SUMMARY

The new diversity
Increased ethnic heterogeneity in the Netherlands

1. INTRODUCTION

There was a time when large groups of immigrants came to the Netherlands from a small number of countries, to wit Indonesia, Morocco, Turkey, Surinam or the former Netherlands Antilles. Since then, the situation has changed considerably. In today's Dutch society, not only has the number of people with a migration background increased, but the migrants hail from much more diverse backgrounds. People belonging to the 'classical' communities of immigrants are now in a minority, with the majority of migrants having come from a wide range of other countries, including Poland, Bulgaria, Syria, Germany, India and China. In 2017, the migrants living in the Netherlands hailed from 223 different countries of origin.

This exploratory study documents this new reality, as well as the consequences it may have for social cohesion and the economy.
It mainly focuses on two questions:
1. How ethnically diverse is the Netherlands today, and how do diversity rates differ from municipality to municipality, and within municipalities?
2. What is the relation between ethnic diversity and the social cohesion of a neighbourhood or municipality, and what is the relation between ethnic diversity and a region's economic development?

By 'diversity', we mean ethnically diverse backgrounds. These days, the word 'diversity' is often used in debates on gender and sexual orientation. However, this exploratory study is *not* about that type of diversity. In order to prevent confusion, we will often use the phrase 'ethnic diversity' in this paper.

In order to answer the first question, we performed an analysis of Statistics Netherlands' (CBS) *Stelsel van Sociaal-statistische Bestanden* ('Socio-statistic files database'), which contains data on all 17 million persons currently registered as living in the Netherlands. In order to answer the second question, we reviewed existing literature on this issue, and then conducted some research of our own. While carrying out our study, we once again used the aforementioned database, as well as the National Law Enforcement Database (BVH), the 2014 Netherlands Safety Monitor (*Veiligheidsmonitor 2014*) and Statistics Netherlands' data on economic growth. The results are representative of the population as a whole.

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2. INCREASING ETHNIC DIVERSITY

Figure 1 shows that the share of residents with a migration background in our population has risen considerably in the last few decades, from 9.2 percent in 1972 to 22.1 percent in 2016. Moreover, the group of residents with a migration background is becoming increasingly diverse. These days, only one third of migrants living in the Netherlands belong to the traditional migrant communities, whereas the remaining two-thirds hail from a wide range of other countries of origin.

Figure 1.   Share of people in the Dutch population with a migration background, 1972 and 2016

January 1972   January 2016

■ Native Dutch background
■ Migration background
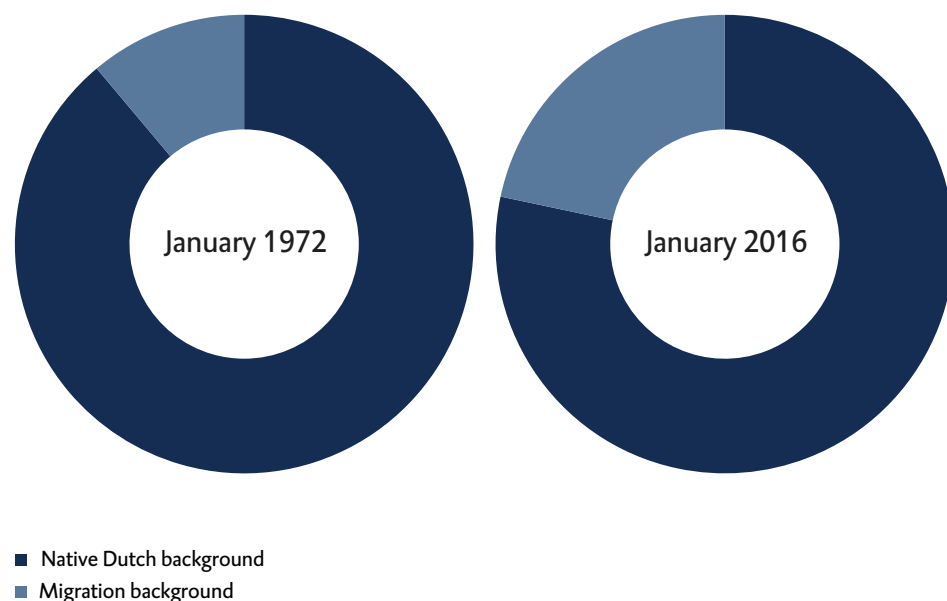
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Interestingly enough, people are often unaware of this increased ethnic diversity. Policy documents and studies on migration and assimilation continue to focus on traditional migrant communities, e.g. Moroccans, Turks, Surinamese and people from the Netherlands Antilles. A few groups of refugees and Polish labour migrants may occasionally also receive a share of the attention. Furthermore, a rather rough distinction between 'Western' and 'non-Western' migrants is often made in policy documents.

