From shop fronts to home offices: Entrepreneurship and small business dynamics in urban residential neighbourhoods

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Chapter 5. Roads to Revitalisation

A study of the varied trajectories of commercial gentrification in the Dutch context

The urban policy trend towards entrepreneurial governance leads many cities to implement commercial gentrification strategies on both a city level and a neighbourhood level. These strategies reflect the idea that commercial gentrification will lead to social and economic revitalisation of neighbourhoods. This chapter explores commercial gentrification strategies in urban residential neighbourhoods and how these policy strategies interact with the practices of entrepreneurs in creating new commercial milieus. The residential neighbourhood is increasingly conceptualised as a mixed-use environment of residential, economic and leisure functions. The chapter presents a study of four residential neighbourhoods, and shows how standardised policy-ideas on commercial gentrification work out very differently in distinct locations ‘on the ground’. How these strategies work out in a local community of entrepreneurs depends on the symbolic ownership of the neighbourhood, the experienced sense of urgency as well as a common goals of local actors. The extended-case method is used as a way to connect micro processes to the context of a changing urban economic environment as well as the urban political regime of entrepreneurialism.

5.1 Introduction

The ‘sidewalk ballet,’ as observed by Jane Jacobs (1961) in Greenwich Village (New York City), represents the mixed-use neighbourhood that is the lofty aspiration of many urban government officials, oftentimes implicitly or explicitly linked to an agenda for urban growth (Logan & Molotch, 2007). A neighbourhood that invites a sidewalk ballet is a mixed-use neighbourhood that is attractive to residents, businesses of different sorts and temporary visitors. In order to attract these users, urban policy-makers increasingly adopt area-based strategies directed at the economic performance of neighbourhoods. Where earlier area-based approaches predominantly focused on physical restructuring and the pursuit of socially cohesive neighbourhoods (Van Gent, 2013), more recently the economic milieu and commercial spaces of neighbourhoods are targeted explicitly through area-based policies. Implementing area-based policies and local arrangements to augment the economic performance of predominantly residential neighbourhoods is based on the same rationale as the interventions aimed at physical and social restructuring.
of urban neighbourhoods: namely, that economic opportunities and business developments are spatially distributed in an uneven way, and that their absence is detrimental for the quality of neighbourhoods and their residents. Economically regenerating (deprived) urban areas is a key goal on the agenda of national and local policy makers, housing associations and private institutions. It complements a policy agenda of mixed-use areas, local job creation, and the promotion of small-scale businesses. Mixing economic activities with a residential function represents a clear break with Modernist planning values that advocated separation of functions in spatial areas. Parts of the city that qualify as disadvantaged are targeted by an integral approach to improve ‘liveability’ and create physically, socially and economically ‘healthy’ neighbourhoods. This policy trend has been commonly identified as top-down gentrification; ‘the transformation of space for more affluent users’ (Van Gent, 2013). When explicitly targeted at economic features of neighbourhoods, we can speak of commercial gentrification.

Top-down commercial gentrification is a European trend as the OECD (2003) reports that many countries in Europe are aiming to revive urban districts by attracting investments in local entrepreneurship and shops as well as by improving the local business climate. Urban neighbourhoods are framed as sites of economic investment, entailing a re-valuation of entrepreneurship and corporate investment in these neighbourhoods. This pro-market, pro-growth strategy serves the goal to create a competitive advantage for cities (and increasingly city districts) to attract residents and businesses (Cochrane, 2007; Fuller, 2012). Moreover, many authors have commented that local governments themselves are in fact becoming more ‘entrepreneurial’ (see for instance Fainstein, 2010 and Hubbard, 1996). As part of this entrepreneurial mode of governance they seek out coalitions with local stakeholders to share responsibilities for local economic development trajectories. The re-valuation of entrepreneurship and coalition-building with local stakeholders, which are both part and parcel of the ‘urban growth machine,’ accompanies a change of local government from being an actual provider of public goods and services to being a facilitator in an urban market of land and buildings (Logan & Molotch, 2007; Cochrane, 2007). However, the specific roles that local governments adopt, and the coalitions they forge, tend to vary from place to place, as I will argue. The goal of this paper is to shed light on the strategies that are utilised by local urban governments towards the economic revitalisation of urban districts and how these strategies are incorporated and reshaped by various actors on the immediate level of the neighbourhood. The central research question is how governmental interventions on a local level and the practices of entrepreneurs interact and produce new urban commercial spaces. Critical accounts of the shift towards entrepreneurialism in urban governance have, despite geographers’ calls to include all spatial scales in the scrutiny of this process, mainly focused on the
scale of the city and the region (see for instance Harvey, 1989; Logan & Molotch, 1987).

This article takes a comparative approach by exploring local governmental interventions in four neighbourhoods in three Dutch cities: two deprived neighbourhoods, two affluent neighbourhoods. I chose to do this kind of comparison because the stratification of place in the city is ultimately what is interesting: the differences between neighbourhoods in terms of production and consumption. The comparison serves to gain insight on whether there are different policy arrangements and coalitions at work in deprived or affluent neighbourhoods and how these policy arrangements produce local economic development in these different neighbourhoods. My focus on the neighbourhood is one of business and entrepreneurship – the act of improving the individual economic situation of residents by social-welfare instruments is not part of this study. This study is part of a larger research project that, mainly by using quantitative methods, compares patterns of economic activity in 15 residential neighbourhoods in five different cities. Here, I follow the extended-case method in order to analyse the qualitative differences between two types of neighbourhood economies. The extended-case method allows for a connection between micro-level processes and macro-social structures. It emphasises the importance of the processes through which the social forces of macro structures work out in concrete situations through human actions (Burawoy, 1998). I chose to compare four neighbourhoods in three different cities in order to acquire substantial knowledge of different policy strategies and public-private coalitions focused on economic revitalisation. The point is to illustrate that although city-level processes do matter for local economic development, the situated practices of local actors interact in distinct ways with commercial gentrification strategies.

This article views urban residential neighbourhoods as a local production milieu with their own localised conditions of production (Welter et al., 2008). The economic instruments and arrangements implemented by policy makers and practitioners are part of this local production milieu. Often, these interventions are heavily influenced by the institutional structure on other levels of scale, such as the city or even the national or supra-national level. The overarching institutional framework that shapes local economic policies is discussed in the next section. However, I argue that the increasing implementation of area-based approaches implies more ‘tailor-made’ district programs. Also, with policy-makers’ dedication to influence local economic-development trajectories, we can see the proliferation of institutional arrangements that are specific to a particular neighbourhood or set of neighbourhoods within a city. The perspective of local entrepreneurs is also taken into account by studying how these policy interventions are perceived
by them—if at all—as well as by looking at their own strategies and practices to improve local production milieus. By including multiple actors and stakeholders, this study explicitly aims to embed entrepreneurship in its social context instead of viewing it as a solely economic process (Steyaert & Katz, 2004; Watson, 2013b). This paper provides an in-depth analysis of the urban residential neighbourhood as a distinctive space of production and consumption. It examines the actions of pivotal actors that shape this commercial space. A study of four urban residential neighbourhoods is presented. Two neighbourhoods that can be characterised as ‘deprived’ in the Dutch context, and two neighbourhoods that have experienced comprehensive gentrification in the last decade. In total, 27 interviews with local policy makers and practitioners as well as entrepreneurs have been conducted in these neighbourhoods. The in-depth empirical material is supplemented by policy documents and data from a standardised questionnaire (n=87) amongst entrepreneurs in the four research neighbourhoods.

