

The Transformation of Ethnic Neighborhoods into Places of Leisure and Consumption

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Fine China¹

Dancing dragons, swirling ribbons, and divine equines—a symbol of beauty and power—abound as the Year of the Horse gallops into town. In Chinatown, one of Gotham's most culturally rich communities, the sense of festivity is palpable when the downtown neighborhood hosts its annual *Chinese New Year Parade*. Snaking through narrow winding streets lined with signs in Chinese calligraphy and phone booths with pagoda roofs, a procession to greet the Year of the Horse will feature agile dancers in elaborate lion and dragon costumes, stilt walkers, marching bands, and dozens of masked performers—carrying out an ancient ritual to scare away evil and bring luck. Stop for a red-bean bun from a sidewalk vendor and join the multi-block party beginning at Mott and Mosco Sts., and ending at Chatham Square.

These are the opening lines of a story featured by the February 2002 issue of *IN-New York* (p. 27), a glossy magazine targeting the innumerable visitors to New York City. And sure enough, thousands upon thousands of spectators—both Asian and non-Asian—showed up and rubbed shoulders on this sunny winter afternoon. The crowd listened to the deafening drum beat, ogled at young ladies dressed up in colorful costumes, saluted marching veterans, and cheered processing community organization such as the National Chinese Welfare Council, Better Chinatown Association, the Local 23-25 UNITE union of female garment workers, and the Asian American Postal Employee Association. Before and after the parade, the visitors shopped around, bought stuff from vendors, and enjoyed a fabulous lunch in one of the many restaurants. Happy New Year!

Similar festivities took place in other cities with large Chinese communities such as Boston and San Francisco, Toronto and Vancouver, Melbourne and Sydney, London and Birmingham, and so forth. Originally, the Lunar New Year celebrations were a matter of locals only, an occasion to meet and greet and experience and strengthen feelings of belonging to the Chinese community, but they increasingly involve a broader

public. Once a ghetto of deprived outsiders and a place to avoid, Chinatown nowadays stirs the imagination of mainstream people and attracts local and international visitors. The tourists and leisure-seekers—generally ignorant of the sundry contradictions that go with this development—indulge the pleasures that are so nicely advertized in *IN-New York*, in tourist guides and on the web.²

The image and appeal of these Chinatowns are so strong that they have become export products. Chinatowns are emerging or re-emerging in various European cities. The Netherlands is a case in point. In this country, where the political mood has rapidly turned against immigration and the concomitant ethnic diversity, the main cities are conspicuously interested in the establishment of a Chinatown within their city limits. In The Hague, where the immigration of Chinese is actually rather recent, the City actively promotes the transformation of the Wagenstraat—an insignificant shopping strip along the ‘exotic’ *City Mondial* tour—into a Chinese precinct. Rotterdam and Amsterdam have had concentrations of Chinese immigrants since 1911, when Chinese sailors were recruited from London as scabs and settled in their ‘colonies’ close to the docks (van Heek 1936). In Rotterdam, Chinese businesses have gradually moved out of the infamous Katendrecht district and gravitated to the West Kruiskade area in the inner city, and today city planners are considering the possibility of converting this particular precinct into a ‘real’ Chinatown with a gate, lions and all that jazz (de Gruiter 2000), or anyway into an ‘exotic’ shopping zone. In Amsterdam, Chinese businesses abound in the area around the Binnen Bantammerstraat, the Zeedijk, the Nieuwmarkt and the Geldersekaade, thus in the downtown streets adjacent to the famous red-light district, another major tourist attraction. In the 1970s, these run-down streets were the dirty and creepy turf of heroine addicts and potheads, a no-go area for decent family people, but since the 1980s the City of Amsterdam has been revitalizing the area. It has made a clean sweep, renewed the streetscape and interfaced with local (business) community organizations. The fact that a large hotel chain decided to build a new hotel at the head of the Zeedijk, opposite of Central Station, worked out favorably for this development, and so did the establishment of the Buddhist Temple Fo Quan Shan. Today, the Zeedijk is a tourist magnet for people from all walks of life, including international business people, local pleasure seekers, backpackers as well as drug addicts, lager louts, and the Dutch Queen Beatrix (who officially opened the Temple). Meanwhile local Chinese entrepreneurs in collaboration with Taiwanese investors are planning a major up-market extension of Chinatown. The new center of business services too contributes to the city’s goal to brand Amsterdam as a center of cosmopolitanism.

