The effect of ethnic diversity on social capital in Amsterdam neighbourhoods

*Abstract*

This study examines, through various regression analyses, the effect of ethnic diversity on bonding and bridging social capital in Amsterdam neighbourhoods. Bonding as well as bridging social capital are measured on the collective, neighbourhood level rather than on the individual level. Bonding social capital is measured as the number of foundations in neighbourhoods, whereas bridging social capital measured as the number of leisure organizations in neighbourhoods. In addition, the study attempts to uncover the mechanisms underlying the relationship between ethnic diversity and bridging social capital through an in-depth qualitative investigation of bridging social capital organizations, namely leisure organizations. The results show that, while ethnic diversity has no significant effect on bonding social capital, ethnic diversity has a significant negative effect on bridging social capital in Amsterdam neighbourhoods. Bridging social capital seems to be harder to establish and maintain in ethnically diverse neighbourhoods, because of a lack of interpersonal trust between residents from different ethnic groups, and more importantly because of a difference in organizational interests and needs between different ethnic groups.

*Introduction*

As a consequence of a broader process of welfare state reforms led by the need and desire to cut back government spending, the Dutch government started to withdraw its responsibility for social services in the last couple of years. Nowadays the government increasingly expects from Dutch individuals that they actively devote themselves to not only their own well-being, but also to the well-being of the whole community (Newman & Tonkens, 2011). Dutch citizens are supposed to take up the responsibility for the liveability in their own environment by organizing collectively. The government should, on the other hand, confine itself to its main tasks: concern for the public good, education, safety and public order.

In a 2011 memorandum on integration, cohesion and citizenship¹, the Ministry for Social Services and Employment argues that the government should put more trust in and shift more responsibilities to involved citizens. In the same memorandum, the Ministry contends that Dutch citizens are already actively involved in dealing with social issues and tackling problems in their direct environment. Many people are said to be socially active in neighbourhood associations and foundations. The Ministry emphasizes that neighbourhood

communities in various cities are already improving the liveability of their neighbourhood under their own steam by tapping into the neighbourhood’s stock of social capital.

While scientific research supports the Ministry’s claim that social capital created in neighbourhood organizations can enable people to successfully take up the responsibility for the liveability and the well-being of local communities (Fennema and Tillie, 2001; Sampson et al., 2005; Hurenkamp, Tonkens and Duyvendak, 2006), it is not clear whether all neighbourhood communities in Dutch cities possess the necessary amount of social capital to really do so. It is imperative to uncover whether there are structural inequalities in the levels of social capital in neighbourhoods, as residents in neighbourhoods where few organizations operate can suffer the negative consequences of the lack of social capital. It deprives the neighbourhood’s residents, especially in disadvantaged neighbourhoods, from the means to solve collective actions problems (e.g. Metaal, Denoij & Duyvendak, 2006). This is all the more problematic, since the Dutch government is withdrawing its responsibility for the liveability and the well-being of local communities.

It is therefore important to examine which factors either endorse or obstruct the creation of social capital in neighbourhoods, as social capital can enable neighbourhood communities to compensate for the absence of governmental interference. This study, more specifically, focuses on the effect of ethnic diversity on social capital in Dutch neighbourhoods. This particular factor is even more important to investigate, against the backdrop of an increasing concern in many Western countries about immigration and diversity in society (Coenders, 2008). Various social scientists have already tested the effect of ethnic diversity on social capital in the Dutch context (e.g. Gijsberts et al. 2011; Lancee and Dronkers 2011; Van Oirschot et al. 2011; Vermeulen, Tillie and van de Walle 2011; Vervoort et al. 2010; Tolsma et al. 2009), this has however not yet led to unambiguous and conclusive results. In this study, the existing knowledge and research on the influence of ethnic diversity on social capital is therefore extended further as a means to strengthen this scientific field of investigation. More specifically, the aim of this article is to answer the following research question: what are the influences and effects of ethnic diversity on social capital in Amsterdam neighbourhoods?

The geographical focal point of this study is Amsterdam, as this Dutch city is an extremely interesting and in some ways unique case to investigate the effect of ethnic diversity on social capital. The degree of ethnic diversity in the Dutch capital is very high, as people of over 170 different nationalities inhabit the town. It could be said that, within a population of Dutch cities and towns, Amsterdam is an extreme case because of its extreme value on the so-called main independent variable, which is in this study ethnic diversity (Gerring, 2007:101). It is the rareness of such a high degree of ethnic diversity in Amsterdam in comparison to the degree of ethnic diversity in most other cities and regions in the Netherlands that makes Amsterdam a valuable case for studying the effects and influences of ethnic diversity on other phenomena, such as social capital (Gerring, 2007:102).

Besides uncovering the relationship between ethnic diversity and social capital in the Amsterdam context, an attempt is also made at revealing the mechanisms underlying the relationship between these two factors.

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and at exposing the social relations and social networks underlying so-called bridging social capital organizations on the basis of qualitative data.

Before going into the empirical analysis of the main research question, attention is first paid to the theoretical background and the accompanying hypotheses. Thereafter the data, the measures and the methods are discussed. This article ends with a discussion regarding the data utilization in this study on the basis of the in-depth fieldwork and some concluding remarks concerning the consequences of the results with respect to Dutch government’s increasing withdrawal from the responsibility for the liveability and the well-being of local communities in Dutch neighbourhoods.

**Theoretical Background**

**Bonding and Bridging Social Capital of Neighbourhood Communities**

Social capital is in this study defined as ‘social networks and the norms of reciprocity and trustworthiness that arise from them’ (Putnam, 2000:19). Social capital is seen as a dual concept. The social networks constitute the structural dimension, whereas the norms of reciprocity and trustworthiness constitute the cognitive dimension. The former catalyses collective actions by decreasing the individual costs of participating, as previously created networks for interaction make the result of collective action not only more predictable but also more effective. The latter facilitates the predisposition of individuals toward collective action, as norms of reciprocity and trustworthiness render cooperation more likely (Uphoff, 2000). The two components of social capital are in the ‘Putnam school’ literature said to be inherently connected, forming an aggregate phenomenon. The structural dimension is directly observable, as it manifests itself through social networks arising in organizations, while the cognitive dimension is not directly observable and more subjective as it manifests itself through beliefs and attitudes (Anderson & Paskeviciute, 2006; Coffé & Geys, 2006).