First, the policy context of local economic revitalisation strategies is outlined as well as some criticisms of the ‘entrepreneurialism’ of urban governments. Secondly, I conceptualise the neighbourhood economy that we find in Dutch urban residential areas and describe the policy instruments that are commonly utilised to revitalise these economies. Thirdly, I describe several situations that entrepreneurs and policy-makers are confronted with at neighbourhood level to situate my empirical analysis. Finally, I discuss the four research neighbourhoods and findings from the interviews, policy documents and questionnaire.

5.2 Dutch urban economic policy: towards entrepreneurialism

The Post-Industrial economic production system, consisting largely of knowledge-intensive activities, has led to a ‘resurgence’ of urban economies. Advanced financial activities, creative firms and innovative spin-offs all gravitate towards cities. Not every city will be equally attractive as a business location, however, because these economic activities depend on a highly skilled workforce, an affluent customer base, and specific environmental qualities. In order to be competitive and attract firms and a suitable workforce alike, Dutch urban policy and planning have been concerned with transforming urban space and improving its aesthetic qualities so as to become more attractive for middle- and high-income groups. The main focus in this approach has traditionally been on housing policy. Starting in the 1970s, several ‘waves’ of state-led gentrification can be identified in the Netherlands, where social housing projects were replaced by more expensive non-social housing (Van Gent, 2013). Urban economic policy since the 1980s has

60 These neighbourhoods are disadvantaged in terms of low average-incomes, high shares of unemployed people and low shares of owner-occupied housing.
mainly been attuned to attracting large-scale venture capital and cutting-edge businesses, preferably multinationals, on a metropolitan level. Shaping this line of economic policy is inter-urban competition for prestigious projects, industrial districts and agglomeration economies (Harvey, 1989). A second line of urban economic policy is explicitly area-based, and has been concerned with retaining existing small and medium-sized firms (SMEs) in urban residential areas as well as attracting new ones (Van Meijeren & Ouwehand, 2007). The intensity of this second policy line and the financial resources connected to it have always been subordinate to policy on the metropolitan level, but it has seen a resurgence in the period 2007-2012. Financial resources for the improvement of neighbourhood economies have been made available on a national policy level, yet urban governments are relatively autonomous in designing economic revitalisation strategies and allocating resources accordingly. In order to achieve economic regeneration city governments have increasingly been seeking cooperation with private sector parties and outside investors (Cochrane, 2007). Housing associations are non-profit organisations that own social housing yet operate largely through market logics. They finance the construction of new social housing through selling off part of their social housing stock to private parties. They thus have an interest in creating attractive urban living environments. Although their real-estate agenda\textsuperscript{61} is primarily oriented towards residential developments, they increasingly show interest in economic projects. This results in very diverse policy arrangements that share the common goal of upgrading local business climates.

Dutch urban housing policy and economic policy thus seem to coalesce on a neighbourhood level with the common goal of residential and commercial gentrification: improving the business climate and transforming urban space so as to become more attractive for upscale production and consumption (Van Gent, 2013). The ideal of a neighbourhood economy as an assembly of retail spaces, cultural venues, restaurants and cafés as well as a group of ‘footloose’ self-employed who work in ‘third spaces’ and from the home, is strongly connected to the increase of SMEs. The rise in SMEs is in turn facilitated by a shift towards a post-industrial economy dominated by cognitive-cultural sectors and a process of vertical disintegration in many urban economies (Scott, 2011). SMEs in specific sectors (mainly knowledge-intensive and cultural sectors, as well as upscale cafés, restaurants and boutiques) are seen as drivers of local job-creation and attractive urban-residential environments. Moreover, if these economic activities meet a certain upscale, high-end standard, these features will be seen as creating living and leisure environments that attract the group of highly-educated, high-income urban residents that

\textsuperscript{61} In 2011, Dutch housing associations owned 31.2% of the total housing stock in the Netherlands (CBS, 2011). About 4.5% of real estate owned by housing associations is commercial real estate (CFV, 2008).
have often been referred to as the ‘creative class’ (Florida, 2002) or ‘new urban dwellers’ (Reijndorp, 2004). The process of commercial gentrification has been described as a process of neighbourhood change whereby a particular eclecticism or diversity of economic activities is carefully managed to create attractive, up-scale commercial spaces (Zukin & Kosta, 2004). Besides their particular economic value, businesses are infused with a specific symbolic value intended to signal the upward movement of a neighbourhood. A ‘hand-made’ quality of products, the notion of ‘different-from-mainstream’ businesses as well as authentic or original architecture are also part of this eclecticism (Zukin, 2012). The notion of commercial gentrification fits well with a revaluation of the neighbourhood economy as mentioned above, but it is questionable to what extent this is a realistic or desirable scenario for Dutch urban residential areas. Commercial gentrification processes like this have been observed in specific city districts in global cities like London, New York and Shanghai (Wei-Hsin Wang, 2011; Zukin, 2009), where customer bases for this particular kind of consumption are extensive, while also partly depending on outside tourism and investments from venture capital.

The rhetoric behind processes of state-led gentrification focuses on reducing exclusion and inequality by creating better living and business environments for all (Syrett & North, 2008). In the Dutch context, state-led gentrification also has a social aim to alleviate spatial segregation and the much-discussed ‘neighbourhood effects’ of concentrated poverty (Musterd, Ostendorf, & De Vos, 2005). However, much like residential gentrification, processes of commercial gentrification have been criticised for their effects of displacement and exclusion (Syrett & North, 2008; Wei-Hsin Wang, 2011). In the case of commercial gentrification, critics express the concern that policies leading to an increase of firms in particular locales create overwhelming competition for low value-added firms and overcrowded markets (Syrett & North, 2008). Eventually, this would lead to homogeneous urban milieus suited to the needs of a particular urban elite, forsaking the idea of ‘social mixing’ (Deener, 2007). Likewise, several scholars have posited the focus on urban entrepreneurialism in urban governance and the ‘selling’ of urban space as places of investment as problematic. They argue that urban elites and the coalitions they forge prioritise economic growth over social welfare. By stressing the ‘multiplier effects’ of local economic growth they conceal existing urban inequalities and solidify trends towards neo-liberalisation (Hubbard 1996; Harvey, 1989). Moreover, there is a connection between urban entrepreneurialism and a focus on the ‘eclecticism of fashion and style’ that will ultimately lead to a situation where ‘image is valued over substance’ (Harvey 1989: 13). These criticisms primarily refer to negative consequences of inter-urban competition and growth-strategies on a city level. Nevertheless, these statements pose legitimate questions regarding the strategies towards economic revitalisation in the Dutch neighbourhood context.
Therefore it is important to identify processes of local implementation of growth strategies and how local actors are involved in shaping these strategies. Does the criticism on urban entrepreneurialism also hold at a lower scale-level, when we look at regeneration strategies on a neighbourhood level? In the next section, I briefly discuss how we can define the Dutch neighbourhood economy and revitalisation instruments.