What we observe here is a complex set of phenomena. In this paper, I am mainly concerned with the articulation of cultural diversity by immigrants and the rise of the tourist industry in gateway cities. More particularly, I am interested in the involvement of immigrants as producers of tourist and leisure attractions. I will argue that, under particular circumstances, the commodification of cultural features helps foster the inclusion of both high-skilled and unskilled immigrants in the emerging service economy and, at the same time, allows them to boost the urban economy. There is ample evidence showing that this process is occurring in typical countries of immigration in North American and Australia. The question is whether the commodification of cultural features will also work for advanced welfare states in continental Europe.

Gøsta Esping-Andersen (1990) and various other scholars are suspicious of commodification. Inspired by the work of Karl Marx and Karl Polanyi, they believe that people should be permitted to make their living standards independent of pure market forces. As commodities, people are captive to powers beyond their control, become replaceable, easily redundant and atomized (Esping-Andersen 1990: 37). The commodity, moreover, is easily destroyed by even minor social contingencies, such as illness, and by macro-events, such as the business cycle. Although the arguments against commodification are strong and convincing, it should not be treated as an ironclad rule. The commodification of particular features of cultural identity—Esping-Andersen would probably treat this as another social contingency—offers immigrants opportunities that otherwise would not exist. Besides, the immigrants' contribution to the local economy suggests that immigrants are not just dependent on macro-events, but in principle as agents capable of influencing it. It seems to me that this is sufficient reason to examine the immigrant tourist industry. This, admittedly, does not mean that every individual involved in the immigrant tourist industry is able to gain upward social mobility and automatically join the ranks of the rich. On the contrary, various risks and perverse effects lurk in this development.

In this paper, I deal with the background of this new avenue of immigrant economic incorporation. I especially discuss the role played by immigrants the local government and various cultural mediators.

Entrepreneurs, Consumers and the Critical Infrastructure

The proliferation of ethnic tourist attractions draws our attention to the entrepreneurial side of this development. Most studies of immigrant/ethnic entrepreneurship focus on entrepreneurs only and are mainly interested in explaining the proclivity of certain groups toward entrepreneurship and their paths to entrepreneurial success.³ Scholars studying these questions have developed several theoretical approaches, ranging from those emphasizing the cultural endowments of immigrants (i.e., certain groups are culturally inclined towards risk-taking behavior; see Light 1972; Metcalf, Modood & Virdee 1996), to others that highlight racist exclusion and blocked mobility in the regular labor market (i.e., marginalized individuals are driven towards entrepreneurialism as a means of escaping unwelcoming labor markets; see Barrett, Jones & McEvoy 1996; Collins et al. 1995; Ram 1993; Saxenian 1999).

About a decade ago, Waldinger and his associates (1990) developed a composite theory that brought together these views, based on the principle that entrepreneurship is the product of the interaction between group characteristics and the opportunity structure. As such their *interactive model* combines ethno-cultural and socio-cultural factors (agency) with politico-economic factors (structure). According to the Waldinger et al., the latter entail market conditions (particularly access to ethnic/non-ethnic consumer markets) and access to ownership (in the form of business vacancies, competition for vacancies, and government policies). This interactive model has been appreciated as an important step towards a more comprehensive theoretical approach, even though it is more of a classification than an explanatory model. However, it has also been subjected to criticism. Its shortcomings included its methodology (Light & Rosenstein 1995), the lack of attention devoted to issues of class and gender (Collins et al. 1995; Morokvasic 1993), insufficient emphasis on processes of racialization of immigrants (Collins et al.

ibid.), *a priori* categorization of immigrants as ethnic groups and the concomitant assumption that immigrants as ethnic entrepreneurs act differently than mainstream entrepreneurs (Rath & Kloosterman 2000), and the narrow and static way economic and politico-regulatory factors are dealt with (Bonacich 1993; Rath 2000). As regards the latter, the authors conceive market conditions in terms of the ethnicization or de-ethnicization of consumer markets, and confine politico-regulatory factors to a short list of laws and regulations that specifically apply to immigrants.