Besides acknowledging the distinction between a structural and a cognitive dimension, it is also imperative to distinguish bonding from bridging social capital. The former refers to the social networks formed among people from the same social group, such as the same ethnic group, while the latter represents the social networks established between people from different social groups, such as different ethnic groups. More specifically, bonding social capital can stimulate the forming of specific reciprocity and solidarity within groups, whereas bridging social capital can undergird the creation of broad reciprocity and solidarity between groups (Putnam, 2000). In the words of Putnam, ‘bonding social capital constitutes a kind of sociological superglue, whereas bridging social capital provides sociological WD-40’ (Putnam, 2000:23). The importance of this distinction for this study lies in the fact that the expectation on the basis of existing literature is that ethnic diversity impacts bonding social capital differently than bridging social capital.

When it comes to the empirical investigation of the effect of ethnic diversity on these two types of social capital, the so-called constrict theory proposed by one of the most widely known scholars in the field of social capital research, Robert Putnam, is nowadays most often used as the starting point of empirical research. Putnam (2007) argues that ethnic diversity reduces both the degree of trust and solidarity between people from different social groups and the degree of trust and solidarity between people from the same social group. More specifically, Putnam suggests that ‘people living in ethnically diverse settings appear to ‘hunker down’ –
that is, to pull in like a turtle’ (Putnam, 2007:149). At least in the short term, the expectation according to Putnam (2007) is that ethnic diversity leads to a decrease in the stock of bridging as well as bonding social capital.

Various researchers have already attempted to test this theory in their examination of the effect of ethnic diversity on social capital in the Dutch context. The majority of these researchers did, however, not make an explicit distinction between bonding and bridging social capital, and thus could not unambiguously conclude whether ethnic diversity has both a negative effect on bonding as well as bridging social capital. Their studies are, nevertheless, considered to be valuable for two reasons. Firstly, they show that, in the Netherlands, solely ethnic diversity on the neighbourhood level, and not ethnic diversity on the municipality level or on the country level, has a negative effect on social capital (Gijsberts et al. 2011; Lancee and Dronkers 2011; Van Oirschot et al. 2011; Vermeulen, Tillie and van de Walle 2011; Vervoort et al. 2010; Tolsma et al. 2009). Notwithstanding that a negative effect of ethnic diversity on the neighbourhood level on social capital is not found in all studies, it can be said that if ethnic diversity has a negative impact, it is measured on the neighbourhood level. A possible explanation for this finding could be that the ethnic diversity that people truly experience is located on the neighbourhood level, as this is people’s immediate context (Stolle et al., 2008).

Besides the appearance of a locally restricted effect of ethnic diversity, these studies also show that ethnic diversity on the neighbourhood level solely affects intra-neighbourhood social capital, including among other things, trust in neighbours and contact with neighbours. Ethnic diversity in neighbourhoods appears, on the other hand, not to impact other types of social capital that transgress neighbourhood borders, such as generalized trust (van der Meer, in press; Gijsberts et al. 2011; Lancee and Dronkers 2011; Van Oirschot et al. 2011; Vervoort et al. 2010; Tolsma et al. 2009).

Taking these previous findings regarding the relationship between ethnic diversity and social capital in the Dutch context into consideration, the units of analysis in this study are the neighbourhoods in Amsterdam, as neighbourhoods are the only spatial context in which a clear relationship is found between ethnic diversity and social capital. Moreover, the focus of this study is, again in line with the findings of previous research, on intra-neighbourhood social capital. More specifically, the focal point of this study are voluntary neighbourhood organizations and the social networks underlying these organizations. Besides building on the existing studies exploring the Dutch context, this study explicitly attempts to extend the knowledge about the effect of ethnic diversity on social capital as it does, contrary to the majority of the mentioned studies, make an empirical distinction between bonding and bridging social capital.

Following Vermeulen, Tillie & van de Walle (2011), bridging social capital is in this study measured as the number of leisure organizations in neighbourhoods in Amsterdam. According to Coffé and Geys (2007), leisure organizations are, namely, the most heterogeneous organizations, and therefore the best measure of bridging social capital. Bonding social capital is on the other hand measured as the number of foundations in neighbourhoods in Amsterdam. As foundations solely encompass a restricted number of board members from, most commonly, a similar ethnic background that do not necessarily have to serve the general interest of the people, they are a good indicator of bonding social capital (Vermeulen, van der Walle and Tillie, 2011).
The expectation in this study on the basis of the constrict theory (Putnam, 2007) is that ethnic diversity not only has a negative effect on the number of leisure organizations and thus the stock of bridging social capital in neighbourhoods, but also has a negative effect on the number of foundations and thus the stock of bonding social capital in neighbourhoods. It is contended that people living in ethnically homogeneous neighbourhoods are more inclined to believe that their fellow residents are trustworthy and not deceitful than people living in heterogeneous neighbourhoods because norms and values concerning the proper way to behave are more self-evident and obvious in these homogenous contexts than in heterogeneous contexts (Williams, 2001). The fact that shared group norms and values are easier established and recognized in homogenous contexts consequently leads people to be more likely to follow a logic of appropriateness grounded in these shared group norms and values (March & Olsen, 2006). People living in homogeneous environments are, moreover, more likely to believe that other people will also act according to this same logic of appropriateness, which stimulates people to be favourably disposed to relations with others and thus to organizing collectively.

In heterogeneous neighbourhoods such a logic of appropriateness is assumed to influence people’s behaviour less, because in a context in which there are various, unclear and sometimes even conflicting norms and values it is less clear to people what is appropriate according to the group than in homogeneous neighbourhoods (Hardin, 1993; Misztal, 1995; Oberg, 2009). This consequently leads people living in ethnically diverse neighbourhoods to be more drawn back than people living in ethnically homogeneous neighbourhoods. The expectation of this study therefore is that people living in ethnically homogeneous neighbourhoods on the one hand are more inclined to establish relations with other people regardless of their ethnicity and are thus more inclined to organize collectively, while people in heterogeneous neighbourhoods on the other hand are more averse to establish relations with their fellow residents regardless of their ethnicity and are thus more averse to organize collectively. The expectation therefore is that the number of foundations and thus the stock of bonding social capital as well as the number of leisure organizations and thus the stock of bridging social capital is lower in ethnically diverse neighbourhoods than in ethnically homogeneous neighbourhoods.

However, it needs to be mentioned that there is also a reason to expect that the number of foundation and thus the stock of bonding social capital is higher in ethnically diverse neighbourhoods than in ethnically homogeneous neighbourhoods. It namely appears to be the case that different immigrant groups have different organizational needs (Schrover and Vermeulen, 2005). Therefore it could be expected that the greater the variety of immigrant groups in a neighbourhood is, the greater the demand for foundations and thus the stock of bonding social capital is. Taking both this and the abovementioned into account, the expectation in this study is that these opposing forces cancel each other out and that therefore no significant effect of ethnic diversity on the number of foundations and thus the stock of bonding social capital is found (Vermeulen, Tillie and van de Walle 2011).

