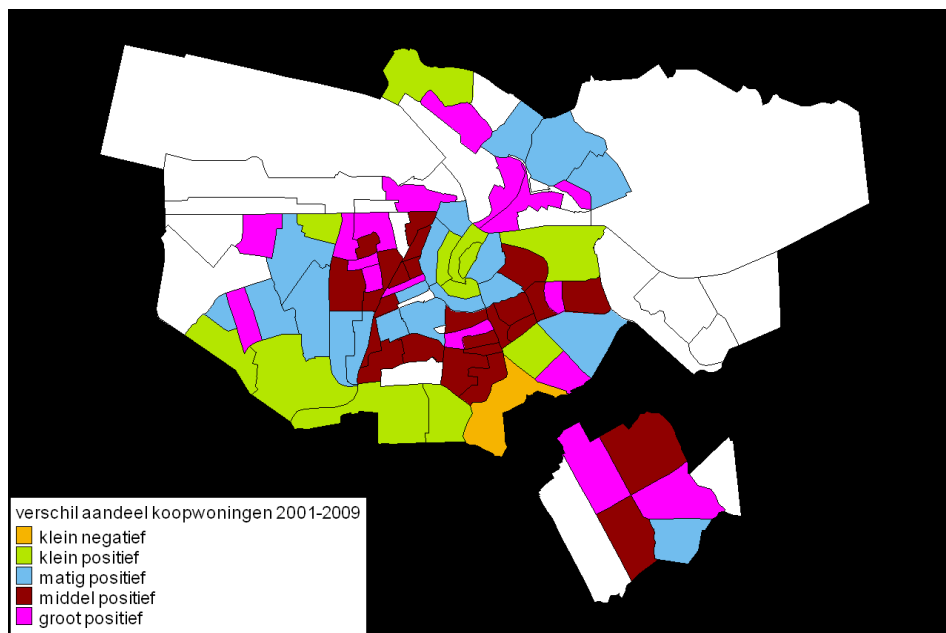
¹¹ This table is based on unweighted data. Data on owner-occupancy, property values and the proportion of non-Western immigrants in the neighborhood come from O&S, not survey data.

¹² To increase the comparability of the maps, we have tried to standardize the legends. However, there is no 'medium positive' category for the trend in neighbourhood trust. Unfortunately translation of the text box has not succeeded. 'Koopwoningen' is owner-occupied housing, 'buurtvertrouwen' is neighborhood trust, and 'niet-

nineteenth-century neighbourhoods around the city centre where the proportion of owner-occupied homes has increased due to gentrification. We further see a sharp rise in owner-occupancy due to urban renewal in Amsterdam Southeast. There was little change in the prosperous central canal girdle, where home ownership was already relatively high in 2001 (see Map 1).

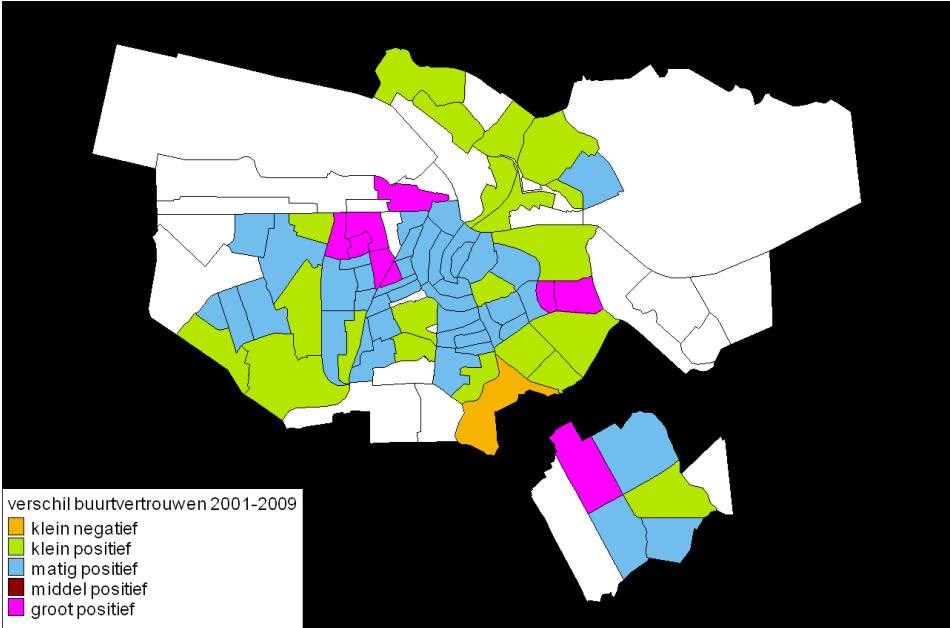
The second map shows trends in neighbourhood trust. The most significant increases take place in districts that have witnessed significant urban renewal or gentrification, including the Kinkerbuurt, the Baarsjes, and Bos & Lommer (Amsterdam West), the Indischebuurt (Amsterdam East) and the Bijlmer (Amsterdam Southeast).