5.3 Roads toward revitalisation

The Dutch neighbourhood economy can be defined as market-oriented production and consumption transactions within a spatially delimited area of the neighbourhood\textsuperscript{62}. This includes retail and consumer services in independently owned shops, national and international chains and franchise-owners. Standard planning regulations prohibit home-based retail businesses, but consumer and business-service firms can be run from the home. The scaling down of production and the shift towards information intensive and service sectors\textsuperscript{63} increasingly allows SMEs to settle in urban residential areas. Moreover, these areas offer attractive business locations due to their relatively affordable small-business space and their short distances to city centres. Important to note is that commercial real-estate is often not owner-occupied. Most entrepreneurs have a lease contract with an independent owner or a large real-estate investment company\textsuperscript{64}. As a consequence of decades of mono-functional planning, large-scale production or office space is rarely found in residential neighbourhoods. Nevertheless, many neighbourhood firms do not exclusively produce for a local market. Some of these businesses may be linked to national or even international production chains, through the internet or otherwise constituted networks. However, at least part of the production of these firms takes place locally. Amin and Thrift (2002) emphasise that while the urban economy is increasingly global, it is firmly ‘grounded’ in local practices and institutions, and that these can differ between places. So while a local business owner might maintain (inter)national business relations through the Internet and by travelling, (s)he is, at the same time, embedded in the local production milieu.

The most important defining characteristic of a neighbourhood is that it is a very concrete spatial level at which we can observe economic structures and practices. It is a place where structural, infrastructural, demographic, economic, environmental, political, and sentimental ‘attributes’ come together (Galster, 2001).

\textsuperscript{62} In this study, I focus exclusively on the economy of residential neighbourhoods; i.e. neighbourhoods where the residential function is dominant.

\textsuperscript{63} The generally minimal nuisance that is caused by these types of businesses in comparison to manufacturing and traditional production activities makes them suitable to be performed from residential areas.

\textsuperscript{64} Few owners lease from the municipality or housing association since their share of commercial real-estate is limited.
neighbourhood is connected to other parts of the city and to other scale-levels by means of flows of people, money and other resources. Different actors such as property owners, households, businesses and local government can influence these flows as well as the spatial attributes of neighbourhoods (Webster 2003, Welter et al., 2008). One way local government is trying to influence these flows is by deploying economic revitalisation strategies.

These strategies consist of a combination of individual-centred and spatial-centred instruments. Individual-centred instruments target specific groups such as (nascent) entrepreneurs in specific industries to help them start a business or make an existing business more profitable. They can take the form of subsidies and funding opportunities, tax cuts, providing affordable (or even free) business space or tailor-made education to improve entrepreneurial skills. Spatial-centred instruments are meant to improve the business climate of a neighbourhood by arranging enterprise zones, improving local commercial space, developing small-scale business space or incubator spaces, as well as restructuring local shopping centres. A combination of these two types of instruments also occurs, for example by deploying a ‘street manager’ or ‘economic program-manager’ in a specific area, who advises and assists local entrepreneurs, mediates with the bureaucracy, and helps foster the local business climate. These instruments are financed and implemented by various organisations including the municipality, private developers and housing corporations as well as semi-public organisations such as the local chamber of commerce (KvK) and the local representative body of SMEs (MKB-Nederland). Concurrently, efforts are being made to involve local merchants and entrepreneurs in these revitalisation strategies by addressing local commercial associations or trying to stimulate the organisation of these associations where they do not exist. Although the exact configuration of local actors differs from case to case, in effect, there is always some formal involvement at the neighbourhood level. The scope of this formal regulative presence and the extent of their involvement in the neighbourhood economy partly depends on the priority of the area, the available financial means as well as the policy agenda of the district and the city. At the same time, active in the neighbourhoods studied were several local commercial or merchants’ associations that displayed various levels of involvement in the neighbourhood economy.

According to Welter et al. (2008), the multitude of stakeholders and actors involved in shaping the local economy increases the importance of local networks. These networks are important in creating common goals and creating capacity through which the local economic climate can be ameliorated. The extent to which entrepreneurs know each other and their physical and ‘metaphorical’ proximity to other local stakeholders matters for the capacity to organise actions and strate-
gies at local level. As Wagenaar argues, ‘increasing the density of communication in a neighbourhood alters the balance of proximity and distance in the system’ (2007: 40). Hence, the position of different stakeholders in ‘the political-geographic system of a neighbourhood’ is important in defining and implementing local economic strategies. In Welter et al.’s study of German neighbourhoods, ‘high-level communicators’ play an important role in creating networks and facilitating communication between different local actors. These high-level communicators ‘transmit information, speed up decision-making, and foster inter-organisational linkages’ (2008:112). Although Welter positions these high-level communicators at the decision making level of public or private organisations I would propose also leaving open the possibility of high-level communicators to act at the informal neighbourhood level. These high-level communicators are well-equipped to act as ‘brokers’ between the local government level and entrepreneurs in the neighbourhood. Also, they may be able to create what Deener (2007) calls a sense of ‘symbolic ownership’ of a certain space, such as a street, a block or an entire neighbourhood.

5.4 Situating economic revitalisation strategies

So far we have seen how a second strand of urban economic policy, geared toward the neighbourhood economy has gained importance and coincides with strategies towards residential gentrification. We have discussed the range of instruments commonly implemented and the palette of actors that can be involved in local revitalisation strategies. I have conceptualised the neighbourhood as a sphere of production and consumption. A local economic milieu is the result of many inter-related factors pertaining to ‘the look and feel’ of a neighbourhood, local consumption patterns, prior economic success and the image connected to a particular place. Neighbourhood economy is certainly not a universal concept and it takes many different shapes and forms in different localities. However, it can be assumed that when policy-makers intervene in neighbourhood economies, they are working with a circumscribed notion about commercial gentrification that incorporates certain elements of the process described in the previous section. As we will see in the following sections, some neighbourhood economic policies start from the assumed positive influence of art and culture on economic development, while others focus on stimulating individual qualities of entrepreneurs, aiming for competent and ‘modern’ entrepreneurs.

In order to analyse processes of change in neighbourhood economies despite their many differences and qualities in terms of the economic profile and configuration of local actors, I propose to look at three common situations that can be observed in neighbourhood economies and that serve as the background of this
study. They are analytical devices that emerged from the interview data. These situations drive the actions of local actors and are a reflection of the ‘real world’ that actors have to cope with (Watson, 2013a). However, these situations are not ‘static’ and can evolve over time. In this sense, they are also ‘indeterminate situations’ that invite situated creativity from the actors involved (Stark, 2009). These terms express the fluidity of social actions, emphasizing that local actors do not merely follow institutionalized scripts but are also able to recreate local commercial spaces through a process of reflexive cognition. This is not to say that the reshaping of local space is always a coordinated effort. In many instances, local actors have a common goal but pursue different strategies to get there, and in other instances, local actors have different or even opposing goals and evaluative principles with which they judge their local surroundings and the desired changes. The situations are:

- **A sense of urgency.** This situation was very much present in the two deprived neighbourhoods of this study, and also to a lesser extent in one of the more gentrified areas. Actors have a sense that ‘something must be done’ because of perceived social and/or economic deterioration. As one of the policy-makers in the city of Dordrecht puts it, ‘If you talk about Wielwijk [district of Dordrecht], you are talking about an area that was completely impoverished’.

