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# Turning off the red lights: Entrepreneurial urban strategies in '*De Wallen*' Amsterdam☆

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A B S T R A C T

Entrepreneurial strategies to urban development involve a combination of risk-taking, inventiveness, promotion, and profit motivation, mostly associated with the field of economics. This market rational, guided by public-private investments and city branding, could however result in (a) a collection of sanitized city spaces specifically designed for the upper classes with unfavourable activities pushed outward, and (b) a homogenization of different destinations, without sufficient attention for the space-specific characteristics. Specific entrepreneurial strategies and their consequences for socially marginalized groups and destination competitiveness are discussed in the case of the red-light district of Amsterdam.



## The economics of entrepreneurial cities

Globalization has led to exceedingly mobile capital, increasing market vulnerability, spatial competition for valuable resources, and conversion of the economic base from a reliance on manufacturing activities towards finance, business services, tourism, and creative industries (Fainstein, 2008; Hall & Hubbard, 1996). In this context, welfare provision has come under increased pressure (Harvey, 1989), with local governments adopting a local growth model of economic development, opening the way for interurban competition (Hall & Hubbard, 1996; Harding, 1997). Transformation from managerial to entrepreneurial modes of governance (Harvey, 1989) shifted the focus to "the prosperity of the city itself' as an economic attraction pole (Hubbard, 1996, p. 1441).

The urban entrepreneurial answer is often designed in the form of public-private partnerships with a primary focus on attracting capital (Crossa, 2009). The city is re-imagined as an attractive centre for living and global investment (Ward, 2000) – often singling out the creative sector as an economic multiplier (Quilley, 2000). Quilley (2000) and Crossa (2009) distinguish between 'soft' and 'hard' approaches to re-imagination, with the soft approach incorporating communication strategies of brand identity, while hard approaches entail property-led strategies of urban regeneration and the creation of landmarks (Hubbard, 1995), both ultimately integrated into a homogenized image (Balmer, 2002). As Crossa (2009) proposes, the overarching goal exists in creating a competitive advantage towards other regions and cities by appearing innovative, creative, and safe.

Advertising campaigns or the cultivation of local authenticity are combined with the active creation of a new urban spatial environment (Hubbard, 1996). Especially in central locations, policy-makers are actively pursuing gentrification as the 'key' for successful urban regeneration, structuring both public and private investments (Loopmans, 2008). Smith (2002) identified how gentrification became a crucial urban strategy. This 'third wave of gentrification', drawn from US-experience, distinguishes itself from pre-1990's gentrification dynamics through a more direct and more determined involvement of the state through public-private partnerships in pursuit of urban growth while community opposition is increasingly marginalized (Hackworth & Smith, 2001). Tracing recent literature van Gent (2013) argues that this third wave is still the dominating gentrification model or dynamic in Western Europe.

This conceptual framework of increasing profit margins and tax revenues via attracting the middle-class (Smith, 1996) fails to fully explain the logic behind gentrification strategies in the Netherlands (Uitermark, Duyvendak, & Kleinhans, 2007). Here these urban gentrification policies are actively put to use as an essential tool to increase liveability and tackle urban problems in disadvantaged neighbourhoods (Lees, 2000; Uitermark et al., 2007). In Dutch public policy this directly relates to social mix strategies in deprived

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neighbourhoods to improve their socio-economic composition (van Gent, 2013). This implies that these policies strive for more middle-class households and manageable crime-levels rather than "ameliorate the social conditions of the most disadvantaged groups." (Uitermark et al., 2007, p. 125). Liveability is being used as a pretext to pursue an underlying entrepreneurial neo-liberal agenda (Uitermark, 2009). Furthermore, Florida (2003) identifies this highly subjective notion of liveability of place as a key for cities to be competitive in the contemporary knowledge economy.

The recent policy discourse for Amsterdam's red-light district constitutes a clear example of how a thorough spatial restructuring is put to use to both tackle social problems and criminal activities and economically upgrade this historical district. Critics such as Aalbers and Deinema (2012), state that although the countering of criminal practices is presented as the primary goal, the underlying gentrification strategy aims at commodifying urban space through local growth coalitions. This can be read as what Clark (2005) identified as a set of 'fictions', strategically legitimizing the driver to conquer space for entrepreneurial strategies and reclaiming it for upper classes (Smith, 1996).