Map 1. Trend: owner-occupancy, 2001–2009

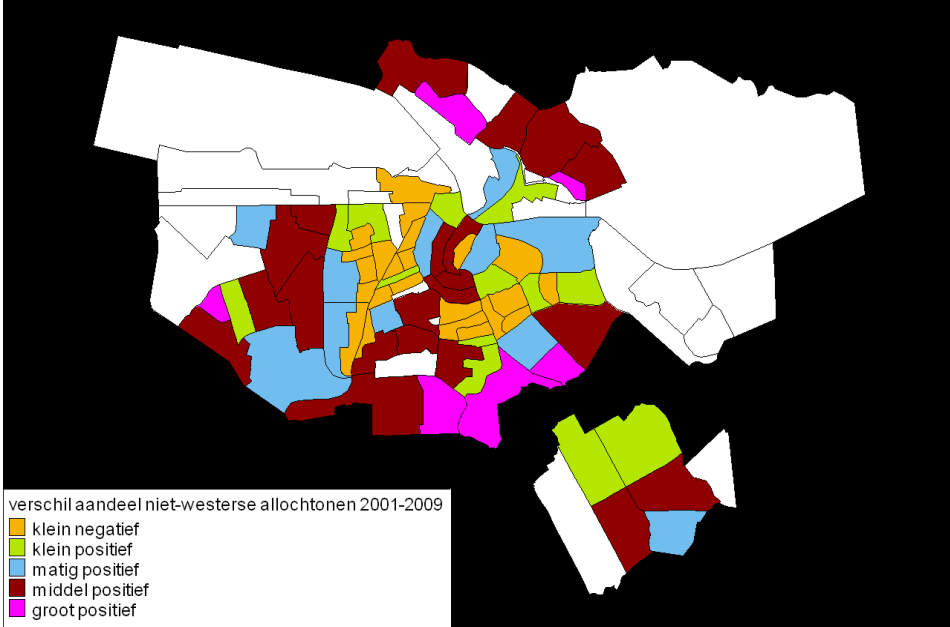


westerse allochtonen' is non-western immigrants. The qualifications of 'negatief' (negative) and 'positief' (positive) speak for themselves. 'Klein' is small, and 'groot' is big. In map 2 'afname tot lichte toename' means decrease or small increase, the following categories show a progress in increase.

Map 2. Trend: neighbourhood trust, 2001–2009



Map 3. Trend: non-Western immigrants, 2001–2009



We see that two traditionally high-status neighbourhoods – downtown and the chic Old South – show only weak or moderate growth in neighbourhood trust: they remain content at the top. We also see that though they show comparable increases in owner-occupancy, not all of the nineteenth-century neighbourhoods forming a ring around the centre report similar increases in neighbourhood trust. Broadly speaking, districts in Amsterdam West have witnessed greater increases in neighbourhood trust than their counterparts in Amsterdam East.

While owner-occupancy and property prices in gentrifying neighbourhoods have risen sharply over recent years, the percentage of immigrants residing in many of them has remained fairly constant. Map 3 shows the trend for non-Western immigrants. Areas that have witnessed more change – that is, greater growth in the percentage of non-Western immigrants – lie in Amsterdam New West, North, and Southeast (Holendrecht). The predominantly native Dutch city centre and Old South also witnessed strong increases.