The following hypotheses are therefore formulated in this study:
Hypothesis 1: Ethnic diversity has a negative effect on the number of leisure organizations and thus the stock of bridging social capital in a neighbourhood.
Hypothesis 2: Ethnic diversity has no significant effect on the number of foundations and thus the stock of bonding social capital in a neighbourhood.
Social networks of Neighbourhood Organizations

Reasoning from the scholarship about the formation of social capital (e.g. Putnam, 2000), the number of neighbourhood organizations, and more specifically the number of foundations and the number of leisure organizations are in this study used as a proxy for the degree of social capital in a particular neighbourhood. Social capital is in this sense examined on the collective level rather than on the individual level (Vermeulen, Tillie and van de Walle, 2011).

This is for several reasons one important way of looking at neighbourhood organizations. A dense network of organizations in neighbourhoods can namely stimulate the liveability of neighbourhoods, individuals’ well-being and the societal and political participation of the neighbourhoods’ residents (Hurenkamp, Tonkens & Duyvendak, 2006). When residents are connected through voluntary neighbourhood organizations, they are able to achieve goals that they wouldn’t be able to achieve on their own. Through community based organizations people are, in other words, more prepared and able to tackle collective action problems (Fennema & Tillie, 2001; Sampson et al., 2005). The forging of these organizations and its social networks are important, because the norms of trust and reciprocity that ensue from the social networks function) as a form of capital (Putnam, 2000). Residents in neighbourhoods where few organizations operate can suffer the negative consequences of the lack of the social capital that arise from the social networks established in neighbourhood organizations. It deprives the neighbourhood’s residents, especially in disadvantaged neighbourhoods, from the means to solve collective actions problems (e.g. Metaal, Denoij & Duyvendak, 2006). Residents in neighbourhoods where many organizations operate can, on the other hand, benefit from the social capital established through these organizations, even though they are not directly involved in these social networks. “In the language of economics, social networks often have powerful externalities.” (Putnam, 2007:138). By investigating the number of voluntary neighbourhood organizations on the collective level, it is therefore possible to uncover the stock of social capital of a particular neighbourhood community.

Besides this collective level approach, a second important way of examining neighbourhood organizations is on the level of individual organizations. These organizations are after all the containers in which beneficial social networks and the accompanying norms of trust and reciprocity -that can consequently benefit the whole neighbourhood community- are forged. Neighbourhood organizations, furthermore, play an important role in neighbourhoods as distinct social configurations. Besides seeing neighbourhood organizations solely as a proxy for the stock of social capital, it is therefore also important to investigate these organizations as independent producers of urban social life (Marwell, 2007; McQuarrie & Marwell, 2009). They provide various kinds of facilities, services and activities to the neighbourhoods’ residents. Organizations, moreover, can operate as a vital link between citizens and urban communities on the one hand and local governments, the state and the economy on the other hand (Hurenkamp, Tonkens & Duyvendak, 2006). “They do so by differentially appropriating and distributing resources across neighbourhoods (e.g., employment opportunities or cultural practices), and by ordering relations among urban residents making viable only modes of interaction and social solidarity.” (McQuarrie & Marwell, 2009:256). In other words, neighbourhood organizations can, as distinct social configurations, affect social structures of power, integration, and the formation of social solidarity.
In order to be effective in this sense and to be able to create social capital in their communities, individual neighbourhood organizations must, first of all, survive (Vermeulen, Minkoff and van der Meer, 2013; Walker and McCarthy, 2010). Little is known, however, about the factors that influence organizational survival in neighbourhoods. Besides examining the effect of ethnic diversity on the aggregate number of voluntary neighbourhood organizations and thus the communal stock of social capital, this study therefore also focuses on the effect of ethnic diversity on the survival of individual neighbourhood organizations. Leisure organizations constitute the focal point of this analysis. This type of organizations is used as an indicator for bridging social capital in this study, as leisure organizations are said to represent more heterogeneous networks. It is therefore especially interesting to examine what the effect of an ethnically diverse environment is on the survival of this type of organization.

The expectation, which is tentative as very little previous research focuses on the relationship between neighbourhood characteristics and organizational survival (an exception is Vermeulen, Minkoff and van der Meer, 2013), is that the failure rate among leisure organizations is higher in ethnically heterogeneous neighbourhoods. As different immigrant groups have different organizational needs (Schrover and Vermeulen, 2005), the prediction is that it is harder for leisure organizations to survive in neighbourhoods where many different immigrant groups live.

The following hypothesis is therefore formulated in this study:
Hypothesis 3: Ethnic diversity is associated with higher failure rates among leisure organizations, and thus among organization creating bridging social capital

Data, Measures and Methods

Quantitative Analyses

For this study, datasets from the Dutch Chamber of Commerce are used (following e.g. Vermeulen, Tillie and van de Wall, 2011). All Dutch organizations, including foundations and leisure organizations, are registered at this institute. The datasets contain information for the years 2002, 2007 and 2012. As the addresses of the organizations are also incorporated in the datasets, it is possible to measure the density of foundations and leisure organizations (the number of foundations and leisure and hobby organizations per 1000 residents) in each neighbourhood in Amsterdam, which is necessary to test hypotheses 1 and 2. The fact that the data spans ten years with three measure points, namely 2002, 2007 and 2012, also provides the opportunity to measure the failure rate among leisure organizations over time, which is necessary to test hypothesis 3.

For the analyses, in which hypothesis 1 and hypothesis 2 are tested, a multivariate linear regression on the neighbourhood level is conducted. The dependent variables are the density of foundations and the density of leisure organizations (the number of organizations per 1000 residents). These variables respectively represent the stock of bonding social capital and the stock of bridging social capital. Ethnic diversity, the main explanatory variable in these analyses is measured by calculating an ethnic fragmentation index for all the neighbourhoods in Amsterdam. This index gives a higher score when ethnic diversity in the neighbourhood
increases. A value of 0 on the fragmentation index means a perfect ethnically homogeneous neighbourhood and the value 1 on the fragmentation index means a perfect ethnically heterogeneous neighbourhood.

As the degree of ethnic diversity is not the only factor that possibly influences the stock of social capital on the neighbourhood level, two other factors are also taken into account: the level of affluence of a neighbourhood and the proportion of young people in a neighbourhood. From previous research it appears to be the case that affluent communities display higher levels of social capital than poor communities. People are not only said to be more trusting in affluent communities, but there are also said to be more voluntary organizations in these communities (Leigh, 2006; Curtis et al., 2010). The expectation therefore is that the stock of bonding and bridging social capital is on average higher in affluent neighbourhood than in economically disadvantaged neighbourhoods. The level of affluence of a neighbourhood is measured by the average income. The proportion of young people in a neighbourhood is controlled for because this factor could possibly lead to an increase in the demand for leisure organizations. The expectation is therefore that the stock of bridging social capital, namely the density of leisure organizations, is on average higher in neighbourhoods where the proportion of young people is high. The proportion of young people is measured by the percentage of people under nineteen years old. All the independent variables have been operationalized one year prior to the dependent variables to avoid issues of reverse causality, as is conventional in cross-sectional research (see Coffé and Geys, 2006; Andrews, 2009).