Theoretical development has continued and, oddly enough, this has led to a convergence of approaches to issues of *social embeddedness*, that is, the assumption that individual entrepreneurs participate in ethnically specific economic networks that facilitate their business operations (especially in acquiring knowledge, distributing information, recruiting capital and labor, and establishing relations with clients and suppliers). Social embeddedness enables entrepreneurs to reduce transaction costs by eliminating formal contracts, gaining privileged access to vital economic resources, and providing reliable expectations as to the effects of malfeasance. Particularly in cases where the entrepreneurs' primary input is cheap and flexible labor, as is true of some parts of the tourist industry, the reduction of transaction costs by mobilizing social networks for labor recruitment seems key. Many students of immigrant entrepreneurship, especially in the U.S., are indeed fervent adherents to a version of economic sociological thought that focuses on the entrepreneurs' social networks and impact on entrepreneurship (see for example Yoo 1998; Zhou 1992). However, taking advantage of social embeddedness is a complex and dynamic process, is connected to cultural, human and financial capital (Light & Gold 2000), is contingent on the goals pursued and the political and economic forces at work (Granovetter 1995; Kumcu 2001), and is the product of the interaction of structural factors such as migration history and processes of social, economic and political incorporation in the mainstream as well as their spatial variations. These intricacies, however, have not always been adequately addressed.

In recent years, continental European researchers have argued that these theories of immigrant entrepreneurialism conceptualized the opportunity structure with the assumption of an unregulated and undifferentiated economy. They subsequently paid scant attention to the array of *regulatory structures* that promote certain economic activities while inhibiting others. For example, in France, non-citizens are excluded from most jobs in the public sector (meaning that approximately 7 million jobs are out of their reach—see Ma Mung 2001). In contrast, Canada has adopted affirmative action hiring rules in the federal civil service in an effort to attract non-European minorities, and does not differentiate between landed immigrants and citizens. Another example: while virtually anyone can establish a private business in the United States, in Germany and even more so in Austria individuals must apply for special licenses even to sell flowers in restaurants and bars, and they need the approval of a particular organization to engage in most forms of production or service (see for instance Haberfellner 2003). European researchers have not only argued that it is important to address these highly relevant forms of regulation, but also to fully appreciate the *economic dynamics* of a market. It does not require much sociological imagination to see that designers of virtual tourist guides, pencils vendors, or take-out restaurateurs operate in entirely different markets. Different markets obviously offer different opportunities and obstacles, demand different skills, and lead to different outcomes in terms of business success or—at a higher level of agglomeration—a different ethnic division of labor.

Acknowledging the salience of regulation as well as market dynamics, researchers have proposed a *mixed embeddedness* approach to immigrant entrepreneurship (Kloosterman, van der Leun & Rath 1999; Kloosterman & Rath 2001, 2003; Rath 2002a). The approach is considered to be more appropriate, since it relates social relations and transactions to wider political and economic structures. It acknowledges the significance of immigrants' concrete embeddedness in social networks, and conceives that their relations and transactions are embedded in a more abstract way in wider economic and politico-institutional structures. While appreciating the relevance of cultural structures for economic development—I will substantiate this later—the study of the immigrant tourist industry must be situated within this emerging analytical approach.

Another closely related source of theoretical inspiration is the work by Light & Rosenstein (1995). These authors position entrepreneurs in a market, comparable to the labor market, where opportunities for business ventures are the product of demand and supply: entrepreneurs supply goods and services and, in so doing, meet the demand of consumers. If we continue this line of argument we envisage a dynamic entrepreneurial market full of contingencies. A multitude of factors and processes of a structural and contingent kind are at play and, consequently, demand and supply are never in equilibrium.

- First, *the opportunity structure is continuously undergoing slow and sudden changes* of various kinds, due to the disappearance of old consumers and competitors and the emergence of new ones, the development of new products, the establishment of new commercial sites, the revision of relevant rules and regulations and so forth.
- Secondly, *entrepreneurs have agency*. They are not just passive actors, the playing of an abstract opportunity structure, but are able to create their own opportunities or at least make an impact on the wider opportunity structure.
- Finally, the dynamism of the entrepreneurial market is contingent on *a set of intervening variables that influence and shape the interaction between entrepreneurs and the opportunity structure*. It is the dynamic interaction between entrepreneurs and their social, political and economic environment that largely produces entrepreneurial behavior and business success, in this case in the tourist industry.