...partly explained by housing differentiation

Table 2 shows a series of multilevel analyses to capture the determinants of neighbourhood trust in 2009.¹³ First of all, we see that the individual characteristics of respondents more strongly determine levels of neighbourhood trust than the characteristics of the neighbourhoods in which they live. Neighbourhood characteristics only account for 12.6% of the variance.¹⁴

To assess the impact of growing home ownership on neighbourhood trust, we consider alternative explanations to control the effect of this key variable. We applied four models, first using the percentage of non-Western immigrants living in the neighbourhood in 2009, and then changes in this percentage between 2001 and 2009.

¹³ We keep N constant in all models by omitting the large number of respondents with missing values from the regression analysis. We also removed neighborhood combinations with fewer than 100 respondents, thereby including 74 of the original 97 neighbourhood combinations in our analysis.

¹⁴ The empty Model 0 is not reproduced in Table 2. The low percentage is roughly comparable to results obtained by Van Oirschot, Slot & Van Oirschot (2011), who found neighborhood-level variation to be 17%.

Table 2. Multi-level regression analysis of neighbourhood trust, 2009

	Model 1		Model 2		Model 3	
	b	SE	B	SE	b	SE
Area features						
Proportion of non-Western immigrants 2009	-0.0216 ***	0.00142	-0.00981 ***	0.00230	-0.00354 *	0.00183
Trend non-Western immigrants 2001-2009	-0.382 ***	0.127	-0.384 ***	0.122	-0.325 ***	0.0970
Neighbourhood trust 2001			0.373 ***	0.0797	0.219 ***	0.0630
Owner occupancy 2009			0.00323	0.00213	0.00160	0.00170
Trend owner occupancy 2001-2009			0.00682 **	0.00315	0.00511 **	0.00251
Trend property value 2001-2009			0.305 ***	0.101	0.153 *	0.0803
Individual characteristics						
Female					0.105 ***	0.0185
Age					0.00715 ***	0.000757
Income					3.66e-05 ***	5.86e-06
Length of residence					-0.00163	0.00101
Lower secondary education					-0.0262	0.0368
Higher secondary education					-0.0799 **	0.0352
Higher education					-0.0286	0.0332
Non-Western immigrant					0.0526 **	0.0261
Western immigrant					-0.0228	0.0254
Private rental					-0.00576	0.0267
Social rental					-0.000617	0.0192
Feel safe in the neighbourhood					0.457 ***	0.00582
Constant						
	7793 ***	0.0565	4633 ***	0.551	1638 ***	0.438
Variance						
Neighbourhood level	.02		.01		.01	
Individual level	99.98		99.99		99.99	
Individuals	12,878		12,878		12,878	
Neighbourhoods	74		74		74	

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

Our analysis confirms Van Oirschot, Slot and Van Oirschot (2011) in showing that the proportion of non-Western immigrants is negatively related to trust in the neighbourhood. Moreover, we find lower trust in neighbourhoods where the percentage of non-Western immigrants has grown faster than average over the period 2001–2009. An increase in the percentage of non-Western immigrants thus has a negative effect on neighbourhood trust.

One could hypothesize that the positive effect on neighbourhood trust associated with increased home ownership is merely a derivative of an area's changing ethnic composition. Put simply: more home ownership, fewer non-Western immigrants, more neighbourhood trust. But this reasoning is incorrect, for two reasons. First, the proportion of non-Western immigrants is not sharply diminished by income-mixing policies. Second, an increase in owner-occupancy has an independent positive effect on neighbourhood trust.

Controlling for the percentage of non-Western immigrants living in the neighbourhood and its change between 2001 and 2009, Model 2 shows that increased owner-occupancy is significantly positively related to neighbourhood trust. We further found increasing property values to have a significant positive effect on trust in the neighbourhood.

As a final check, we added an interaction term – consisting of the trend of home ownership multiplied by the trend of non-Western immigrants – to the regression (not shown in Table 2). This had no significant effect, indicating that the effect of home ownership does not depend on the trend of non-Western immigrants living in the neighbourhood. Owner-occupancy has the same positive effect on neighbourhood trust in areas with both larger and smaller increases in the percentage of non-Western immigrants.

'Mild gentrification' in two popular Amsterdam neighbourhoods?

The analysis reveals that in previously poor neighbourhoods, increased home ownership and rising property prices lead to greater neighbourhood trust. This applies whether the area has been subjected to urban renewal (for example the Bijlmer)¹⁵ or to a slow process of gentrification (Amsterdam's nineteenth-century neighbourhoods).