For the analysis, in which hypothesis 3 is tested, a three-level logistic regression is conducted. The dependent variable in this analysis is organizational disbanding, a dummy variable indicating whether a leisure organization identified as active in 2002 was defunct in 2007 or in 2012. Whereas this variable is measured on the organizational level, the main independent variable, ethnic diversity, is measured on the neighbourhood level. Ethnic diversity is measured in the same way as in the other analyses. Again it is important to control for other factors, as ethnic diversity is not the only factor that possibly influences the failure rate of leisure and hobby organizations.

The following variables are included in the analysis as control variables. At the first level a measure for year is included, as to uncover the effect of time on disbanding. At the second level, the organizational level, a linear and quadratic measure for organizational age is incorporated, as to control for the fact that age appears to have a declining effect on failure rates of organizations (Stinchcombe, 1965; Minkoff, 1995 & 1999). Following Vermeulen, Minkoff and van der Meer (2013) several other control variables, which are known to negatively affect the failure rates of organizations, are included in the analyses. Namely, a variable measuring whether the organization is an association or a foundation, a variable for the number of board members and a variable measuring whether an organization has an overlapping board membership with another organization (interlock). Lastly, a dummy variable measuring whether a leisure organization is a sport organization is taken

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1 The idea was to add average income as well as the educational level to the model, to get an even completer picture of the affluence of a neighbourhood, but the educational was too highly correlated with average income in 2007 and 2012 to use them in one model (r>0.7).

2 See Vermeulen, Minkoff and van der Meer (2013) for a full explanation of the effect of these variables on the failure rate of organizations.
up in the analyses because it is expected that the type of organization could possibly be correlated with the failure rate of the organizations.\(^5\)

At the third level, the neighbourhood level, a measure for organizational density in the neighbourhood is incorporated into the analyses, as to control for resource competition among local voluntary neighbourhood organizations. The expectation is that the higher the number of organizations in the neighbourhood, the scarcer the resources and the chances for survival (Vermeulen, forthcoming). Furthermore, two measures for affluence are added to the analyses, namely average income and average educational level in the neighbourhood. Organizations are expected to be more likely to survive in rich and highly educated neighbourhoods, as residents in these areas are more likely to spend time and money on leisure activities.

Furthermore, previous research has shown that neighbourhood with a low socioeconomic status are associated with lower residents’ associational involvement (Letki, 2008; Tolsma et al., 2009; Gijsberts et al., 2012). The proportion of young people in a neighbourhood is also controlled for because this factor could possibly lead to an increase in the demand for leisure associations. Additionally, a control for political activity in the neighbourhood, namely the average turnout rate during the 2002 elections, is included in the analysis because political activism is correlated with social activism. The expectation therefore is that in neighbourhoods with a higher turnout rate, the chance of survival for organizations is higher because residents are more likely to participate. Lastly, the proportion of new buildings is controlled for, as extensive urban renewal can possibly have destructive effects on the social networks in neighbourhoods.

**Qualitative Analysis**

As already stated in the introduction, the main (quantitative) analyses of this study are complemented with a tentative qualitative examination of the social relations and networks underlying bridging social capital organizations. The aim is not only to assess whether this type of organization represents heterogeneous networks, as is assumed in the quantitative part of this study and is claimed by Vermeulen, Tillie and van de Walle (2011) who, among others, use this type of organization as an indicator of bridging social capital, but also to uncover possible mechanisms linking ethnic diversity to bridging social capital. Moreover, the aim is to critically assess the use of Chamber of Commerce data in this study as well as in previous social capital research (e.g. Vermeulen, Tillie and van de Walle (2011)).

Eleven in-depth interviews are held with board members of leisure organizations in two neighbourhoods in Amsterdam, namely *De Krommert* in Amsterdam West and *Holendrecht/Reigersbos* in Amsterdam Southeast.\(^6\) Both neighbourhoods are ethnically diverse, which makes them interesting cases to study the mechanisms underlying the relationship between ethnic diversity and social capital. While both ethnically diverse, the two neighbourhoods do differ in ethnic composition. Whereas the majority of the residents in *De Krommert* is of Moroccan origin, the majority of the residents in *Holendrecht/Reigersbos* is of Surinamese origin.

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\(^5\) Hobby and Theatre organizations were also taken up in the analysis, as the two other largest subtypes of leisure organizations, however they were left out of the final analysis because no significant effect was found. The effect of all other variables remained the same with and without hobby and theatre subtypes as dummy variables in the model.

\(^6\) O&S, bureau of statistics Amsterdam, www.os.amsterdam.nl/feitenencijfers/ buurtcombinaties/20437/, last viewed on 5-2-13
As I had access to the data from the Dutch Chamber of Commerce, I had the postal addresses of the leisure organizations at my disposal. Therefore, I sent a letter by post to the addresses of all leisure organizations in the two neighbourhoods. Only two leisure organizations responded to my letter. I also attempted to get into contact with these organizations via the internet. The majority of the leisure organizations in the Chamber of Commerce database could however not be traced online. The ones that could be traced online, I approached by email as well. Some of the organizations I interviewed were not registered at the Chamber of Commerce as a leisure organization, they however did clearly provide activities for the neighbourhood’s residents. I got into contact with these organizations via the neighbourhood coordinator and via the other organizations I interviewed.

The interviews were semi-structured in nature, with open-ended questions focusing on three subject areas: the establishment and development through time of the organizations, the members and other people involved in the organizations, and the relationship of the organizations with the neighbourhood7. The interviews lasted from thirty to forty minutes. All the interviews are transcribed, and available at request.

Results

Multivariate Linear Regression

Before analysing the multivariate linear regression models to test hypothesis 1 and 2, several regression diagnostics are conducted as to make sure that the found relationships between the independent variables and the dependent variables can be considered valid. No radical measures in adjusting the sample or the variables had to be taken as a consequence of these diagnostics, it is therefore appropriate to directly continue with the analysis of the regression models8.

The tables 1, 2 and 3 provide the results from the six regression analyses to uncover what the effect of ethnic diversity is on the density of foundations and the density of leisure organizations in 2002, 2007 and 2012. As already stated, the density of foundations is an indicator for the stock of bonding social capital in a neighbourhood and the density of leisure associations is an indicator for the stock of bridging social capital in a neighbourhood.