This approach is interesting because it draws the attention to the demand side, i.e. consumers, an aspect often overlooked in entrepreneurship literature. It is evident that tourist entrepreneurs, or any other entrepreneur for that matter, cannot survive without a demand for goods or services, and it is therefore relevant to examine the critical role played by consumers and their interactions with entrepreneurs. This, to be sure, does not mean that the interaction between the producers of tourist attractions on the one hand and their consumers on the other is confined to one-to-one relations. In the tourist market—as elsewhere—supply and demand is mediated.

Here we enter the realm of studies on the emerging knowledge economy and the role of cities as places of information circulation, creativity and consumption. The growth of the urban tourist industry is intricately linked with the rapid transformation of the manufacturing economy to the informational economy and beyond. Deindustrialization resulted in the need for localities to differentiate themselves in order to attract a share of this spatially mobile capital. In the case of cities in particular, authorities ranging from local governments to marketing consortia have been striving to present localities as attractive to potential investors, employers, inhabitants, and tourists (Kearns & Philo 1993). It can be noted that:

the less important the spatial barriers, the greater the sensitivity of capital to the variations of place within space, and the greater the incentive for places to be differentiated in ways attractive to capital (Harvey 1989: 295-6).

Urban cultural diversity is then a vital resource for the prosperity of cities and a potential catalyst for socio-economic development, particularly since business investors consider this diversity as one of the factors determining the location of businesses.

Pine & Gilmore (1999) argue that this coincides with the emergence of a form of hypercapitalism, which revolves not only around regular goods and services but also around experiences. In the same vein, Wolf (1999) demonstrates that media and entertainment have moved beyond culture to become the driving wheel of the global economy. Providing access to experiences then opens the door to economic resources, and that is why city governments have become so keen on encouraging tourism (Rifkin 2000). Cities, faced with job losses and decay, engage in 'a desperate struggle for survival' and one after the other bets on the tourist industry, a sector with few barriers to entry and the potential for large returns (Sorkin 1992; Webster 2001). *Creative cities* stand out and are able to attract holiday tourists as well as mobile professional workers and mobile capital (Hall 2000). The commodification and marketing of diversity, i.e. the commercial use of the presence of the ethnic Others or their symbols, fits in well with this process (Halter 2000). The chances of this occurring are obviously contingent on the level of living, lifestyle and consumption patterns of those living in Western cities and the degree to which they develop a distinctive taste for cultural products offered by migrant and minority groups.

In a series of publications, Zukin explores the city's *symbolic economy* and provides several important ideas that help us understand the processes leading to the new valorization of ethnic city spaces. She describes the growing enthusiasm for 'interesting' landscapes that have the potential to draw tourists (Zukin 1995), and explores the relationship between industrial restructuring and the deterioration of factory landscapes vs. the growing significance of places of consumption. Zukin (1991: 16; see also Zukin et al. 1998a) reminds us that landscapes are 'contentious, compromised product[s] of society' that create visual order and, in so doing, both reveal and conceal social processes. She is particularly concerned with the growing social polarization evident in many Western societies and devotes much of her effort to understanding places that appeal to affluent consumers. These include landscapes of leisure, such as Disney World, Coney Island or Las Vegas, as well as gentrified inner-city neighborhoods that contain mixed land uses. These places contribute both materially and symbolically to the urban economy and are therefore highly prized by planners and city boosters (Zukin 1998b).

To foster this process, city governments attempt to attract investment (or invest themselves) in high-profile events, institutions, and symbolic land uses, such as Olympic games, international sports teams, and towers or special bridges. In the past, a number of place marketing practitioners have been quoted as admitting that they promoted exactly the same images working for other cities (see Burgess 1982: 6). Indeed, place marketing has to some extent a universal nature, with every city seeking to be an arts Mecca, have a waterfront, and have a fascinating heritage. However, some also emphasize areas of the city that may interest local consumers or tourists, especially

ethnic festivals and ethnic precincts that offer a wealth of goods and services that appear exotic, exciting and authentic. As Zukin notes, this has led to a sea-change in the way these types of areas are understood and represented by the state: ‘Elected officials who, in the 1960s, might have criticized immigrants and non-traditional living arrangements, now consciously market the city’s diverse opportunities for cultural consumption’ (1998b: 836). This process leads to a commodification of diversity and has led to a situation where culture—particularly immigrant and minority cultures—can be seen as an economic resource for cities.