This exploratory study advocates a changed perspective on migration and integration. We must do away with our old notions regarding migration and integration issues. If we see things through 1970s migrant worker glasses, or through post-colonial glasses, we will only see migrants from the traditional emigration countries and from poorly defined categories in which many migrants were lumped together, such as 'from the West' and 'not from the West'. This is shown in the circle on the left in Figure 2. Once we let go of our old frameworks and look at things as they are now, we will see a multitude of new groups, as shown in the circle on the right in Figure 2.

Figure 2. Two different perspectives on people with a migration background, the Netherlands on 1 January 2017

1970s immigrant workers and post-colonial immigration perspective

Diverse backgrounds perspective
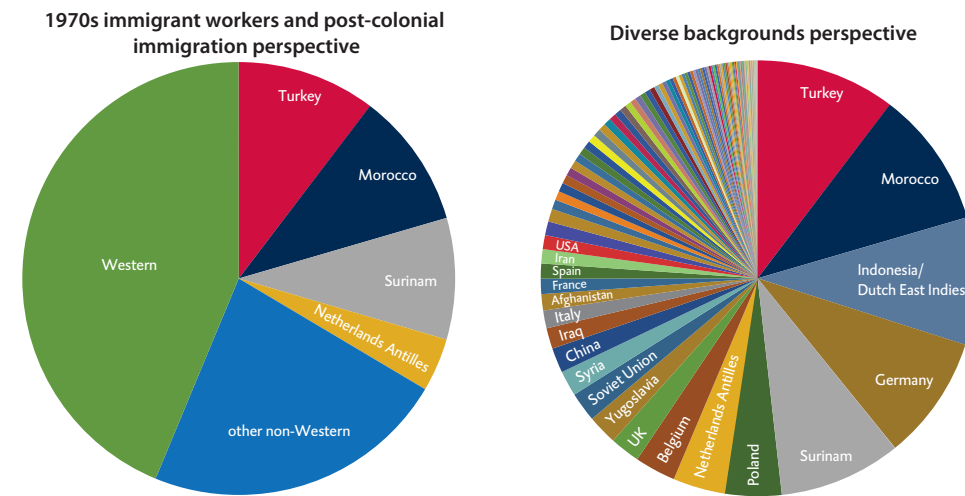
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By acknowledging that today's migration situation is more diverse, we can do greater justice to the wide ethnic diversity of migrants living in Dutch society. If we focus more particularly on the countries from which migrants living in the Netherlands departed, we will notice that the traditional countries of origin are no longer in the top-15 of countries with the most significant positive net migration rates (more immigrants than emigrants). During the 2007 – 2016 period, this top-15 was as follows: Poles, Syrians, people from the former Soviet Union, Bulgarians, Chinese, Indians, Romanians, Italians, Germans, Somalians, Eritreans, Spaniards, Hungarians, Greeks and Iranians (see Figure 3).