- **Local symbolic ownership.** This situation refers to local actors’ perception of the neighbourhood, its identity, outward image and its (potential) problems. It refers to the way local actors talk about the social and economic uses and potential of the neighbourhood (Deener, 2007). A member of the local commercial association in Buiten Wittevrouwen [district of the city of Utrecht] describes a lack of local ownership: ‘Right now there is no clear outward image of our street, we cannot represent a common local opinion’.

- **Common goal.** This situation refers to the case where local actors have a clearly defined common goal related to the neighbourhood economy. They usually share a common overall goal of a profitable economic climate and ‘liveable’ social space—but with more intermediate or short-term goals with tangible instruments attached to them. Enhancing the aesthetics of a street or a block, or thematic marketing of a neighbourhood, are examples of such goals. High-level communicators and local ties between stakeholders can play an important role in setting and attaining these goals. The street manager in Helmersbuurt [district in Amsterdam] explains it like this: ‘To really get things done I depend on a well-functioning merchants’ association that comes up with their own plans… that I can give my support to’.

These situations provide an overview of what is going on in the four research neighbourhoods, but at the same time, correspond to situations that can be found in many urban residential neighbourhoods all over the Netherlands (Van Meijeren...
& Ouwehand 2007). They serve as the context of actions and practices for local actors. Notably, these situations can occur simultaneously, for instance when a sense of urgency leads to a direct common goal. Also, the setting and attaining of common goals can lead to an increased sense of local symbolic ownership. The next section will provide a short (economic) profile of the four studied neighbourhoods, followed by an analysis of situated actions of local actors and processes of change in neighbourhood economies.

5.5 Four neighbourhoods, different economies

For this study, four neighbourhoods in three Dutch cities were selected. First, in the city of Dordrecht, the deprived neighbourhood of Wielwijk was selected. Wielwijk has been specifically targeted by economic-growth policies at city-level since 2007. It has also been labelled as a ‘restructuring area’ on the national policy level (Actieplan Krachtwijken⁶⁵) because it belongs to a list of the 40 most deprived neighbourhoods in the Netherlands composed by national government in 2007. The second deprived neighbourhood selected, Pijlsweerd, is part of an urban priority area in the city of Utrecht. The third and fourth neighbourhoods selected, which can be considered high in their social-economic status, are in Amsterdam (Helmersbuurt) and Utrecht (Buiten Wittevrouwen). All four neighbourhoods are located outside of the city centres, but within a distance of 3km. Table 1 provides a concise background of the four neighbourhoods:

⁶⁵ ‘Powerful communities action plan’ - this national policy program has used SES indicators and ‘quality of space’ indicators to identify 40 of the most socially and economically troubled districts in the country (Sykes, 2011)
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Table 1: The four research neighbourhoods

<table>
<thead>
<tr>
<th>Neighbourhood</th>
<th>Description</th>
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<tbody>
<tr>
<td>Wielwijk, Dordrecht</td>
<td>Located in the west district of the city of Dordrecht, Wielwijk and two other neighbourhoods on the west side of the city were priority areas on a national policy-level during the period 2007-2012. The economic structure of the city of Dordrecht is focused on maritime industry and health-care. The city economy as a whole is lagging compared to average growth numbers in Amsterdam and Utrecht. Economic activity in Wielwijk is mainly concentrated around one shopping area in a centrally located square. The home-based economy is small, with around 40 home-based firms. Both residential units as well as the shopping centre were thoroughly restructured in the period 2002-2007. More expensive, owner-occupied housing has replaced a large share of the social housing projects in the neighbourhood. This has led to an increase in average incomes of 36% in the period 2007-2010[66]. Being labelled as a priority area supplied the financial means for revitalisation instruments during the period 2007-2012.</td>
</tr>
<tr>
<td>Pijsweerd, Utrecht</td>
<td>Located in the north-west district of the City of Utrecht, Pijsweerd is an ‘attention’ area on the urban policy-level, and located next to two national policy-level priority areas. The urban economy of Utrecht has seen constant growth over the last ten years. It is outperforming Amsterdam in terms of creative industries, and it is also profiling itself as an attractive location for the self-employed. Shops and businesses in Pijsweerd are dispersed over five streets, cross-cutting the neighbourhood. In addition, there is a home-based economy of a few hundred firms. Also, two cultural centres in the neighbourhood accommodate several cultural firms. Economic revitalisation of the neighbourhood started in 2009, with a comprehensive budget partly funded by the European Union. The regional section of the Dutch Chamber of Commerce is quite active in Utrecht, mainly focusing on creating networks between entrepreneurs to stimulate social-capital formation and innovation. This complements the implementation of Business Improvement Districts in 2011.</td>
</tr>
<tr>
<td>Helmersbuurt, Amsterdam</td>
<td>Located on the west side of Amsterdam, Helmersbuurt is a case of ‘early’, non-state-led gentrification. It was in a dilapidated state in the 1970s. The neighbourhood witnessed a ‘classic’ process of gentrification as artists and young, impoverished pioneers instigated a process of creative regeneration ([Ley, 2003]). There is an extensive customer base for upscale restaurants and shops, which have become more prominent in the neighbourhood since the 1990s. However, the neighbourhood still presents a mix of people from different socio-economic backgrounds indicated by a considerable share of social housing (26% in 2012[67]). The heritage of creative gentrifiers and artists is still very present in the cluster of creative firms and artists that occupy both visible spaces (shop fronts) and invisible spaces (at home or in business incubators). Economic activity is dispersed over three main streets. There is also an extensive home-based economy. The urban economy of Amsterdam is dominated by business services and financial services as well as trade services.</td>
</tr>
<tr>
<td>Buiten Wittenbuuren, Utrecht</td>
<td>Located on the east side of Utrecht, residential gentrification of the neighbourhood started in the beginning of the 1990s, when many immigrants of Turkish and Moroccan origin began to leave the small cottage-like houses for family-size houses that were being developed in more-suburban areas. The cheap, small residences in the neighbourhood were at first occupied by graduates of Utrecht University. University-educated singles and couples without children transformed the neighbourhood and this in turn attracted new businesses. The process of gentrification is on-going, indicated by the upward leaps in average real-estate values in the neighbourhood in the period up to 2009. Two main shopping streets run all the way through the neighbourhood to the city centre. In addition, there is a concentration of upscale businesses and financial services on a third street. There is also a substantial home-based economy of several hundred firms. Business Improvement Districts were implemented in Utrecht in 2011.</td>
</tr>
</tbody>
</table>

The different indicators presented in Table 2 give a general overview of the socio-economic status and firm settlement patterns in the different districts. As the table indicates, all four neighbourhoods are characterised by at least some degree of functional mix. They are primarily residential areas, but they also have a specific spatial pattern of economic activities.