How can we best explain this growing trust in gentrifying neighbourhoods? Some Dutch researchers have postulated the existence of a Dutch or Amsterdam model of 'mild

¹⁵ See also the case studies in the parallel study in Enschede (Veldboer & Van der Land 2011).

gentrification', the key feature of which is sustainable neighbourhood diversity (Van Weesep & Wiegersma 1991; see Teijmant 2010). They point to the ability of Dutch housing policy to limit gentrification and to maintain cheap rental housing at agreed 'buffer' levels in emerging areas (Aalbers, 2001: 129). In this model, gentrification is mild in its tempo, scope, and related social processes; there is a gradual and limited increase of home ownership and a 'natural succession' of residents without social eviction. The proportion of original residents and immigrants in the neighbourhood will slowly shrink through their voluntary departure for larger homes in suburban areas as well as through aging, when the elderly are no longer able to live independently. In the meantime, young people who move to the city to study, work, and enter the housing market will ensure stable social succession. This succession from within by 'natural gentrifiers' has also been referred to as *incumbent upgrading* (Clay 1979).

We now turn to two case studies to see whether this model of 'mild gentrification' can sufficiently account for the growing neighbourhood trust we have witnessed. Kinkerbuurt Noord in (pre-war) Amsterdam West and Oosterparkbuurt in (pre-war) Amsterdam East have long histories as working-class neighbourhoods. In recent years, they have witnessed similar developments: moderate and gradual increases in owner-occupancy and average incomes, and relatively rapid increases in property values. Both neighbourhoods have also seen a very slight downward trend in the proportion of non-Western immigrant residents. Nevertheless, trust in the neighbourhood has grown faster in Kinkerbuurt Noord than in Oosterparkbuurt.

Table 5: Developments in Kinkerbuurt Noord and Oosterparkbuurt, 2001–2009

	Kinkerbuurt Noord 2001	Kinkerbuurt Noord 2009	Oosterpark around 2001	Oosterpark around 2009	Amsterdam 2001	Amsterdam 2009
Owner-occupied	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
Neighbourhood trust	5.77	7.33	5.87	6.87	6.23	7.04

After studying these two cases and interviewing researchers, professionals and politicians, we can say that Kinkerbuurt Noord on a number of points confirms the model of mild gentrification, though not completely. Oosterparkbuurt, to a lesser extent, also shows signs of mild gentrification. Due to space constraints, we limit ourselves to a schematic presentation of the results.

Kinkerbuurt Noord

Tempo. Kinkerbuurt Noord over the past decade has witnessed a moderate pace of conversion from rental housing to owner-occupancy. As changes occur at the level of individual buildings, there has been no shock to residents. In surrounding neighbourhoods, this process has taken place more rapidly. The local government is trying to contain market pressure by reducing the number of homes for sale.

The replacement of classes. Apart from seniors, the voluntary ('natural') outflow of tenants has decreased. Residents stand to profit from the better neighbourhood. Social housing units in the neighbourhood are popular, though declining turnover means long waiting lists. A part of those units that come free have been renovated and sold, often to young couples with ample cultural capital who see the neighbourhood as an affordable alternative to more desirable and expensive parts of Amsterdam Old West. Primarily due to price increases, there is now an entry of young commercial workers in the service industries from outside the area. The neighbourhood has seen few conflicts between the 'original' and 'new' residents, though new arrivals seem to maintain slightly greater social distance.

Sustainable social mix? Kinkerbuurt Noord currently has lower owner-occupancy and fewer non-Western immigrants than the city average. The whole of Amsterdam's Old West is generally at the 'top' of the urban average (higher owner-occupancy, fewer non-Western immigrants). The mixed phase of gentrification is loudly applauded as the 'resurrection of the neighbourhood'.

Oosterparkbuurt

Tempo. Over the past decade, the growth of owner-occupancy at the expense of rental housing has accompanied urban growth and was therefore relatively steady. This rate, however, may increase over the coming years as sales in more desirable neighbourhoods slow down, putting pressure on the market in Oosterparkbuurt.