Figure 3. Top-15 of countries supplying the greatest number of migrants (net migration), 2007 – 2016
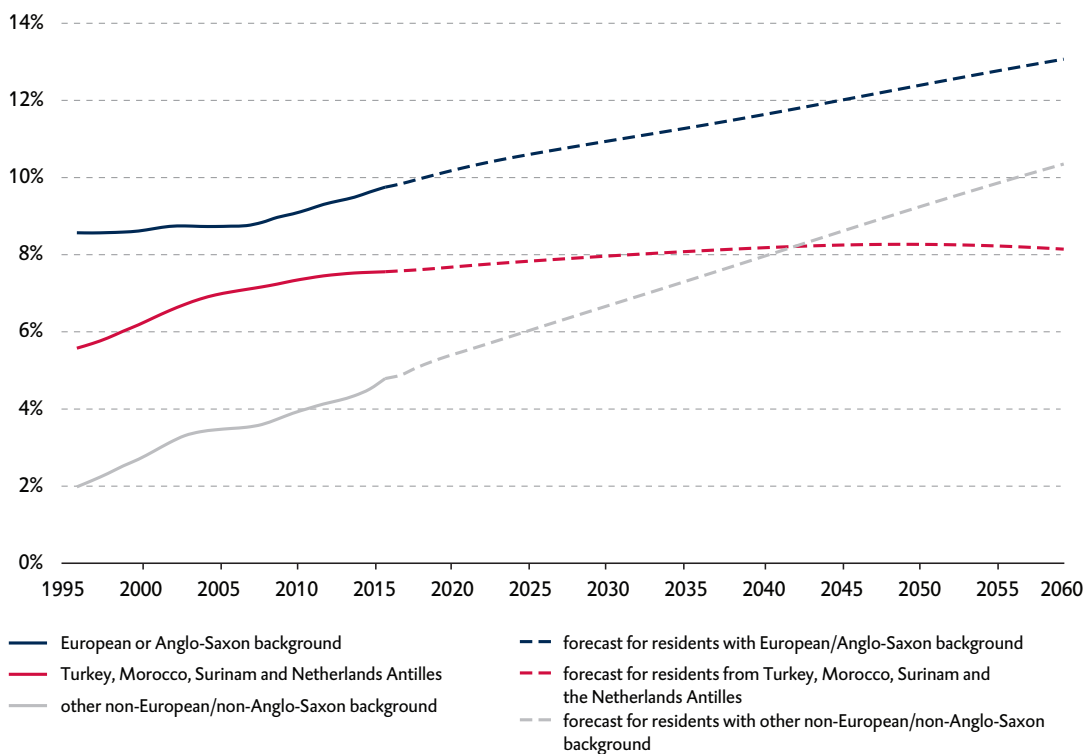

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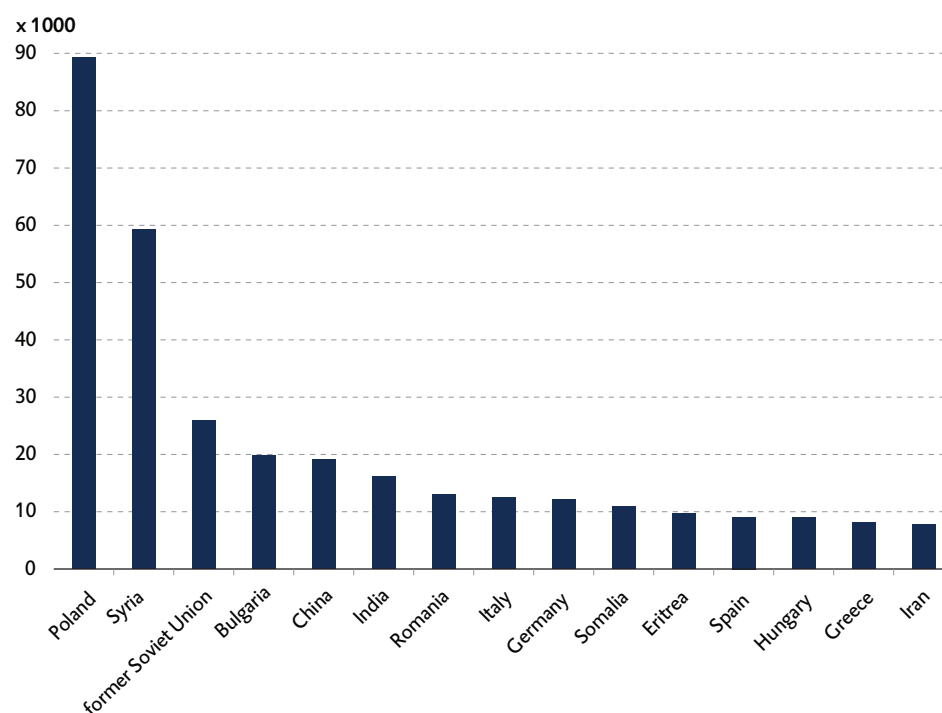
Another reason why the Netherlands is becoming increasingly ethnically diverse is that birth rates tend to be higher for residents with a migration background than for the native population. At the same time, mortality rates for residents with a migration background tend to be lower, since migrants tend to be younger than the average resident. After a while, the birth and mortality rates of migrant communities will conform to those of the country in which they have settled. However, we are still a long way from reaching that point. This means that Dutch society will continue to grow more diverse over the next few decades, even if we were to completely ban immigration starting from today.