Zukin (1991), moreover, argues that there is a *critical infrastructure* of individuals who are connected in some way with cultural production and appreciation and who influence public taste. The critical infrastructure covers a broad spectrum of knowledge workers that design cultural production and consumption, and entails connoisseurs, cultural mediators, and marketing bureaus, but also business associations, tourist boards and parts of the (national and local) government. Regardless of their intentions, the critical infrastructure affects the popularity of particular cultural products. It identifies ‘relevant’ cultural products, makes statements concerning their real or alleged authenticity and the significance of consuming, and helps shape the multi-cultural urban landscape. The messages from this critical infrastructure are not simply ‘free floating’, but are provided through the Internet or more regular means of communication, through the behavior of trendsetters or other people from the cultural vanguard, through the programmes of specific educational institutes, or through the provision of ready-to-consume products and services. As Zukin notes, shifting preferences have an impact on the nature of production and ultimately bestow opportunities on some groups and their areas of the city while simultaneously making other groups and areas largely invisible to ‘the people who matter’. How the critical infrastructure functions and how immigrant producers of tourist attractions on the one hand and their consumers on the other hand fit into this are a matter of further research.

Diversity Dividend in an Emerging Economy

The *tourist and leisure industry*, (hereafter abbreviated to tourist industry), is one of the fastest growing sectors of today’s world economy. In some countries, tourism’s contribution to the gross domestic product (GDP) has surpassed that of any manufacturing sector. According to the World Travel and Tourism Council (2005), travel and tourism were expected to generate US \$6.2 trillion (that is approximately €5.2 trillion) of economic activity in 2005, and to grow to \$10.7 trillion (€8.8 trillion) by 2015. Over the entire world today, they contribute an average of 3.8 per cent to GDP and are responsible for an estimated 74 223 000 jobs, or 2.8 per cent of the world’s work force. Moreover, since travel and tourism touch all sectors of the economy, their real direct and indirect impact accounts for up to 10.6 per cent of total GDP, or 221 568 000 jobs. That represents 8.3 per cent of total employment. A large part of the tourism and travel economy is generated in the European Union, and by 2011 Europe’s share is expected to grow to 32 per cent of the global total per annum in real terms. This varies among regions and countries, of course, but the gist of the argument remains the same: tourism is and will continue to be perceived by many as a job machine.

It is not only growing, it is also all-inclusive: it offers opportunities to a variety of people, including natives *and* immigrants, highly skilled *and* unskilled, males *and*

females. They participate as organizers of cultural events, as web designers, as owners of cafés, coffee shops, restaurants, travel bureaus, hotels, souvenir shops, telephone and Internet shops, but also as waiters, cooks, dishwashers and janitors. Together, they engender ‘globalization from below’ and, as Henry, McEwan & Pollard (2000) put it, ‘create mainstream but unique products in terms of innovation, production and consumption’. In doing so, they increasingly funnel new business investors and other people with resources to cities (Fainstein & Judd 1999).

Immigrants in Europe initiated the award winning⁴ ‘tropical’ carnivals (in Notting Hill, Berlin and Rotterdam), the Bollywood film festival (in The Hague), the Kwakoe soccer festival (in Amsterdam), and Chinese Lunar New Year celebrations and Moon festivals (almost everywhere) and so forth. Some of these *festivities* last just one day but others a few weeks. They attract hundreds of thousands and in some cases over a million spectators, and are widely covered by the mass media. Immigrants have also created ethnic commercial precincts or revived those in decline. Many cities have *ethnic precincts* or neighborhoods that add to the ‘exotic’ tourist experience. In some cases, one immigrant ethnic group dominates, as is the case of Chinatown (in many cities), the Balti Quarter (in Birmingham), or Kreuzberg (‘Klein Istanbul’ in Berlin), but in other cases the precincts are ethnically mixed. The Moraria district (in Lisbon), the Brabantstraat and Dansaerstraat shopping strips (in Brussels), or De Pijp (in Amsterdam) are well-known examples of such multi-ethnic precincts.

Whatever the case, festive and commercial expressions of cultural diversity are gaining popularity in North American and Europe’s gateway cities. The fact that they attract the attention of mass tourists and have become economically significant underscores the emerging connections between the new service knowledge economy, and immigrants as potential generators of urban socio-economic development. This constitutes a challenge. Should this model of socio-economic development be supported, thereby allowing immigrants to form ethnic economies, or should the integration of immigrants in regular sectors of the economy be encouraged, even if this increases the risk of excluding unskilled immigrants?