The replacement of classes. The neighbourhood has previously witnessed 'white flight' as well as the 'natural' outflow of natives and immigrants able to move into larger homes elsewhere. Social and private rental housing units that come free have been partly converted into owner-occupied dwellings, while there is also a small-scale urban renewal project in the area. Urban renewal has offered residents the opportunity to move up within the district, and has not led to active eviction. Long waiting lists, however, mean that low-income tenants are unlikely to move up within the neighbourhood; they must stay in their current homes or move elsewhere. Rising property prices have also limited the ability of 'natural gentrifiers' to move up in the neighbourhood. Oosterparkbuurt has traditionally witnessed at times uneasy relations between old and new residents.

Sustainable social mix? The current population structure is considered the Amsterdam average, though our interviewees did not see the neighbourhood as very socially mixed. Gentrification is seen in two lights: 'the neighbourhood has become more beautiful, but not more just'. There are examples of light tectonics between social classes, while there is no overall trust that gentrification is stabilizing.

The main shortcoming of the model of mild gentrification, in both Kinkerbuurt Noord and Oosterparkbuurt, is its assumption of 'natural succession'. Due to the rising popularity of these neighbourhoods, the voluntary outflow of low income residents has decreased significantly, while their opportunities to move up the housing ladder are constrained by long waiting lists (and their low incomes). Conversely, the neighbourhoods' social climbers, such as former students, are no longer the obvious 'natural' gentrifiers. High property prices have instead increased the inflow of others, most notably 'economical' middle classes from outside the district who do not always have an eye for the neighbourhoods' history. This, as we found in our interviews, has led sometimes to 'light' tensions – between the lifestyles of the 'new

yuppies' and those of the neighbourhoods' original residents, immigrants, and new arrivals with cultural capital.

Thus the term 'mild gentrification' does not accurately describe what is happening on the ground (any longer). While the tempo is still slow ('no shock') and the changes in the housing stock (so far) still support the development of mixed neighbourhoods, the replacement of residents is less smooth and 'natural' than has been assumed. Gradual transitions are making way for sharper ones. It is therefore more appropriate to label the gentrification of Amsterdam 'semi-mild'.

Conclusion and discussion

Analysis of data from 2001 and 2009 has revealed that greater housing differentiation has had an independent positive effect on neighbourhood trust in Amsterdam's formerly working-class neighbourhoods. This positive effect can in pre-war areas that surround the city centre, easily be explained by Amsterdam's brand of 'semi-mild' gentrification – an exception to the international pattern where gentrification leads to withdrawal and social polarization. But while government regulation has made an important contribution in Amsterdam to slowdown the process and make housing differentiation contribute to social mix, it has been relatively powerless in shielding 'natural gentrification' or 'incumbent upgrading' from market forces.

The main criticism of the 'Amsterdam model' is that the current, 'happy' mixed phase of gentrification will not last. Amsterdam's urban policies are said to become less Keynesian and more neo-liberal. Consequently the grip on gentrification diminishes (Uitermark 2009: 347). In the end market-pressure will take over, leading ('just as elsewhere') to increasingly exclusive neighbourhoods.

Are the national and local governments indeed giving the housing market freer rein and focusing less on correcting the adverse effects of gentrification on low-income groups? Although there is much talk of liberalization, the concrete measures contained in the national housing policy mainly concern sharper segmentation of the housing market. The current policy – including that of the current conservative government – focuses on middle-class groups living in housing that is 'too cheap'. These measures are not necessarily inconsistent with the goals of social mixing. At the city level, the municipalities and the housing corporations are still in control of the speed, scope and location of residential differentiation.

It's too early to call that regulatory powers have faded away already. Nevertheless it remains to be seen whether these powers will be able to stop the process of housing differentiation in sought-after areas at the 'right' time? Demand for homes in these neighbourhoods remains high. For their part, market participants will ignore any need for equilibrium and continue to push for the liberalization of the private rental sector as well as for the sale of social and private rental housing units. If one wants to talk seriously about future social mixing in Amsterdam's nineteenth-century neighbourhoods, policy-makers will have to stand up to market pressures. Advocating home ownership beyond the point that it promotes social mixing – ill reflects Amsterdam's stated policy of all groups having equal access to the city and its neighbourhoods. If this policy is taken seriously, Amsterdam has to find ways to consolidate the current mixed phase of gentrification which shows high levels of neighbourhood trust.

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