This sustained increase in the ethnic diversity rate is reflected in Statistics Netherlands' population projection. Figure 4 shows that the share of representatives of the four traditional emigration countries in the Dutch population will continue to increase slightly until the mid-twenty-first century, after which it will stop growing. The projection mainly shows that the share of the highly diverse group of persons with a non-European/non-Anglo-Saxon background will continue to increase significantly. Starting from the mid-2040s, this group will outnumber the traditional 'big four'. The diverse group of people with a European or Anglo-Saxon background will continue to represent a larger share of the population as well.

Figure 4.   Share of people in the Netherlands with a migration background, 1996 – 2060

Legend:
- European or Anglo-Saxon background
- Turkey, Morocco, Surinam and Netherlands Antilles
- other non-European/non-Anglo-Saxon background
- forecast for residents with European/Anglo-Saxon background
- forecast for residents from Turkey, Morocco, Surinam and the Netherlands Antilles
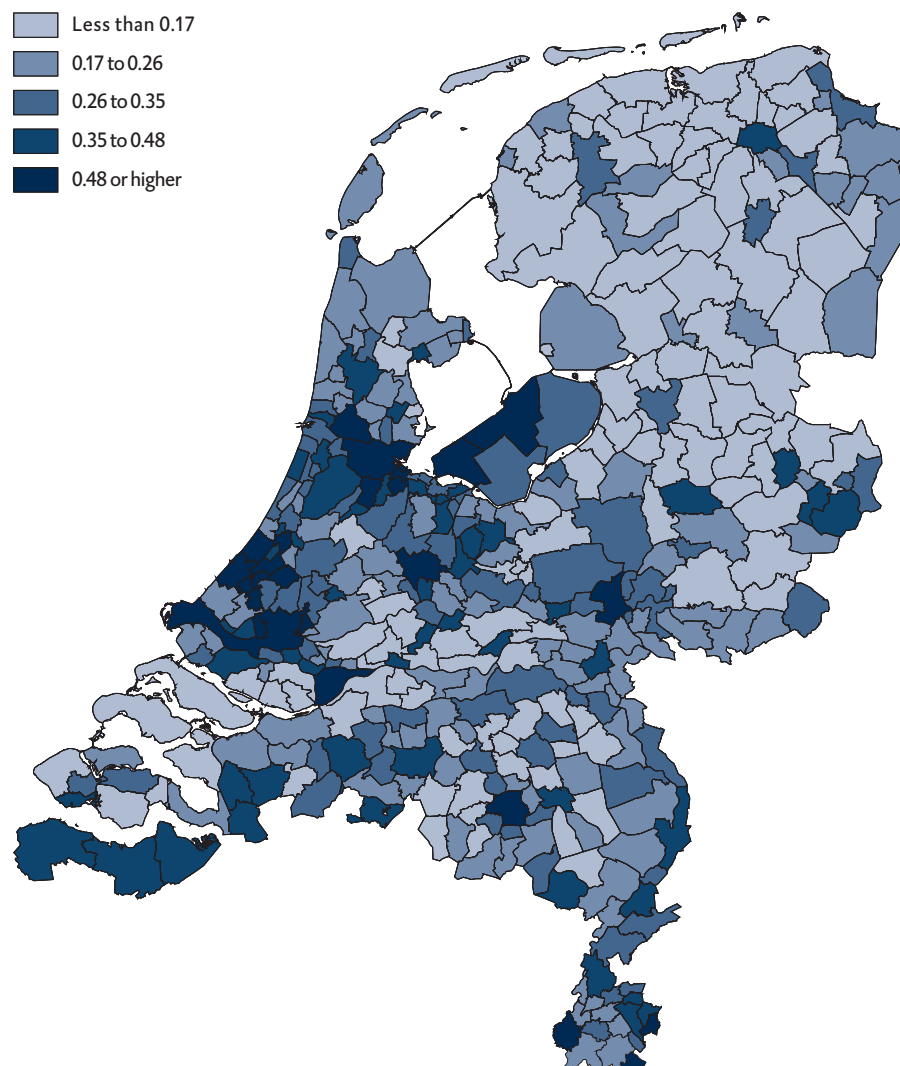- forecast for residents with other non-European/non-Anglo-Saxon background