Traditional countries of settler immigration, such as the United States, Canada and Australia, acknowledged *the potential of cultural diversity* a long time ago. Since the 1970s, the ‘Chinese quarter’ in the City of Melbourne, Victoria, Australia, has been selected as a symbol of cultural diversity and an object of civic pride (Anderson 1990). The government has courted the precinct for its perceived distinctiveness and started sponsoring major redevelopment plans to boost declining areas. In so doing, Melbourne joined its counterparts in American and Canadian cities. As early as 1938 the City of Vancouver ‘officially’ opened up its Chinatown to tourism (Anderson 1988: 141) and well before then, in the 1880s, it became fashionable for middle-class New Yorkers to go slumming or ‘rubbernecking’ in Chinatown (Lin 1998: 174). It is clear that immigrants—in this case by opening and operating all kinds of tourist oriented commercial ventures—have provided what Australians today would call a *diversity dividend* or an *ethnic advantage*. In this way, these countries of immigration are far ahead of Europe. Ethnic festivals are now abundant on the other side of the oceans and masses of people, including people in the mainstream, enjoy and appreciate them greatly. The popularity of St. Patrick’s Day Parades, Puerto Rican Day Parades, Dragon Boat Regatta’s, Food Festivals and similar events has become immense, and mainstream corporations have become a party to this development (Halter 2000). These

corporations, interestingly enough, have followed the example of small innovative ethnic businesses and become part and parcel of the market for cultural diversity. This demonstrates that the tourist industry—possibly more than most other part of the knowledge economy—allows small entrepreneurs to make an impact, even if they lack specialized knowledge or large capital resources.

Ethnic precincts have the potential to draw tourists provided that ethnic urban spaces are valorized. This transformation is not a ‘natural’ process, but the product of social, cultural, economic and political developments and conditions. These conditions are to a large extent contingent on each other in a process of cumulative causation.

First of all, the *social infrastructure* must be capable of supporting the development of a regular precinct into a tourist attraction. Ethnic precincts—except perhaps the manufactured ones such as the Chinatown in Las Vegas—are commonly the product of the activities of immigrant ethnic communities. It is important that they find themselves a space that serves as the nodal point of community life. This does not necessarily imply that immigrants must live in the precinct. Leichhardt is Sydney’s Little Italy, but has ceased to be the home to the Italian population. It is nevertheless here where the Italian community meets and where the sites, sounds, flavors and irresistible aromas of Italy come alive (Collins & Castillo 1998).

Secondly, there must be a proliferation of *small-businesses* based on the commodification of ethnic features. An ethnic precinct needs shops to foster public life, to give tourists an excuse to hang around and pass the time, and last but not least to give the neighborhood its ethnic flavor. Book and music stores, gift shops, travel agents, and especially restaurants, groceries, and supermarkets do have that capacity. Furthermore, the immigrant tourist sector must be *part of a larger tourist industry*. If such a larger industry does not really exist in the city, the odds are against a quick take off of such a sector. The ‘difficult area of Bradford, England—‘not a “natural” tourist attraction’—is a case in point. The local government’s strategy to attract leisure tourists, among others by promoting the ‘Flavours of Asia’ and by using support from the private sector and funds from Europe, has not fundamentally improved the attractiveness of the city since the mid 1980s (Hope & Klemm 2001: 633). Although there have been some improvements to the infrastructure, the image of Bradford is still unfavorable.

Thirdly, the *critical infrastructure* support and promote ethnic theming. A substantial number of consumers must be captivated with ethnic-specific attractions. This seems self-evident, but is related to structural *attitudes towards particular immigrant ethnic groups and their institutions*. At the time when the climate of opinion about the presence of Chinese immigrants was still fairly negative, there were apparently sufficient people whose curiosity was aroused by the unfamiliar shops. These ‘rubbernecks’, as they were labeled, came mainly from the fashionable middle class, and constitutes a critical mass big enough to give the Chinatown tourist industry a start (Lin 1998: 174). If such a critical mass does not exist or if only negative opinions about (particular) ethnic enclaves are socially accepted, the odds are against the development of an ethnic tourist industry.

And finally, a number of *regulatory matters* need to be fulfilled. This can be accomplished by favorable zoning regulation, by creating a clean and safe environment,

by ensuring the accessibility of the area. Especially the prevalence of *crime* in (ethnic) commercial precincts may undermine the prospects of becoming a tourist attraction.