The bridging social capital model explains relatively 30 per cent, 30 per cent and 26 per cent of the variance in the density of leisure organizations as the dependent variable in 2002, 2007 and 2012. It appears to be the case that a negative correlation exists between the degree of ethnic diversity and the density of leisure organizations, and thus the stock of bridging social capital in all three years. This is line with the expectation expressed in this study on the basis of the constrict theory (Putnam, 2007). Hypothesis 1 is therefore corroborated: ethnic diversity really seems to have a negative effect on the number of leisure organizations and thus the stock of bridging social capital in a neighbourhood9. Moreover, it needs to be noticed that this

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7 Topic list is available at request.
8 Tests for multicollinearity, nonlinearity, heteroscedasticity, non-normality of the residuals, outliers and influential observations are conducted.
9 As the group of leisure organizations is in itself very diverse, the regression analyses are repeated with the three main categories of leisure organizations, namely hobby, sport, theatre organizations. The aim is to uncover whether the effect of the degree of ethnic diversity on the density of leisure organizations in Amsterdam neighbourhoods varies across different subcategories. This is, however, not the case.
negative correlation is stronger in 2007 and 2012 than in 2002. This could perhaps be explained by the fact that the murder of the film director Theo van Gogh in 2004 by an Islamic radical enormously changed the context in Amsterdam. Since the murder on Theo van Gogh ethnic diversity in Amsterdam has acquired a more and more unfavourable connotation. Increasing tensions between immigrants and non-immigrants following the murder of Theo van Gogh could have changed the atmosphere in such a way that it became harder to collectively organize across ethnic divides (Vermeulen, Tillie and van de Wall, 2011:3). This deteriorated atmosphere continues through to 2012, as also in that year the negative correlation between the degree of ethnic diversity and the stock of bridging social capital is much higher than in 2002.

The correlation between the two control variables, namely the proportion of young people and the level of affluence, and the density of leisure organizations is mixed. Solely in 2002 a significant, positive correlation is found between the level of affluence and the stock of bridging social capital. In 2002 the stock of bridging social capital was on average higher in more affluent neighbourhoods than in more economically disadvantaged neighbourhoods, whereas in 2007 and 2012 the stock of bridging social capital was on average the same in more affluent neighbourhood as in more economically disadvantaged neighbourhoods. As regards to the other control variable, the expectation was that in neighbourhoods where a lot of young people live, the density of leisure organizations would be higher. This appears to be only the case in 2012. In 2002 and 2007 the density of leisure organizations in neighbourhoods where a lot of young people live is on average similar to the density of leisure organizations in neighbourhoods where not a lot of young people live.

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Density Foundations</th>
<th>Density Leisure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnic Diversity (t-1)</td>
<td>0.26** 11.13</td>
<td>0.26* 1.55</td>
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<tr>
<td>Perc. Youth (t-1)</td>
<td>-0.38*** 0.21</td>
<td>-0.005 0.03</td>
</tr>
<tr>
<td>Income (t-1)</td>
<td>0.62*** 0.07</td>
<td>0.36** 0.01</td>
</tr>
<tr>
<td>R²</td>
<td>0.61</td>
<td>0.30</td>
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<tr>
<td>N</td>
<td>85</td>
<td>85</td>
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</tbody>
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Notes: * p < 0.1; ** p < 0.01; and *** p < 0.001 (two-tailed tests)

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<th>Independent variables</th>
<th>Density Foundations</th>
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<td>Ethnic Diversity (t-1)</td>
<td>0.15 12.69</td>
<td>-0.57*** 2.45</td>
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<tr>
<td>Perc. Youth (t-1)</td>
<td>-0.34*** 0.25</td>
<td>-0.09 0.05</td>
</tr>
<tr>
<td>Income (t-1)</td>
<td>0.63*** 0.08</td>
<td>-0.009 0.02</td>
</tr>
<tr>
<td>R²</td>
<td>0.51</td>
<td>0.30</td>
</tr>
<tr>
<td>N</td>
<td>85</td>
<td>85</td>
</tr>
</tbody>
</table>

Notes: * p < 0.1; ** p < 0.01; and *** p < 0.001 (two-tailed tests)

A similar relationship between the degree of ethnic diversity and the density of hobby, sport and theatre organizations as between the degree of ethnic diversity and the density of leisure organizations as a whole.
Table 3. OLS Regression 2012 (standardized)

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Density Foundations</th>
<th>Density Leisure</th>
</tr>
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<tbody>
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<td></td>
<td>Coefficient</td>
<td>S.E.</td>
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<td>0.06</td>
</tr>
<tr>
<td><strong>R²</strong></td>
<td>0.52</td>
<td></td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>85</td>
<td></td>
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</tbody>
</table>

Notes: * p < 0.1; ** p < 0.01; and *** p < 0.001 (two-tailed tests)

The bonding social capital model explains respectively 61 per cent, 51 per cent and 52 per cent of the variance in the density of foundations as the dependent variable in 2002, 2007 and 2012. It appears to be the case that the degree of ethnic diversity of a neighbourhood only has an effect on the density of foundations in 2002. This neighbourhood characteristic does not influence the density of foundations in 2007 and 2012. In other words, the stock of bonding social capital is on average higher in neighbourhoods that are ethnically more diverse in 2002, whereas the stock of bonding social capital is on average the same in ethnically diverse and ethnically homogeneous neighbourhoods in 2007 and 2012. This is merely partly in line with the expectation based on the constrict theory (Putnam, 2007) and the differentiation in organizational needs of distinct immigrant groups (Schrover and Vermeulen, 2005). The expectation in this study was that these opposing forces cancel each other out and that therefore no significant effect of ethnic diversity on the number of foundations and thus the stock of bonding social capital is found (hypothesis 2). While this indeed seems to be the case in 2007 and 2012, 2002 provides a different picture. The positive relationship between ethnic diversity and the stock of bonding social capital found in 2002 is in line with the differentiation in organizational needs principle, namely that different immigrant groups expect different things from organizations and therefore are inclined to set up foundations for their own ethnic constituency (Schrover and Vermeulen, 2005).

The relationships between the two control variables, namely the proportion of young people and the level of affluence, and the density of foundations are quite stable as the coefficients of these variables do not change much over time. A significant, negative correlation is found between the proportion of young people and the stock of bonding social capital in Amsterdam neighbourhoods. This means that the larger the proportion of people under nineteen years old is in a neighbourhood, the smaller the stock of bonding social capital on average is. A significant, positive correlation is uncovered between the level of affluence and the stock of bonding social capital in Amsterdam neighbourhoods. The richer a neighbourhood is, the larger the stock of bonding social capital on average is. This was already hypothesized based on the existing literature.