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3. SIGNIFICANT DIFFERENCES BETWEEN AND WITHIN MUNICIPALITIES

We calculated how ethnically diverse Dutch municipalities and neighbourhoods are. We started by subdividing all the residents of the Netherlands into eighteen groups, reflecting eighteen different ethnic backgrounds. Needless to say, the greatest of these groups consists of 'native Dutch' people. This group comprises nearly 80 percent of Dutch society. In addition, we distinguished seventeen other groups, e.g. Turkey, Morocco, Anglo-Saxon countries, Arab countries, Sub-Saharan Africa, South Asia, etc. We then calculated a *diversity index* for all Dutch neighbourhoods, municipalities and regions, the so-called Herfindahl-Hirschman Index (HHI). This is expressed as a number between 0 and 1 that indicates the likelihood that two random sample persons from a given area belong to groups that have different ethnic backgrounds. The higher the index, the greater this likelihood. In other words, a low HHI denotes great homogeneity, whereas a high HHI denotes heterogeneity. The mean HHI for the Netherlands is 0.38. However, as Figure 5 shows, the index considerably differs from municipality to municipality.

Figure 5.   Herfindahl-Hirschman Index of Dutch municipalities, 1 January 2015

Legend:
- Less than 0.17
- 0.17 to 0.26
- 0.26 to 0.35
- 0.35 to 0.48
- 0.48 or higher

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Two-thirds of all Dutch citizens live in a municipality where the odds of two residents belonging to different ethnic groups are approximately one in three or higher. In the Netherlands' three greatest cities, the odds are actually more than two in three. In other words, a large degree of ethnic diversity is an everyday reality for many people living in Dutch society.

However, the nature of this diversity varies wildly *between municipalities*. In this exploratory study, we distinguish eight categories of municipalities, in addition to the 'average Dutch municipality':
- **Majority-minority cities** (Amsterdam, Rotterdam, The Hague): in these extremely diverse big cities, the majority of residents will have a migration background, and they will hail from a great many different countries.
- **Suburbs** (e.g. Capelle aan den IJssel, Diemen or Rijswijk): these towns are highly diverse as well, although the majority of people will still have a native Dutch background.
- **Large provincial municipalities** (e.g. Utrecht, Eindhoven, Amersfoort, Leiden and Arnhem): these large cities are also highly ethnically diverse, but native Dutch people hold a much larger share here than they do in the three big cities and their suburbs.
- **Medium-sized municipalities with a sizeable community of migrants from one particular background** (e.g. Leerdam, Gouda, Almelo, Den Helder or Delfzijl): these towns are characterised by the fact that they have a large migrant community from one specific non-European/non-Anglo-Saxon background. This is typically due to these towns' having recruited immigrant workers from one particular country, or due to many people from the Netherlands Antilles having settled there.
- **Expat municipalities** (e.g. Amstelveen, Wassenaar or Voorschoten): expat communities are very diverse in terms of ethnic backgrounds, with residents coming from all over the world. However, they tend to have relatively few residents from Turkish, Moroccan, Surinamese or Antillean backgrounds.
- **Horticultural municipalities** (e.g. Westland, Zundert, Zeewolde or Horst aan de Maas): towns with a lively horticultural industry have a relatively high diversity rate due to the large share of persons with a Polish or (to a lesser extent) Bulgarian background.
- **Border municipalities** (e.g. Vaals, Kerkrade, Terneuzen or Baarle-Nassau): in these towns, the high degree of diversity is mainly caused by people with a German or Belgian background.
- **Homogeneous municipalities** (e.g. Urk, Staphorst or Grootegast): in these municipalities, the overwhelming majority of residents – over 90 percent – have a native Dutch background.

We also performed an analysis of ethnic diversity on the *neighbourhood level*. In the Netherlands' three big cities, there are clear differences between the various neighbourhoods. The chart below shows the figures for The Hague, the Dutch municipality with the highest percentage of migrants in the population: 53 percent. The share of migrants is extremely high in neighbourhoods such as Transvaal, Schilderswijk, Laak and Spoorwijk (see Figure 6). The odds of two random residents of these neighbourhoods belonging to the same ethnic group are less than 20 percent.

Neighbourhoods such as Zorgvliet are also highly ethnically diverse, but in a different way. This nice and green upper-class neighbourhood has many residents with different European and Anglo-Saxon backgrounds. If we were to judge these neighbourhoods solely by their HHI, they would not appear to be all that different. The Hague's better-off neighbourhoods, built on sandy soil, also have a high degree of ethnic diversity. However, the residents of these neighbourhoods all have very different backgrounds.