Last but not least, as the North American and Australian experiences show, various factors and processes might gum up the transformation of cultural resources into an economic asset or produce negative ('perverse') effects:

- First, I already alluded to the *bifurcation of the knowledge industry*. There is no reason to assume that the tourist industry constitutes an exception to all this and that any participant automatically gains upward social mobility. The involvement of some may be confined to low-skill, low-wage, dead-end service jobs or to self-exploitative mum 'n' pop stores (Parker 2002; Valle & Torres 2000).
- Secondly, it is possible that *intra-ethnic conflict* will occur between those who control ethnic tourist industry and those who provide the hard labor (Chang 2000; Light & Wong 1975). The literature only indirectly deals with class-based conflicts within immigrant enterprises, but there are indications that immigrant entrepreneurs—i.e. the designated producers of tourist attractions—engage in types of exploitation too (Fong 1994; Lin 1998). These types may differ from the regular ones, due to various socio-economic and ethno-cultural particularities, but this of course needs to be proved rather than assumed.
- Thirdly, in the same vein, there are indications that tourist enterprises *reinforce power differentials between genders* (Narayan 1995). Like many other sectors of the economy, tourism constitutes a gendered labor market. Of particular importance is the 'assistance' of (unpaid) (female) family labor in making the venture successful (Zhang 1999).
- Fourthly, *stereotypes* about the 'authentic' ethnic Other or the 'authentic' ethnic experience may be *reinforced* (Anderson 1998; Fainstein & Gladstone 1999). As Selwyn (1996) shows, tourism is about the creation of myths, images and fantasies, particularly about the 'exotic' Other. The development of tourism does require the production of mythical places and hosts, but these myths are underpinned by politico-economic and cultural dependencies. The issue at stake is whether immigrants as the 'toured other' are being reduced to a tourist object or quite on the contrary emerge as subjects of a new tourist practice in the city (Morris 1995). While acknowledging that the tourist industry entails a '*performative* repertoire of cultural displays that increasingly serve the consumptive and spectating demands of outsider audiences', Lin (1998: 205) also points to the risks of such voyeurism and stereotyping.
- Fifthly, and this is related to the previous point, immigrants are not always overenthusiastic about the transformation of their shopping precincts or ethnic festivals into tourist attractions. In many cases, shops and festivals were established with the intention of catering to the (material or emotional) needs of the in-group only. Their exposure to an ever-wider public may be interpreted as *undesirable interference with one's own affairs or even as a kind of cultural imperialism*. This may, under certain circumstances, lead to resistance and conflicts (Lin 1998; Tak 1996).
- Sixthly, and this is especially the case when the (local) government acknowledges the economic significance of immigrant neighborhoods as tourist attractions, there is a risk that regulation aimed at the preservation of these sites only serves the *homogenization and fossilization of urban landscapes* and the depletion of its

economic dynamics (Anderson 1995; Lin 1998). The tourist industry then becomes a 'tourist trap' (Anderson 1990)

- Finally, the involvement of immigrants in the tourist industry does not inevitably contribute to the full acceptance and integration of immigrant communities. It is possible that *tensions between tourists and locals* emerge or are reinforced, for instance concerning the use of public space (Chang 2000; Mitchell 1993; Anderson 1988).

Conclusions

As stated in a document on *European Spatial Development Perspective*, the natural and the cultural heritages of Europe are economic factors, which are becoming increasingly important for regional development (European Commission 1999: 30). Urban tourism accounts for approximately 30 percent of European tourism, and is expected to grow at a rate of 5 percent in the years ahead.

The tourist industry, moreover, provides opportunities to immigrants of both genders. The industry constitutes—in principle—a powerful interface between high skilled and unskilled immigrants on the one hand and the wider knowledge economy on the other. If the sector fulfills its promise and allow for the commodification of immigrant's ethnic-cultural resources, it helps foster the making of the cosmopolitan city, enhances the city's potential to attract (international) knowledge workers and business investors, and—last but not least—strengthens the social and economic integration of immigrants. However, it is not a matter of course that this occurs and, even if this were the case, that any immigrant is able to gain upward social mobility or contribute to the full acceptance and integration of immigrant communities.