Three-level Logistic Regression

Before going into the full three-level logistic regression model to test hypothesis 3, the intra-class correlation is calculated on the basis of the variance component model. This parameter describes the relative importance of the three levels in the model by showing the maximum proportion of the variance in the dependent variable that can be explained on each level¹⁰. It appears to be the case that the maximum variance that can be explained on the neighbourhood level is three per cent and that the maximum variance that can be explained

¹⁰ The parameter is calculated using the ado ‘xtmrho’ in Stata, which follows the procedure by Snijders and Bosker (1999). The ado is made by Lars E. Kroll
on the organizational level is seventy-seven per cent. The variance at the neighbourhood level as well as the variance at the organizational level is significant. Both contexts can therefore be considered as relevant for the disbanding (failure) rates of leisure organizations.

Table 4 provides the result from the three-level logistic regression analysis for the years 2007 and 2012 combined to uncover what the effect of ethnic diversity is on the disbanding rate of leisure organizations. Other factors that, based on existing theory and previous research, are expected to also affect the disbanding rate of leisure organizations, are also included in the model.\(^{11}\)

The positive and significant effect of year on the disbanding rate of leisure organizations signifies that more organizations have disbanded by 2012 than by 2007. Evidently, survival and disbandment are a one-way street. Organizations that cease to exist in 2007, are highly unlikely to revive in 2012. Having mentioned this obvious fact, it is first and foremost interesting to note that ethnic diversity has a positive and significant effect on the disbanding rate of leisure organizations. This is in line with hypothesis 3: failure rates among leisure organizations, and thus bridging social capital organizations, are on average higher in ethnically diverse neighbourhoods than in ethnically homogeneous neighbourhoods. It seems to be the case that the tentative theoretical expectation that it is harder for leisure organizations to survive in neighbourhoods where many different immigrant groups live because different immigrant groups have different organizational needs (Schrover and Vermeulen, 2005) is corroborated by this analysis.

As regards to the control variables, it is worth mentioning that the effects of all organizational level control variables on the disbanding rate of leisure organizations are in line with the expressed theoretical expectations in this study. Young leisure organizations indeed have on average a higher disbanding rate that declines as they age. Furthermore, leisure associations, leisure organizations with many board members and leisure organizations with at least one interlocking directorate have on average better survival chances than other leisure organizations. Following Vermeulen, Minkoff and van der Meer (2013), this was already expected. Lastly, it appears to be the case that sport organizations have on average better survival chances than other leisure organizations.

The effects of the control variables on the neighbourhood level on the disbanding rate of leisure organizations are not all in line with the expressed theoretical expectations in this study. The affluence of a neighbourhood, measured by the average income and educational level of the neighbourhood, has for instance a positive effect on the disbanding rate of leisure organizations, while a negative effect was expected. The outcome that leisure organizations are on average less likely to survive in socioeconomically advantaged neighbourhoods than in socioeconomically disadvantaged neighbourhood is difficult to explain, as previous research has shown that neighbourhood with a high socioeconomic status are associated with higher residents’ associational involvement (Letki, 2008; Tolsma et al., 2009; Gijsberts et al., 2012). Furthermore, organizational density and average turnout rate do not have a significant effect on the disbanding rate of leisure organizations, while the expectation was that these factors would respectively have a positive and a negative effect on the disbanding rate leisure organizations. The proportion of young people in a neighbourhood, on the

\(^{11}\) As the main focus is on examining the effect of an ethnic diverse environment on the disbanding rate of leisure organizations, only the full model is incorporated in this study, while other models in which first level 1, then level 2 and then level 3 variables are included are left out. All the factors, besides ethnic diversity, are merely seen as control variables.
other hand, does have the expected effect on the disbanding rate of leisure organizations. Leisure organizations are, namely, more likely to survive in neighbourhoods where a lot of young people live, as they increase the demand for leisure activities. Lastly, the proportion of new buildings also has the expected effect on the disbanding rate of leisure organizations. In urban renewal neighbourhoods the disbanding rate of leisure organizations is, namely, on average higher than in other neighbourhoods.

<table>
<thead>
<tr>
<th>Table 4: Three-Level Logistic Regression</th>
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<tbody>
<tr>
<td><strong>Disbanding Rate Leisure Organizations</strong></td>
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<tr>
<td><strong>Independent Variables</strong></td>
</tr>
<tr>
<td><strong>Coefficient</strong></td>
</tr>
<tr>
<td><strong>Level 1 (years)</strong></td>
</tr>
<tr>
<td>Year (2012, ref: 2007)</td>
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<tr>
<td><strong>Level 2 (organizations)</strong></td>
</tr>
<tr>
<td>Age</td>
</tr>
<tr>
<td>Age (squared) /100</td>
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<tr>
<td>Association</td>
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<tr>
<td>Board Members</td>
</tr>
<tr>
<td>Interlock</td>
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<tr>
<td>Sport</td>
</tr>
<tr>
<td><strong>Level 3 (neighbourhoods)</strong></td>
</tr>
<tr>
<td>Ethnic Diversity</td>
</tr>
<tr>
<td>Average Income</td>
</tr>
<tr>
<td>Educational level</td>
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<tr>
<td>Proportion Youth</td>
</tr>
<tr>
<td>Organizational Density</td>
</tr>
<tr>
<td>Election Turnout</td>
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<tr>
<td>Proportion New Buildings</td>
</tr>
<tr>
<td><strong>N (years)</strong></td>
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<tr>
<td><strong>N (Organizations)</strong></td>
</tr>
<tr>
<td><strong>N (Neighbourhoods)</strong></td>
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</tbody>
</table>

Notes: * p < 0.05; ** p < 0.01 (two-tailed tests)

**Tentative qualitative study**

The main goal of the fieldwork is not only to assess whether leisure organizations represent heterogeneous networks, as is assumed in the quantitative part of this study and is claimed by Vermeulen, Tillie and van de Walle (2011) who, among others, use this type of organization as an indicator of bridging social capital, but also to uncover possible mechanisms linking ethnic diversity to bridging social capital. On the basis of eleven interviews it is logically unfeasible to draw definite conclusions; it is nevertheless possible to touch upon some indicative elements of the mechanisms linking ethnic diversity to bridging social capital and of the social networks and relations underlying leisure organizations.\(^{12}\)

In the first place, it is interesting to notice that the findings on the basis of the interviews seem to coincide with a previous study concerning organizations and their networks in Amsterdam (Vermeulen, Brünger, van de Walle, 2008). According to that study, the organizational field in Amsterdam is highly

\(^{12}\) Transcripts of the interviews as well as specific quotes from the interviews are available at request.
segregated. In the majority of cases in which board members of organizations are also involved in the boards of other organizations, it concerns other organizations with the same ethnic background. For example, in 2007 in more than eighty per cent of the cases, in which Turkish organizations were connected to other organizations, these other organizations were Turkish as well (Vermeulen, Brünger, van de Walle, 2008:49). Moreover, that study showed that board members of immigrant descent are in the majority of cases connected to migrant organizations based on their own ethnic background. In other words, according to that study there is significantly more bonding than bridging social capital in Amsterdam’s organizational field. The same conclusion could be drawn on the basis of the conducted interviews.