However, by approaching cities as economic commodities and following entrepreneurial urban strategies, a number of potential problems could arise. First, every city image is constructed from a certain vantage point, often favouring higher middle-class centrist views. This leads to an exclusivist consensus, potentially impacting the spatial claims of minority groups conveying a different message (Crossa, 2009; Dikec, 2001; Quilley, 2000). The construction and cultivation of a city-imagery then asserts a form of social control, "convincing local people as to the benevolence of entrepreneurial strategies" (Hall & Hubbard, 1996, p. 162). Closely related to this potential exclusion of unwanted representations is the failure to distinguish the spatial scales of identity which can be narrated on local, regional, or national level (Hall & Hubbard, 1996). Attempts to combine these identities into a singular message run the risk of hollowing out relevant differences. As Julier (2005) notes, such singular generic brand values could create internal and external tensions. Internally, it is seen as unreflective of the local reality, while externally, similar design strategies lead to undifferentiated images (Griffiths, 1998), resulting in a third potential consequence: the homogenization of spaces.

This paper aims to provide a descriptive framework about the interconnected nature of city branding, gentrification, and social exclusion by focusing on the red-light district of Amsterdam, the Netherlands (locally known as '*De Wallen*'). The paper will continue with an overview of the current entrepreneurial city strategies, their link with the goals set forth by the plan, and the potential implications for marginalized social groups and the marketing image of the city as a whole.

## Study area

The most important contemporary red-light district of Amsterdam, *De Wallen*, is situated just east of *Damrak*, the central road that leads from the main railway station to *Dam* square through the historic centre of the city. Located around the oldest building of Amsterdam, the *Oude Kerk*, dating back to the early 14th century, the area houses some impressive architectural heritage, identified by the City of Amsterdam (2009d, p. 19, own translation) as a place with "opportunities to show the strength and quality of the historical, contemporary and future Amsterdam". Even though the earliest instances of concentrated prostitution actually developed just south of this area, at *Nes* and *Pieter Jacobsdwarsstraat*, *De Wallen* around the *Oude Kerk* have developed into the most visible, and contested, area of sex-related activities, to this extent that Aalbers and Sabat (2012, p. 112) describe *De Wallen* as "locally and internationally significant as one of the oldest venues for visible and legal urban prostitution."

The idea that spaces of sexuality are increasingly regarded as urban entertainment economies (Chatterton & Hollands, 2003) is noticeable in Amsterdam's red-light district (Aalbers & Sabat, 2012), attracting an estimated amount of over 3 million tourists a year (Hubbard & Whowell, 2008). Historical shifts in prostitution policies facilitated this development (see Aalbers & Deinema, 2009) – specifically the *de facto* condonement since the 1950s and the subsequent decriminalization of prostitution in 2000 (Aalbers & Sabat, 2012) – and the city marketing that, at times, actively promoted the global image of Amsterdam as a progressive city regarding themes such as soft drug use, squatting, prostitution, and gay rights (Aalbers, 2010). For instance, in 2004, the Amsterdam Tourism and Convention Board marketed the red-light district as:

> "From brothel to sex shop to museums, the Red Light District leaves nothing to the imagination. It is very likely that you will have heard about this neighbourhood and to be frank, everything you will have heard is probably true, but to really put rumours to rest, you have got to check it out for yourself. The *Rossebuurt*, as the locals know it, is unlike any other place. Guaranteed. Certainly, the Red Light District that everyone knows about is the one where women, of all nationalities, parade their wares in red-fringed window parlours, many ready to offer more than a schoolboy peep-show in a private cabin." (Amsterdam Tourism and Convention Board, 2004; in Hubbard & Whowell, 2008, p. 1745)

## Re-imagining the city: *plan 1012*

Recently, city officials of Amsterdam increasingly begun to address the red-light district and its evoked local image as an obstacle for the desired image, translated in current marketing campaigns (Kavartzis & Ashworth, 2007). Comparing the present depiction of the area by the Amsterdam Tourism and Convention Board with the one quoted in supra uncovers a markedly different approach:

> "…some stereotypes about this area are true: there are plenty of sex shops, peep shows, brothels, an elaborate condom shop, a sex museum and prostitutes in red-lit windows. But the heart of Amsterdam is much more than that. New opportunities are setting in place a future for the city centre that will show the many qualities … The Amsterdam city centre has a romantic image. But behind the exciting, unconventional, 'anything goes' image of the city centre lurks a different reality – a reality that sometimes consist of sex trafficking, forced prostitution. This is something that the city and the justice department are fighting against." (I amsterdam, 2013)

The desired change in brand identity was identified in 2004, launching the '**I am**sterdam' campaign as a reaction to the perceived decline of the city against international benchmarks (City of Amsterdam, 2004). Current marketing efforts primarily focus on attracting upper-scale cultural tourists as well as creative industries and businesses. The choice of target groups clearly follows an economic rational, as explicitly stated in the marketing plan: "It is not surprising that it is the economic perspective that dominates in this section of city marketing target groups … if we invest in just these target groups then in the long run it will be of benefit to the Amsterdam area" (City of Amsterdam, 2004, p. 23). This soft approach to entrepreneurial strategies directs the physical development plans in order to develop a homogenized image. One of these, *Plan 1012*, focusses on the historic core of Amsterdam,