Figure 6.   The Herfindahl-Hirschman Index of The Hague neighbourhoods, 1 January 2014
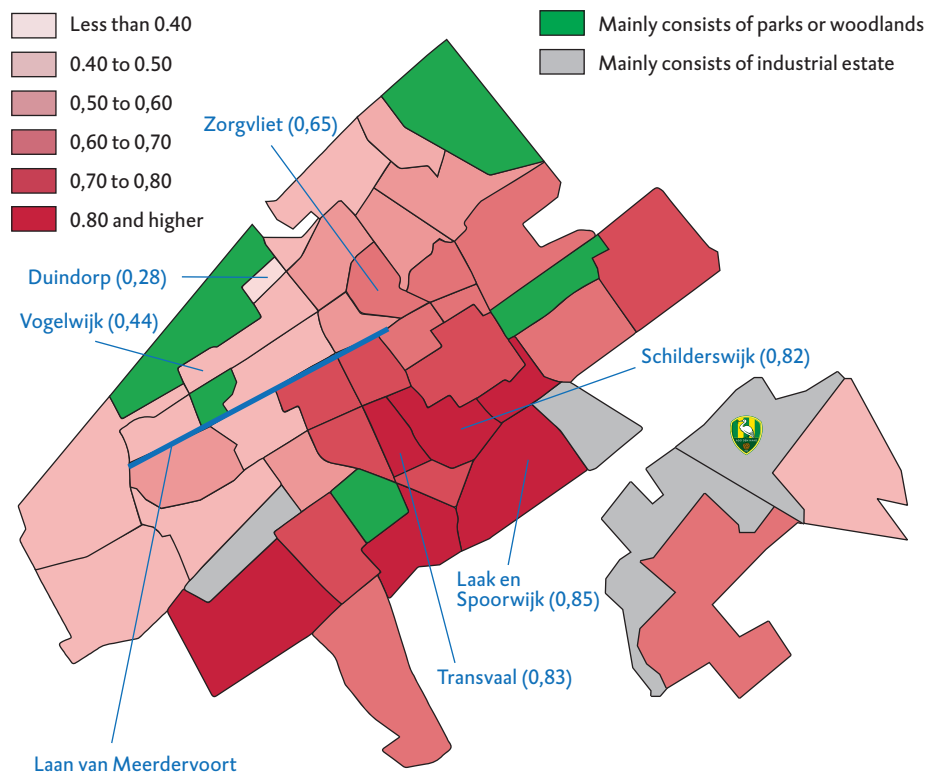
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4. THE CONSEQUENCES OF DIVERSITY FOR SOCIAL COHESION AND THE ECONOMY

CORRELATION TO SOCIAL COHESION

How does this new ethnic diversity affect social cohesion in the Netherlands? Social cohesion is an umbrella term covering many aspects and indicators, such as generalized trust, participation in voluntary work, people's perceptions of their neighbourhood, a sense of safety and registered crime rates. In other words, it is impossible to say how diversity affects social cohesion, since social cohesion encompasses so many things. Increasing diversity rates may affect different aspects of social cohesion in different ways.

Studies carried out abroad do not present a uniform image. Nor do studies carried out in the Netherlands. Neighbourhoods with a high rate of ethnic diversity generally do *not* perform worse than other neighbourhoods in terms of generalized trust and the extent to which people are likely to volunteer or give others care. However, they *do* perform worse in terms of having good relations with one's neighbours who have a different ethnic background. In highly diverse neighbourhoods, groups tend not to talk to each other a lot. They also tend to have a poor opinion of the people they do talk to, and are more likely to speak disparagingly of their environment.
However, it should be pointed out that such diverse neighbourhoods tend to have a relatively large share of residents who are poorly educated and unemployed. Some studies show that this is *more* likely to affect people's relations with their neighbours than ethnic diversity. Very few studies have been conducted in the Netherlands on the correlation between ethnic diversity and *other* indicators for social cohesion, such as the safety of a neighbourhood.