The leisure organizations are all highly segregated, not only when it comes to ethnicity but also when it comes to social class, gender and age. In De Krommert and Holendrecht/Reigersbos the leisure organizations appear to produce more bonding social capital than bridging social capital. Findings from the in-depth interviews thus seem to coincide with the claim that it is harder to maintain heterogeneous social networks in ethnically diverse neighbourhoods (e.g. Vermeulen, van der Walle, Tillie 2011). People are said to be more inclined to interact with people with a similar background in terms of, among other things, income and ethnicity (McPherson, 2001). However, from the literature it also appears to be the case that of all voluntary neighbourhood organizations, leisure organizations are empirically recognized as the most heterogeneous type of organization, as they encompass relatively a lot of people from different backgrounds (McPherson, 1983). This does not directly coincide with the results from the in-depth examination of De Krommert and Holendrecht/Reigersbos, as the social networks underlying the leisure organizations in these neighbourhoods were homogeneous in nature.

The question that remains then is: why does ethnic diversity seem to be linked to less bridging social capital? More specifically, why is it the case that the social networks underlying the leisure organizations are in more ways homogeneous than heterogeneous? Several reasons for segregation, and more specifically ethnic segregation, within the leisure organizations come forward in the interviews. First and foremost, it appears to be the case that people from different backgrounds have different interests and different needs. Therefore they seem to be attracted to and attracted by different leisure organizations. This is not only in line with the quantitative analyses in this study, from which it appears to be the case that in ethnic diverse environments it is harder to organize collectively, but also with Vermeulen and Brünger (forthcoming) who show that the variation in demands for organizations of different immigrant groups is crucial in explaining why some organizations survive, while others disband.

Another reason for the homogeneity of the social networks underlying the leisure organizations that comes forward in the in-depth interviews in De Krommert and Holendrecht/Reigersbos is that informal social networks outside of the organizations are highly segregated as well. The founders, members and participants of the leisure organizations mostly attempt to attract new members and participants from within their own social circle. They seem, moreover, to be unable to find new members and participants for the leisure organizations outside their own social circle. People seem to be unable to connect informally with people with different (ethnic) background. This is in line with the literature, “...we argue that even when significant opportunity exists to build bridging social capital, and even when actors are so motivated by the mission, their
lack of shared experiences and interethnic interaction skills can impede the development bridging social capital”
(Weisinger & Salipante, 2005:30)

The third and final reason for the homogeneity of the social networks underlying the leisure organizations that comes forward in one of the in-depth interviews in De Krommert and Holendrecht/Reigersbos is that people with different background seem to be somewhat distrustful towards one another.

The tentative results of the qualitative study into bridging social capital organizations are, at least partly, in line with the theoretical framework underlying the quantitative study. The theoretical expectation regarding bridging social capital, after all, was that people living in ethnically diverse environments are not so much inclined to interact with people who are dissimilar to themselves in terms of, among other things, income, religion and ethnicity because these people are perceived to subscribe to other moral views on appropriate norms and values in society and consequently are perceived as less trustworthy (Oberg, 2009; Putnam, 2007). This indeed appears to be happening in De Krommert and Holendrecht/Reigersbos when it comes to people organizing collectively in leisure organizations. Further qualitative research in other neighbourhoods, ethnically heterogeneous as well as ethnically homogeneous ones, is necessary to draw more definite conclusions about the mechanisms underlying the negative relationship between ethnic diversity and bridging social capital.

**Discussion Data Utilization**

Before going into the conclusions of this study, attention is paid to the use of Chamber of Commerce data in the quantitative analyses. The in-depth fieldwork provides, besides tentative insights into the social relations and social networks underlying leisure organizations, namely also an opportunity to critically examine this type of data.

In the quantitative analysis of this study, in which it is attempted to uncover the relationship between ethnic diversity and social capital, data from the Dutch Chamber of Commerce is used to measure, among other things, the stock of bridging social capital through the density of leisure organizations in Amsterdam neighbourhoods. The assumption made is that the addresses at which these leisure organizations are registered are also the addresses where the leisure activities take place. This is important, because only in that case it is possible to count the social capital generated in these leisure organizations as part of the neighbourhood’s stock of social capital.

It appears from the in-depth examination of the two neighbourhoods, De Krommert and Holendrecht/Reigersbos, that for many leisure organizations the address at which they are registered at the Chamber of Commerce is in fact not the address where the organizations’ activities take place. The majority of leisure organizations is registered at the address of one of its board members instead. In fact, all twenty-eight leisure organizations in Holendrecht/Reigersbos listed at the Chamber of Commerce in 2012 are registered at a home address. With respect to De Krommert, only one of the eighteen leisure organizations listed at the Chamber of Commerce in 2012 appears to be registered at the address where the leisure activities also take place. This organization is ‘Club 8’, which is a leisure club for pocket billiards.

On the basis of the in-depth examination of De Krommert and Holendrecht/Reigersbos the conclusion could therefore be drawn that the data from the Dutch Chamber of Commerce does not in all cases give an
accurate view of the location of leisure organizations. The fact that a lot of leisure organizations are registered at a home address is problematic because it makes it impossible to find out where the leisure activities of the organizations truly take place and consequently, to know in which neighbourhood social capital is generated in these organizations. In some instances, the organizations are located in the same neighbourhood as the home address at which they are registered. In other instances however, it is the case that the leisure organizations are registered at an address in either De Krommert or Holendrecht/Reigersbos, while the activities take place in another neighbourhood\textsuperscript{13}.

The location of leisure organizations is in this study only checked for De Krommert and Holendrecht/Reigersbos. There are, nevertheless, no reasons to assume that these two neighbourhoods are different as regards to leisure organizations from other ethnically diverse neighbourhoods in Amsterdam. It is therefore not expected that in other ethnically diverse neighbourhoods in Amsterdam leisure organizations are significantly more often registered at the address where the leisure activities take place instead of at a home address of one of the members of the leisure organizations. Consequently, it could be concluded from the in-depth examination of De Krommert and Holendrecht/Reigersbos that by using data from the Chamber of Commerce concerning the location of leisure organizations, not so much the amount of leisure organizations in a neighbourhood is measured but more the amount of people who are socially active in leisure organizations in a neighbourhood. This at least seems to go for ethnically diverse neighbourhoods, as regards to other neighbourhoods further research is necessary.