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[66] Source: Research Centre Dordrecht (Onderzoekcentrum Drechtsteden)

[67] Source: Research & Statistics Amsterdam (O+S Amsterdam)
Data from a survey (see table 3) of entrepreneurs in each neighbourhood give an indication of the business climate in the four neighbourhoods. Especially in Wielwijk, few entrepreneurs had growth expectations for their business in recent years. Expectations in Wielwijk are slightly better with regard to the future, however. In the three other neighbourhoods, especially in Helmersbuurt, attitudes were, and still are, more optimistic. Entrepreneurs in Helmersbuurt and Buiten Wittevrouwen judge their neighbourhoods more favourably than those in Wielwijk and Pijlsweerd.

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69 Based on municipal data on number of firms per neighbourhood
70 This number does not include firms that started in the home environment (home-based business)
71 WPM group & HBD
72 Zadelhof business real-estate monitor (2012)
CHAPTER FIVE

Table 3: growth expectations & neighbourhood image (survey data 2011)

<table>
<thead>
<tr>
<th></th>
<th>Wielwijk (N=11)</th>
<th>Pijlsweerd (N=9)</th>
<th>Helmersbuurt (N=34)</th>
<th>Buiten Wittewrouwen (N=33)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expected to grow in last two years</strong></td>
<td>1 (9%)</td>
<td>6 (66.7%)</td>
<td>18 (53%)</td>
<td>11 (32.4%)</td>
</tr>
<tr>
<td><strong>Realised growth in last two years</strong></td>
<td>1 (9%)</td>
<td>4 (44.4%)</td>
<td>15 (44.1%)</td>
<td>11 (32.4%)</td>
</tr>
<tr>
<td><strong>Expects to grow in the next two years</strong></td>
<td>3 (27%)</td>
<td>6 (66.7%)</td>
<td>22 (65%)</td>
<td>18 (54.5%)</td>
</tr>
<tr>
<td><strong>% Judges the neighbourhood image as pleasant</strong></td>
<td>54.6%</td>
<td>66.7%</td>
<td>94.2%</td>
<td>97.0%</td>
</tr>
</tbody>
</table>

As we will see in the subsequent section, the image of a neighbourhood is one of the elements that contribute to the sense of urgency that entrepreneurs feel with regards to their neighbourhood.

5.6 Situating strategies and processes of change

This section is based on interviews with policy-makers and entrepreneurs in the four neighbourhoods researched. I will analyse the implemented revitalisation strategies and processes of neighbourhood change by situating them in the three situations presented in section 4: sense of urgency, local ownership and common goal(s). Table 4 presents an abbreviated overview of the implemented instruments as well as the three situations in each neighbourhood.

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73 Expected growth in terms of sales and/or employees.
74 Combined share of entrepreneurs that ‘somewhat’ or ‘strongly’ agree with the statement ‘This neighbourhood has a pleasant image.’ See also appendix V.
The road to revitalisation taken by policy-makers and the housing association in Wielwijk presents a mismatch with the capabilities and resources of local entrepreneurs. The major renovation of the local shopping centre was done in conjunction with the residential restructuring of the neighbourhood. The need for restructuring came from a politically felt sense of urgency. The neighbourhood was a designated priority area on the national policy level which made the financial means for large-scale restructuring available. After the renovation of the shopping centre it was purchased by a large real-estate investor. Rents for commercial real-estate increased dramatically (see also table 1) and this a real problem for local entrepreneurs as the representative of the local housing association conveys: ‘Both the flower shop and the women’s lingerie shop have had to shut down because of these prices… it’s such a shame’.

\[\text{\textsuperscript{75} Financed by both the local municipality as the local housing association which owned part of the shopping centre (authors’ interview)}\]
CHAPTER FIVE

The neighbourhood economy manager\(^{76}\) thinks part of the problem relates to entrepreneurs’ adaptive capabilities:

‘A lot of entrepreneurs here are conservative and isolated. They are not really capable of innovation or adapting to changing circumstances. You need people who see opportunities and work together to accomplish things.’

She is also referring to the lack of an active, local commercial association in the neighbourhood which could create opportunities for combining efforts to attract customers. The lack of a coherent collective of local entrepreneurs, and in the same vein, the lack of a strong (high) communicator, has resulted in a one-sided vision on revitalisation of the neighbourhood. Next to restructuring the local shopping centre, local government and the housing association have aimed at increasing ‘the sense of entrepreneurship’ in the neighbourhood, by creating an incubator space as well as implementing a yearly entrepreneurship award for starting entrepreneurs. The incubator space (De Kansenflat), founded in 2008, is located in a former social housing project. The aim was to attract starting, or recently started, creative entrepreneurs\(^{77}\). An explicit goal was to attract home-based entrepreneurs from the neighbourhood to support the transition from home to business space. It offered them cheap business space and guidance in the start-up phase. The incubator space has attracted quite a lot of publicity, also because of its colourful appearance (see Image 1) in the midst of an otherwise fairly monotonous and greyish area. Robert, the local policy official, questions its net economic gain when he says: ‘This incubator space has become somewhat of an icon, but realistically, I think we’ve only attracted about five or six firms that will survive’. Likewise, he comments on a lack of responsiveness of local residents and entrepreneurs to the entrepreneurship award:

‘We simply did not get enough applications. This is what I mean when I say I am cynical; we had to work so hard to even get people to apply for this award. If it was me, and I could get €10,000 as an entrepreneur, I would line up to apply’.

A problem of high business-turnover rates (see also table 1) is a sign of an overcrowded supply-side competing for a marginal customer base (Syrett & North, 2008). Existing entrepreneurs in Wielwijk face the problems of high rental prices and a low-income customer base. Revitalisation instruments aim at increasing the level of entrepreneurship in the neighbourhood and thereby increasing local com-

\(^{76}\) The neighbourhood economy manager is a liaison officer of the local SME organisation (MKB Zuid-Holland)

\(^{77}\) Admittedly, this is a broad concept. The city of Dordrecht uses this concept quite loosely, including artists, ethnic entrepreneurs (who could be defined as cultural entrepreneurs) as well as high-skilled technological entrepreneurs.
petition, instead of strengthening the position of local entrepreneurs who are already in business. The commitment and ideas about changing the social and economic functions in the neighbourhood came from local government officials and the housing association, without necessarily fitting with the ideas of the local entrepreneurs already in place. Seraida, one of the creative entrepreneurs in the incubator space, recalls how she was often expected to contribute to neighbourhood events like fairs and activities at the community centre for free:

‘They expect you to do it voluntarily, but you have costs and everything so I was really ambivalent about it. Also, because some people assume that if you are at a neighbourhood fair, everything that you sell is supposed to be cheap. So I did contribute, but not to every event.’