In this paper, I have argued that the growth of the urban tourist industry is intricately linked with the rapid transformation of the manufacturing economy into the informational economy and beyond, the emergence of a form of hyper capitalism which revolves around regular goods and services but also around experiences, the continuous immigration and its concomitant cultural diversification, and the frenetic competition between cities (Rath 2006). The commodification and marketing of diversity, i.e. the commercial use of the presence of the ethnic Other or their symbols, seems to fit in well with this process. In so doing, this paper goes beyond the popular orthodoxy and put more emphasis on the demand side of immigrant enterprises as well as the mediators who affect the interaction of supply and demand.

Following Fainstein & Judd (1999: 5) and Zukin (1991), I posit that various components of urban tourism—the producers of tourist attractions, the consumers, the critical infrastructure and the (local) government—interact to produce a complex but also dynamic ecological system, dramatically affecting the political economy of cities. On this note, Zukin's concept of the *critical infrastructure* is especially relevant. The critical infrastructure covers a broad spectrum of knowledge workers that designs cultural production and consumption. It identifies 'relevant' cultural products, makes statements as regards to their real or alleged authenticity and the significance of consuming, and helps shape the tourist industry by providing information through the Internet or more regular means of communication, by being the cultural vanguard that

sets the example, by offering opportunities for education aimed at this sector, or by providing ready-to-consume products and services.

I concluded the paper by pointing to various processes that might gum up the transformation of cultural resources into an economic asset. The processes revolve around issues such as the size, nature and development of the tourist industry at large; tensions between immigrant communities and the wider society due to undesired interference in the internal dynamics of ethnic precincts, ethnic stereotyping, voyeurism and fossilizing urban landscapes; and the approach regarding tackling crime; and the risks of bifurcation in terms of class, gender and economic achievement ■

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Abstract

Urban public space is obviously a key site of host-immigrant encounter. The heated debates in Europe about the establishment of purpose-built mosques or in Canada about monster houses show the deeper impact of changes in the urban streetscape consequent upon immigration. The establishment of ethnic shopping malls or commercial precincts, such as Chinatown or Klein Turkei, with their specific shop windows, street furniture and the whole shebang, is another, perhaps more promising case. The proliferation of these precincts is interesting because it is—at least partly—driven by commercial intentions and ties in with the emerging service economy and the role of cities as sites of consumption. The commodification and marketing of diversity, i.e. the commercial use of the presence of the ethnic Others or their symbols in the urban streetscape, help explain the growing enthusiasm for 'interesting' landscapes that have the potential to draw tourists and visitors. This transformation is not a 'natural' process, but the product of social, cultural, economic and political developments and conditions. This presentation examines the transformation of ethnic neighborhoods into places of leisure and consumption by a wider public in a number of cities and countries, and deals with the question of how and under what conditions this process helps foster immigrants' business success and the quality of the neighborhood at large. The primary focus is the role of immigrant entrepreneurs and their interaction with other relevant actors, especially the local government.

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Notes

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- ¹ This paper is partly based on discussions and collaborative work with a number of international researchers, including Marilyn Halter (Boston University), David McEvoy (Liverpool John Moores University), Maria Margarida Marques (Universidade Nova de Lisboa), Rainer Münz (Humboldt Universität Berlin), Ching Lin Pang (Center for Equal Opportunities and Opposition to Racism), Monder Ram (De Montfort University), Martin Selby (Liverpool John Moores University), and especially with Jock Collins (University of Technology Sydney) and Daniel Hiebert (University of British Columbia). I want to thank these scholars for their contributions. I also want to express my gratitude to the School of Finance and Economics at the University of Technology Sydney and the Dutch Foundation for Scientific Research NWO for co-sponsoring international visitorships that allowed us to meet in Sydney and Amsterdam. Finally, I thank Ewald Engelen (University of Amsterdam) for his comments on an earlier version of this paper.
 - ² See for instance <http://chinatown.pagina.nl/> or an overview of Chinatown websites.
 - ³ The literature is inconclusive as to the use of concepts such as immigrant entrepreneurship and ethnic entrepreneurship (Cf. Rath 2002a: 23-24).
 - ⁴ On December 11, 2001, His Royal Highness Prince Claus of the Netherlands presented the 2001 Prince Claus Award to the Antillean Carnival of Rotterdam. The Carnival organization received this prestigious award because of its contribution to the acceptance of cultural diversity in Dutch society.