A different issue with the use of data from the Chamber of Commerce is that not all organization focusing on leisure activities are registered as such at the Chamber of Commerce and are therefore not taken into account in the analysis. The so-called neighbourhood coordinator of De Krommert, for example, introduced me to the organization ‘Cinebaars’ that organizes movie nights for the neighbourhood’s residents. This organization does provide a clear leisure activity, namely cinema, but it is not registered at the Chamber of Commerce as such. A similar example can be found in Holendrecht/Reigersbos. In this neighbourhood I came into contact with the foundation ‘Kracht en Pracht’ that organizes leisure activities such as dancing and sewing, while it is not registered as an organization focused on leisure activities at the Chamber of Commerce.

To summarize, it can be said on the basis of the in-depth examination of the two neighbourhoods that the data from the Chamber of Commerce seems to be more accurate about the amount of socially active persons than the amount of leisure organizations in neighbourhoods and that it appears to be the case that not all organizations that provide leisure activities to neighbourhoods’ residents are registered as such at the Dutch Chamber of Commerce. For the results of the quantitative analyses in this study, this tentative knowledge means that by using the density of leisure organizations as an indicator, the chance exists that the aggregate amount of social capital of individuals is measured instead of the aggregate amount of social capital of

\textsuperscript{13} Some examples are given of leisure organizations for which this seems to be the case. The bridge club ‘Brios’ is registered at an address in Holendrecht/Reigersbos, while the club is seated in a neighbourhood in Amstelveen. The choir ‘Christelijke Oratorium Vereniging’ is also registered at an address in Holendrecht/Reigersbos, while the choir is actually in a neighbourhood in Amstelveen. The swimming association ‘De Jonge Kampioen Zwemvereniging Admiraal De Ruijter’ is also registered at an address in Holendrecht/Reigersbos, while the swimming association is located in a neighbourhood in Amsterdam West. The wind orchestra ‘Amsterdamse Blaas Kapel’ is registered at an address in De Krommert, while the orchestra is seated in a neighbourhood in Amsterdam New West instead of in De Krommert.
organizations, which is assumed in this study. However, more qualitative research into the data from the Dutch Chamber of Commerce is necessary to draw definite conclusions about the use of this type of data to measure social capital, as only two neighbourhoods in Amsterdam are investigated. In any case, it seems to be clear that by using the Chamber of Commerce data, it is possible to measure the amount of social capital in neighbourhoods, either on the collective level or on the aggregated individual level.

Conclusions
In this study the effect of ethnic diversity on social capital in Amsterdam neighbourhoods is investigated. It is generally assumed that ethnic diversity leads to a decrease in residents’ belief that their fellow residents are trustworthy and not deceitful. Norms and values concerning the proper way to behave are, namely, less self-evident and obvious in these heterogeneous contexts than in homogeneous contexts (Williams, 2001). This lack of a common logic of appropriateness in ethnically diverse neighbourhoods consequently stimulates people to be more unfavourably disposed to relations with others and thus to organizing collectively. The stock of bonding as well as bridging social capital is therefore assumed to be lower in ethnically diverse neighbourhoods than in ethnically homogeneous neighbourhoods. Leisure organizations, which constitute bridging social capital, are nevertheless expected to suffer even more from an ethnically diverse environment than foundations, which constitute bonding social capital, because they are built on the basis of face-to-face contacts between people from different backgrounds.

This study demonstrates that this is indeed the case in Amsterdam neighbourhoods. The negative effect of ethnic diversity is stronger for bridging social capital than for bonding social capital. More than that, in 2007 and 2012 ethnic diversity does not have a significant effect on the density of foundations, and thus the stock of bonding social capital, at all. This could most likely be explained by the fact that different immigrant groups have different organizational needs, as a result of which the demand for bonding social capital organizations is higher in neighbourhoods where the variety of immigrant groups is higher (Schrover and Vermeulen, 2005). The negative effect of lower levels of interpersonal trust between residents in ethnically diverse neighbourhoods on bonding social capital is consequently, at least partly, cancelled out by this fact.

With respect to bridging social capital, this study actually shows these two forces intensify one another. Leisure organizations, constituting bridging social capital, namely appear to be harder to establish and maintain in ethnically diverse neighbourhoods than in ethnically homogeneous neighbourhoods because of a lack of interpersonal trust between residents as well as a significant variation in organizational needs between different immigrant groups. This result is corroborated in the tentative qualitative study, from which it indeed appears to be the case that the main factor in explaining the difficulty in establishing and maintaining heterogeneous social networks, and thus bridging social capital, is the difference in organizational interests and needs between people from distinct backgrounds. This is, moreover, in line with Vermeulen and Brünger (forthcoming) who show that the variation in demands for organizations of different immigrant groups is crucial in explaining why some organizations thrive, while others languish.

On the basis of this study, it could therefore be concluded that ethnic diversity does not only have a negative effect on social capital in neighbourhoods, because it is harder for people with differing backgrounds
to trust one another and, as a result to organize collectively, but also because people with differing backgrounds have different organizational needs and demands and, as a result are less inclined to organize collectively. By incorporating elements of organizational sociology into the social capital literature and by broadening the methodological toolbox through the inclusion of qualitative methods into social capital research, this study has extended and strengthened the existing knowledge about the effect of ethnic diversity on social capital as well as broadened the insights into the mechanisms underlying this effect, as an attempt to move from mere descriptive analyses induced by lean theoretical assumptions to a profound, empirically substantiated theoretical foundation on which future analyses can be based.

As regards to the Dutch government’s claim that neighbourhood communities are able to improve the liveability of their neighbourhood under their own steam by tapping into the neighbourhood’s stock of social capital, this study shows that not in all neighbourhoods residents are as organized as the government asserts. It is demonstrated that there is less bridging social capital in ethnically diverse neighbourhoods than in ethnically homogeneous neighbourhoods. Through this, residents are deprived from means to solve collective action problems, which could become problematic in the wake of the government’s increasing withdrawal from its responsibility for the liveability and well-being of neighbourhood communities. While it is uncertain what the real effects of a lack of social capital and a lack of governmental involvement will be in the long run, it is certain that in the short run residents in ethnically diverse neighbourhoods are affected more severely than residents in ethnically homogeneous neighbourhoods by the withdrawal of governmental involvement, as the stock of social capital to compensate the role of the government is lower in these neighbourhoods. The Dutch government should, therefore, perhaps not totally withdraw its responsibility in the social sphere but focus instead on stimulating the creation of social capital in the neighbourhoods that seem to lack this valuable good. This should not only be done by increasing interpersonal trust between residents, but also by mapping out and bringing together the different organizational interests and needs of different immigrant groups.
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