In our own study, we analysed three aspects of social cohesion, namely a cohesive neighbourhood, feeling at home in a place and experiencing a sense of security when out and about. We observed the following:

- In *neighbourhoods* with a high degree of ethnic diversity, residents perceive the bonds between neighbours as being less cohesive. They also tend to feel less at home and are more likely to feel unsafe. Contrary to a Dutch study carried out prior to ours, we found that these indicators for cohesion are more strongly related to the neighbourhood's *diversity* than to the residents' *individual characteristics*, such as their income or level of education.
- In *municipalities* with a high degree of ethnic diversity, people are more likely to be registered criminal offenders than in municipalities with a lower degree of ethnic diversity. However, this effect does have an upper limit. Once a municipality hits a certain degree of ethnic diversity, its residents will no longer be more likely to be registered criminal offenders. For instance, in this regard, there is no difference between highly diverse municipalities such as Rotterdam and The Hague and moderately diverse municipalities such as Gorinchem or Helmond.
- The aforementioned correlations are the most noticeable in neighbourhoods consisting of people on *medium incomes*. These people in particular are the ones who will say their relations with their neighbours deteriorate as the degree of ethnic diversity increases. It is possible that people on lower incomes have more experience of the reality of highly ethnically diverse neighbourhoods, and that people on higher incomes have more choice with regard to where they wish to live. Alternatively, medium-income people may be more likely to feel threatened by their neighbours than high-income or low-income people because they have more to lose.

CORRELATION TO ECONOMIC GROWTH

Little is known about how ethnic diversity relates to economic growth. A fair bit of research has been conducted on the effects of *migration* on GDP, but we do not have a great understanding yet of how *diversity* relates to economic growth. There are theories hypothesising two conflicting effects. On the one hand, it is believed that ethnic diversity may result in people getting to know different types of knowledge, ideas and perspectives, which may boost creativity and innovation. On the other hand, diversity may result in people being less able to understand each other, speaking different languages and being on different wavelengths, which may make collaboration more difficult. Several studies on the correlation between diversity and economic growth have been carried out abroad. Some of these paint a positive picture, while others paint a negative picture. The chances of either mechanism emerging victorious appear to be highly dependent on the circumstances.

When we conducted our own study, we subdivided the Netherlands into forty regions. We then investigated for the 1997 – 2015 period to what extent there was a correlation between the *change* in ethnic diversity in each region (calculated using the HHI) on the one hand and economic growth per capita in the same region on the other hand. We observed the following:

- With regard to the Netherlands as a whole, there is no significant correlation between increasing ethnic diversity and economic growth.
- However, this changes when we look solely at the regions located in the provinces of North Holland, South Holland and Utrecht. In these regions, there is a significant *negative* correlation between increasing ethnic diversity and economic growth.
- Things are also different in regions with a relatively large share of highly educated residents. In these regions, too, a significant *negative* correlation between increasing ethnic diversity and economic growth can be observed.

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In short, in the Randstad conurbation and in regions with many highly educated people, increasing ethnic diversity *does* go hand in hand with reduced economic growth, but the same does *not* appear to be true for the rest of the country. This may be due to the fact that, while several border regions do have a high degree of diversity (as expressed in their HHI), this is only due to the presence of many Belgian or German residents. Since Belgian, German and Dutch residents generally have no difficulty understanding each other, this form of diversity is less likely to result in communication problems that may negatively affect economic growth.

Moreover, it should be noted that the benefits of ethnic diversity – the stimulus for innovation and creativity – are more likely to manifest at the level of individual companies, while we looked at economic growth in entire regions. It is entirely possible that diversity is a boon to individual companies, while still slowing down the economic growth of a region as a whole. A company may benefit from having employees from a wide range of backgrounds, but the region in which the company is located may have greater expenditures due to said diversity, in the form of relatively high housing and education expenditures or programs designed to increase social cohesion.

5. SIX POLICY DIRECTIONS

Over the last three decades, the Netherlands, which used to be a relatively homogeneous society with a small number of large migrant communities, has morphed into a highly heterogeneous community with a large number of small migrant communities. This ethnic heterogeneity will continue to increase in the short and medium term and will remain a characteristic of Dutch society for quite a while. This means that citizens, governmental organisations, public and private entities and companies must be properly equipped to deal with this tremendous increase in ethnic diversity, which may help these highly heterogeneous communities coexist more smoothly.

The purpose of this exploratory study is to identify the facts, rather than making well-defined policy recommendations. We do outline six aspects on which policymakers may wish to focus, based to some extent on the exploratory Scientific Council for Government Policy study entitled *The World in a City*, which was published at the same time as this study. The definitive policy recommendations will be made in a report to be released later.