The implemented revitalisation instruments in Wielwijk were ‘made for’ as opposed to ‘made with’ local entrepreneurs. The comments by the local policy official with regards to both the entrepreneurship award and the incubator space reveal a sense of disappointment and failure. Both instruments are being discontinued; the incubator space was shut down in late 2012.

Image 1: the incubator space in Dordrecht – Wielwijk (picture by author)
Instead of increasing entrepreneurship in Pijlsweerd, the revitalisation instruments in this neighbourhood were directed at upgrading the quality of existing entrepreneurship as well as attracting specific shops and businesses to fill vacancies and aid the upgrading process. This mainly plays out in the main shopping street of the neighbourhood, which is characterized by a volatile retail situation. Average rents for commercial real-estate are below those in Wielwijk (see table 1), but starting prices are still remarkably high compared to Helmersbuurt and Buiten Wittevrouwen. The street manager, Eric, who is in charge of this process, answers my question about what kind of shops he wants to attract to the area when he says:

‘I would love to have a coffee and bagels shop (specific brand name) in this street because it signals something to others like… we have faith in this street.’

Eric positions himself as a high-level communicator. He is employed by local government, but his efforts aim at creating a shared sense of ownership, despite the high diversity in ownership and quality that characterises the street. Ownership of commercial real-estate in the neighbourhood is very fragmented, mostly private, putting severe limits on the coordination and collaboration with real-estate owners who ultimately can decide whom they will sign rent leases with. Eric would like to see more chain stores in the street because ‘you need chain stores in a street to attract customers and they are not economically volatile.’ Here, he is addressing the issue of stability, and with that, referring to the sense of urgency that is felt by both local policy-officials and entrepreneurs alike in this neighbourhood. His position towards chain stores represents an interesting divergence from the concept of gentrification through independently-owned, ‘unique’ shops and businesses. The expressed sense of urgency is threefold: an overall low socio-economic level of the neighbourhood residents, nuisance from local cafés at night-time and a high vacancy rate in the main shopping street in the neighbourhood. The owner of one of the local supermarkets agrees with the street manager on attracting a specific type of shop to the area. He says:

‘The thing that troubles me most is the image of the neighbourhood… the vacancy rate and impoverished areas don’t help. If we had a few nice shops generating some traffic, that would help tremendously.’

John, owner of a cultural centre and co-working space, connects the sense of urgency to his daily activities as an entrepreneur. He thinks that the neighbourhood needs to improve its image, and that ‘all entrepreneurs can contribute to it and benefit from it when we see our sales go up’. Along the same lines, Eric tries to convince local shop and business owners to upgrade the image of the neighbourhood by ‘modernising’ their shop fronts and windows:
‘You see a lot of ostentatious lighting and neon-signs, it’s old-fashioned but especially Turkish entrepreneurs do it because they think they will get noticed more easily. Everybody does it, and they really think it is nice-looking…while a modern shop should simply be way more sober […] It’s hard to convince them that they will speak to a broader customer base if they change this’

Eric’s comment illustrates that his idea about what is commercially attractive does not necessarily resonate with shop owners. The diversity of entrepreneurs in this case, complicates a unified upgrading strategy. Interdependencies between local policy-makers and real-estate owners create further complication. Brigitte, a policy-maker at the department of Economic Affairs, recounts how her department ‘works around’ uncooperative real-estate owners:

‘Often, you cannot even trace these people, and the only thing you can do is to use the neighbourhood development agency to buy real-estate and designate them for a type of business that we deem important’.

The neighbourhood development association she is referring to is an organisation, in which the municipality and the local housing association cooperate to buy commercial real-estate in the neighbourhood and scout ‘appropriate’ entrepreneurs to set up shop. The actual number of commercial real-estate spaces owned by this organisation is still very limited, and since the start of the Financial Crisis in 2008 it has hardly bought any. These top-down strategies are complemented by a collective, city-wide entrepreneurs’ fund, implemented in Pijlsweerd in 2011.
The fund closely resembles the instrument of Business Improvement Districts that was introduced in Manhattan (NYC) and several UK cities (see Ward, 2006) where part of property taxes are saved in a fund. In order to have a say in the allocation of Pijlsweerd’s entrepreneurs’ fund, entrepreneurs have to be a member of a merchants’ association. The fund can be spent on anything that benefits the local business climate, as long as it’s democratically decided on. The municipality therefore also actively encourages this membership, through street managers and the policy officer who is in charge of the fund. This policy officer says:

‘I tell them [the entrepreneurs] that this money is for them to spend…and it’s a lot. They have to spend the money democratically, though, and it’s important that all local entrepreneurs know that the merchant association decides.’

The fund helps to forge a common goal for all stakeholders involved, where local government does the collecting and administration, and the merchants’ association sets immediate goals to improve the economic functions of the neighbourhood. It could very well function as a bridging instrument to bring different ideas about the social and economic functions of the neighbourhood together, provided that local entrepreneurs find common ground. John wants to contribute:

‘I want to be in the board of the merchants’ association […] I think all entrepreneurs in the neighbourhood will have diverging ideas, but it’s more important to focus on what we have in common.’

The main circumstance driving actions of local actors in the Helmersbuurt is not a sense of urgency, but strong local ownership. The image of the neighbourhood, and ideas about its social and economic functions, are shared by local policy-makers and entrepreneurs, yet they encounter similar problems with real-estate owners as in Pijlsweerd. Frank, the street manager in this neighbourhood, constantly tries to maintain the high-end, high-quality character of shops and businesses in Helmersbuurt. He tries to negotiate with real-estate owners on leasing retail units to the ‘right’ type of entrepreneur:

‘I try to influence…you know…who starts their business where. But eight out of ten times the lease is signed without me knowing anything about it…so realistically, I’m often at the side-line.’

Powerful instruments for controlling the economic functions in the area are zoning regulations and district plans on retail and restaurants. The district government implemented a zoning rule to prevent the opening of new establishments.

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78 Both users and owners of non-residential buildings contribute through property taxes.
of specific types of low value-added retail and take-away restaurants on the main shopping streets in the neighbourhood. The street manager can, and has, used this regulation to control the types of business in the neighbourhood. In order to maintain the creative and artistic character of the neighbourhood, local policymakers want to make sure there is enough affordable, small-scale, commercial real-estate available. The municipality and the local housing association collaborated in redeveloping a former hospital in the neighbourhood into an incubator space in the early 1990s. This incubator space is widely regarded as a great success, and it forms the backbone of the district government’s continuing emphasis on the need for small-scale business space. Besides the former hospital, there are two other main commercial spaces in the neighbourhood that are owned by the local municipality. The municipal district of Amsterdam West capitalises on the bottom-up gentrification process, by actively conserving and maintaining the artistic, high-end production milieu in the neighbourhood. The district’s economic policy specifies that Amsterdam West’s goal is to ‘become the most creative and entrepreneurial hotspot in Amsterdam’ (PCO, Amsterdam West 2010). The efforts of the street manager and local policy officials are directed at making sure the neighbourhood remains attractive for outside investment. One of the policy officials says:

‘One of our goals is to attract some big names to this area, so people will think…oh, this is what we can associate this area with…this was also part of the reason to attract the artists’ academy here.’