1. GAIN A BETTER UNDERSTANDING OF THE VARIOUS MIGRANT COMMUNITIES

Municipal authorities and other organisations must gain a better understanding of the various migrant communities living in their own municipalities. This is a precondition for drawing up sensible strategies designed to tackle associated issues. Therefore, it is vital that municipal governments obtain knowledge on the various migrant communities living in their various neighbourhoods, and that they disseminate this knowledge in a readily accessible manner. They can do so by collecting demographic and ethnographic data on their residents themselves, among other methods.

2. EQUIPPING ORGANISATIONS

Public and private entities will have to be prepared for ever-changing cultural diversity between their residents, pupils, patients, customers and employees. Municipal authorities, schools, healthcare providers and businesses will have to provide their services and facilities in such a way as to always be able to help new groups of immigrants without any problems. This requires a combination of general policies and more community-specific strategies. Back when the Netherlands only had a few immigrant communities, we were able to obtain expertise, build networks and draw up strategies targeted at specific communities. Now that we have dozens of smaller communities, this is no longer feasible, particularly since many more new people from different parts of the world keep coming to our country. On the other hand, it is no use dealing with all communities in the same way, either. Migrants need community-specific strategies, particularly when they first enter the country.

3. FAIR TREATMENT FOR ALL MIGRANTS

All organisations must treat everyone in a fair and non-discriminatory manner, regardless of whether they are people who have been here for a while or have just migrated with their children. Unfair treatment undermines the trust people of different backgrounds place in each other, makes people feel discriminated against and unsafe, causes tension between communities and undermines organisations' authority. These risks becomes more prominent as the degree of ethnic diversity increases, because in highly diverse areas, communities will constantly compare their own situation to other communities' situations and might feel discriminated against, while other 'new' or 'old' communities receive preferential treatment. At the same time, it is equally important that people who have lived in the Netherlands for a long time also feel they are receiving fair treatment. The arrival of sizeable groups of asylum seekers has resulted in the creation of special facilities for their integration. Things like this may be inevitable sometimes, but we must ensure that we do not get to the stage where education, job-market and housing-related facilities are open only to refugees.

4. INTRODUCING ALL DUTCH CITIZENS TO DUTCH SOCIETY

All these ethnic groups would probably be better able to coexist if they all had a better understanding of each other's cultural backgrounds. They can learn more about each other at schools, on the shop floor and out in the various neighbourhoods. Current social engagement classes seek to educate pupils on their peers' backgrounds and cultures, but there is still room for improvement in these courses. Knowledge of diverse ethnic groups could be integrated more fully into other subjects, such as geography and history. In addition, a well-thought-out strategy on how to ensure that *all* migrants are introduced to Dutch society will be vital. All newcomers, even highly skilled migrants and migrants from other EU countries, must be given the tools to join in society as soon and as smoothly as possible. It may be useful in this respect to create general services that can be accessed by all migrants, irrespective of their legal status, plans for the future or length of stay. It is crucial that the municipal authorities be placed in charge of these introductory services. After all, they are best able to decide on the right track for every newcomer, since they know best what kinds of people live in their towns and what individual migrants' personal situations are like.

5. GETTING TO KNOW PEOPLE'S FACES

Promoting contacts between the residents of a neighbourhood should be a major focus area. Connectedness strategies do not have to be designed to make people bond and become good friends; all they have to focus on is making neighbours familiar with each other, which is a more realistic plan anyway. The idea is that a neighbourhood's residents should recognise each other in public spaces, even if they do not actually speak to each other. If people who otherwise have nothing to do with each other regularly see each other in public spaces, they will still end up becoming 'familiar faces' to each other. This will give them a better feel for who can be trusted and who cannot, which will cause them to feel safer. Furthermore, people are more likely to feel at home in a neighbourhood if they feel known, and if they have a proper understanding of the social codes of its public spaces.

6. IMPROVING MIGRANTS' SOCIO-ECONOMIC POSITION

Finally, it is important that we also focus on eradicating socio-economic disadvantage. As we have mentioned before, studies have shown that many high-diversity neighbourhoods have few indicators for social cohesion, such as volunteer work and generalized trust, partially because the residents tend to be poor, poorly educated or unemployed and not fluent in Dutch. This would seem to suggest that social cohesion can be increased by improving the locals' socio-economic position, and particularly their educational credentials and job market qualifications. Such a strategy could also be restricted to one particular area, such as the Rotterdam-Zuid National Programme, designed to improve the quality of life in the disadvantaged neighbourhood of Rotterdam-Zuid.

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