The artists’ academy is located in one of the buildings owned by the municipality. Frank, the street manager, plays an important role in maintaining local ownership with the entrepreneurs, as well as establishing common goals for local entrepreneurs and local government:

‘We started four years ago by doing “wishful thinking” with local entrepreneurs. We thought about what we want the image and the atmosphere of the commercial areas to be like in 2020. It’s all embedded in conditions and tasks and who is supposed to do what’.

In making plans with local entrepreneurs, Frank is evoking a specific spatial imagination, establishing further common local ownership of the area. Also, these plans specify direct tasks, resulting in common goals that all local actors get involved in. The continuation of this type of agenda-setting over time is important to ensure new entrepreneurs also get involved as well as maintaining the already existing relationships. For example, the owner of a bridal couture shop in the neighbourhood

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79 This zoning regulation prevents phone shops, gaming halls and fast food and take-away restaurants – zoning by-laws expressed in the zoning plan for the district of Amsterdam West (2006) and district policy document on restaurants and cafés in District West (Horecanota Stadsdeel West 2011).
comments that she sees a declining involvement of local government. She says that the district council used to organize meetings for existing and nascent entrepreneurs in the neighbourhood where they would talk about topics like real-estate or public space. Ever since the district council merged with three other district councils she says, ‘Frank is the only thing we’ve got left’. A policy official with economic affairs tells me the city of Amsterdam shifted in 2010 from policies that support entrepreneurs on a neighbourhood level to a city-wide policy for entrepreneurs: ‘Every city district was basically doing the same thing…with the new policy we coordinate our activities and we make choices about who contributes what’. This shift, and the merger between city district councils, explains why government involvement at neighbourhood level has decreased. These recent changes towards upscaling neighbourhood policies represent a change compared to the earlier approach of the former district council, which wanted to actively get involved in conserving a specific neighbourhood identity. The changes have been too recent to say whether the shared local ownership and the common goals as expressed in the ‘wishful thinking’ for 2020 will be affected by this in the years to come.

Image 3: New Art Space Amsterdam (NASA) in former hospital laboratory in Helmersbuurt (picture by author)

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80 Four district councils on the west side of Amsterdam merged into one city district council in May 2010.
Local ownership in Buiten Wittenvrouwen, Utrecht, is fragmented. This has several reasons. First, entrepreneurs are mainly organised on a sub-neighbourhood level. Separate business and merchants’ associations serve the neighbourhood’s shopping streets and the street where upscale business services are located (Maliebaan). In addition, there is a network of home-based entrepreneurs in the neighbourhood. The second reason why local ownership is fragmented in Buiten Wittenvrouwen is because the local government’s ideas about the local economy diverge from that of local entrepreneurs. The relative high degree of organisation in the neighbourhood is partly the result of local-government investment in stimulating these associations. The district council has funded a ‘light’ version of street management that is specifically aimed at supporting the merchants’ associations. Similar to the situation in Pijlsweerd, the implementation of the city-wide entrepreneurs’ fund also encourages entrepreneurs to become a member of a local business organisation. The policy official in charge of the collective fund expresses his expectations:

‘When you know each other, things will get done. So that's where it starts. The merchants' association is a natural place where people get to know each other’.

Every merchants’ or business association is geographically defined, and contains several streets. They all get a part of the collective fund to administer. Although this encourages a degree of organisation, it also results in a geographical fragmentation that is actually fuelled by this financial structure. For example, the merchants’ association in the Biltstraat, a shopping thoroughfare, is actively trying to get rid of an over-representation of business services in the street. They mainly want to attract upscale retail stores, by mediating between real-estate owners and entrepreneurs. The chairwoman of the merchants’ association, Maria, elaborates on the problems they encounter:

‘The realtor from across the street just relocated...so I contacted him to ask what the actual size of the property is, and to inform him we might have someone who's interested...he tells me it's already been leased to a temporary employment agency. That really upsets me...another employment agency! We're trying to get rid of those’.

This fragmentation illustrates both the sense of urgency felt by the merchants’ association and the relative powerlessness felt by entrepreneurs in relation to real-estate owners. Adding to this complexity is the fact that local government does not acknowledge the sense of urgency. In fact, local government has designated the main function of the Biltstraat as a ‘thoroughfare’, emphasizing the traffic function for cars, public transport and cyclists to and from the city centre of Utrecht.

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82 For instance, by agenda-setting, making notes, and providing feedback to entrepreneurs about meetings.
The high density of economic functions in the neighbourhood puts pressure on the economic resources of the district council and the need to balance the interests of residents and entrepreneurs. Consequently the district council has decided to strengthen the identity of only one of the shopping streets and focus on the Biltstraat as a thoroughfare. Rob, the secretary of the merchants’ association of the Biltstraat recalls his frustration with the decision:

‘A few years ago I attended a city council meeting where they basically stated that they would support the “recreational shopping” function of the Nachtegaalstraat and that they would not support it for the Biltstraat. It made me furious…because it also means the end of public investment…’

The local government has got clearly circumscribed ideas about the economic functions of different parts of this neighbourhood. These ideas are powerful in either attenuating or strengthening any power a merchants’ association has over ‘their’ commercial area. A shared local ownership contributes to the setting of common goals, as we saw in the case of the Helmersbuurt. In this sense, the entrepreneurs in the Biltstraat try to work around the issue of fragmented local ownership by trying to contact real-estate owners directly about the leases they sign. This is one of the common goals they set within their community of entrepreneurs. Another common goal is to promote the street to neighbourhood residents and outsiders as a shopping street by organising community discounts and promotional sales. This has potential considering the purchasing power of neighbourhood residents (see also Table 1). Yoran, a local bar and restaurant owner:

‘I think the promoting is good…yet you need to deal with different interests. I own a bar so I have a different clientele than other shops […] Just being an entrepreneur is not the most important thing that connects us’.

If the merchants’ association is successful in finding common ground and shaping their identity as a shopping area, this will aid their economic success. The city-wide entrepreneurial fund will financially support the entrepreneurs in setting and attaining their goals. Right now, the other areas with economic functions in the neighbourhood, the Nachtegaalstraat and the Maliebaan are areas that are most prosperous commercially in terms of the numbers of economically successful entrepreneurs. It is probable that the utilisation of the entrepreneurial fund will augment existing competition between the different commercial areas in the neighbourhood.

83 For example; Yoran, the bar owner, struck a deal with the bicycle shop next door so that people can get a discount on their coffee at his bar while they wait for their bike to be fixed.
The four cases show that a sense of urgency is not something that only pertains to socio-economically deprived neighbourhoods, and has different dimensions for different actors. A large part of entrepreneurs in Buiten Wittevrouwen feel a sense of urgency with regard to the economic functions of their neighbourhood. At the same time, the revitalisation instruments implemented in Wielwijk have hardened market conditions for local entrepreneurs. In this case, the revitalisation strategy has had some perverse effects by aiming at a type of entrepreneurship that does not match the characteristics of the neighbourhood. It shows that entrepreneurship in neighbourhoods with a lower socio-economic status can be volatile. If fixed costs increase due to top-down investments in commercial real-estate while revenues do not increase proportionately because the customer base is not changing fast enough, this presents entrepreneurs with serious problems. For entrepreneurs in neighbourhoods characterised by residential gentrification there are more opportunities to attract spending from a local market, provided that they can speak to these local communities of high-end consumers. This implies that entrepreneurs need to keep developing their products and services to appeal to the ‘creative class’ with their fast-changing tastes and preferences. The implementation of an entrepreneurial fund in Utrecht contributes to bottom-up goal-setting and increases the ‘density of communication’ between entrepreneurs.
and local government (Wagenaar, 2007). The street managers in both Pijlsweerd
and Helmersbuurt position themselves as high-level communicators, contributing
to this density of communication. Maria (from Buiten Wittevrouwen) positions
herself as a high-level communicator within the community of entrepreneurs, but
with limited entry into local government, which impedes a shared local ownership.
The one case that most closely resembles the type of commercial gentrification
observed by authors such as Zukin (2004) and Wang (2011) is Helmersbuurt. The
effort to attract chain stores to Pijlsweerd represents a different type of commercial
gentrification that is intended to signal that the neighbourhood is suited for
further commercial investments.

5.7 Conclusion

The ‘ideological props’ (Fuller, 2012) behind economic revitalisation strategies aim
to build on the ‘common sense’ notion (Ibid.) that economic growth will benefit
everyone and will create ‘better’ urban spaces in which to live and to work. The
growth strategies taken on a neighbourhood level all rely on some form of commercial
gentrification, be it by attracting (or conserving) creative industries or by
prescribing ‘good’ or ‘high quality’ forms of entrepreneurship. The rationality behind
this strategy suggests that once-deprived neighbourhoods get a ‘push in the
right direction,’ the direction being an increased exchange value of a place; then
the ‘free market’ will take over. The four cases show how this strategy directed
at commercial gentrification, works out quite differently in different neighbour-
hoods. A similar point has been made on the phenomenon of residential gentri-

fication (Butler & Robson, 2001).

The comparison of four neighbourhoods illustrates the ‘context-dependent na-
ture of the structuring of action within local systems of governance’ (Phelps and
Tewdwr-Jones 2000:127). The practice of economic revitalisation differs geogra-
phically between and within cities and depends on the configuration of local actors,
the economic structure, and political and administrative organisation and involve-
ment. Yet most of all, these practices are shaped by the situations that local actors
see themselves confronted with. The goal was not to understand these situations
(Stark, 2009), but to show how these situations drive actions and are used by actors
to ‘get things done.’ This approach, sensitive to ‘situation-specific processes of
interaction’ is able to shed light on the material reality of economic revitalisation
strategies (Fuller, 2012). The outcomes of urban entrepreneurial governance stra-

tegies depend on situations encountered in targeted localities. Likewise, the liveli-
hoods of entrepreneurs are affected by how these revitalisation strategies work out on a local level. The extended-case method tries to ‘extract the general from
the unique’ (Burawoy, 1998) and here, the identified situations are also helpful.
Every neighbourhood has a unique configuration of local actors. Yet they have in common that where local ownership is strong, local entrepreneurs are empowered and, in turn, this foments common goals. The presence of a high-level communicator, as seen in the street managers in both Pijlsweert and Helmersbuurt, increases a sense of shared local ownership. Inputs and outcomes of revitalisation strategies become more negotiated in this way. This negotiation or co-creation of commercial areas is important because it relies on the local characteristics, strengths and needs of entrepreneurs. Also, the presence of a person who is capable of this kind of ‘brokerage’ adds flexibility to an otherwise quite standardised or rigid policy idea of a commercial gentrification trajectory. This will prevent or at least weaken the emergence of homogenous commercial spaces that exclude particular types of entrepreneurship as well as a particular clientele. Short policy cycles and an evolving administrative environment like that of Amsterdam do not help the position of these high-level communicators.

Choosing the right instruments to meet the needs of local circumstances is very important. For example, small firms and entrepreneurs in the deprived neighbourhood Wielwijk have not profited from the implemented revitalisation instruments. The implemented instruments have not been based on a thorough-enough analysis of business opportunities (Welter et al., 2008), or a strengthening of already existing qualities, but rather based on a blueprint of commercial gentrification that does not match local circumstances. Here, there is an combined negative effect produced by the lack of a high-level communicator or an active merchants’ association, and the strong top-down approach that together actually consolidate a situation where entrepreneurs become rather passive ‘targets’ of policy.

The empirical material has also shown that in areas where hardly any economic policy instruments are implemented, like Buiten Wittenvrouwen, the strong local ownership felt by the merchants’ association can resist the definition of the situation made by local government by setting common goals within the community of local entrepreneurs. Interestingly enough, independent real-estate owners are often not engaged with revitalisation strategies. Owners of commercial real-estate apparently do not see revitalisation strategies as effective ways to increase the exchange value of their property. The position of (independent) real-estate owners in neighbourhood economic dynamics forms an interesting puzzle that was not part of this study but certainly leads to interesting questions for further research.

This study has shed light on the social dynamics and interactions involved in implementing local revitalisation strategies. Groups of local entrepreneurs form communities wherein which both shared and contrasting values on what ‘their’ neighbourhood should be like influences the organisation of their business as
well as their mutual relationships. Entrepreneurs are clearly not atomised decision-makers when it comes to both their business and their spatial surroundings. Sure, they want to run a profitable business, but they recognise that this is more often than not dependent on a collective sense of place and a coordinated effort to create a commercial space where all entrepreneurs thrive. This provides an argument for questioning whether the introduction of policy strategies that are ultimately geared towards increasing the exchange-value of a particular place, by attracting new users, will not destroy the use-value it has for its current users (Logan & Molotch, 2007). The type of informal exchange and common goal-setting that goes on in a community of local entrepreneurs depends on a certain degree of social organisation. Policy initiatives that try to stimulate this organisation by providing financial incentives seem successful in Utrecht. Yet, in places where social organisation is already strong, introducing external financial incentives might also erode a sense of community based on practices of reciprocity. The complicated socio-organizational networks that determine reciprocal exchange of information, favours, and collective tasks might be disturbed by the introduction of a financial scheme such as the Business Improvement District (Mingione, 1991). Also, one can ask what might happen to those entrepreneurs not sufficiently skilled or networked to find their place when the dust settles on the upscaling process? I have shown that revitalisation instruments do not work like a brush-stroke of paint on a blank canvas. Actually, they can worsen local economic conditions if situations of experienced urgency, local symbolic ownership and common goals are not taken into account. In order for inclusive revitalisation to take place, we also need to acknowledge that not every neighbourhood has the potential to be an incubator of (creative) start-ups, and that there might neither be a supply of creative entrepreneurs nor a local market for this type of economic activity. It highlights the need for a thorough analysis of local circumstances and opportunities in order to create inclusive and diverse practices of urban economic revitalisation.