



Work, live, enjoy: why Rotterdam keeps growing

By: Loes Singeling

Good news: Rotterdam is doing well. In fact, Rotterdam is doing better and better. The city is finally riding the wave of positive national economic developments and going full steam ahead: the housing market is looking up, the unemployment rate is decreasing and new restaurants and bars are popping up all over the city. Urban economist Jeroen van Haaren explains how this balance between structural developments in living, working and consumption is making Rotterdam more attractive to a range of groups – including students.



Working

5% is the annual growth rate of jobs in the restaurant industry, offering many students a nice temporary job during their studies

Many students choose Erasmus University because of the programmes it has to offer; the quality of life in Rotterdam will probably play a part as well. But some students, especially those approaching the end of their studies, might also be wondering: will I find a job here?

Well, the chance you will quickly find a job is high and improving. The average Erasmus School of Economics' alumnus, depending on the programme, finds a job within 3 to 6 months. Because Rotterdam is catching up: the number of jobs for professionals is growing strongly, rivalling other major cities, and the unemployment rate is low and close to the national average. And what's more: Rotterdam's economy is not only improving, it is also changing. 'Rotterdam has shifted from just a port city to a business city with a major port', says Van Haaren. Although the port remains important, the strongest employment growth is now found in highly qualified labour in the corporate service sector, the creative sector and IT. These jobs mostly concentrate within the city centre, where we see a combination of large, growing companies, start-ups and self-employed people.

Especially this last group is increasing in Rotterdam. While this is true for the entire country, Rotterdam has quite some advantages for starting freelancers: working space in and around the city centre is still available and relatively affordable, which is also true for housing. Outside of the centre, Rotterdam still has

some rough edges that offer space to experiment, something which has become scarce in other large cities.

The increasing number of freelancers may also have to do with the city culture as well as policy. 'Historically, Rotterdam is a city of doing, of creating' van Haaren says. 'The City of Rotterdam stimulates the small-scale manufacturing industry, and relatively many start-ups are involved with inventing or making products.' Freelancers give a strong pulse to the city centre, because they spend about 3 times as much compared to regular employees: the city is their office, coffee places or lunch spots are their meeting rooms. In between meetings, they can easily pop into town for some personal shopping.

Another fast growing sector is the hospitality industry, which is good news for those who are still studying: the increasing number of bars and restaurants offer interesting and diverse places to relax as well as many flexible jobs suitable for students.

A key question is: will Rotterdam be able to sustain its improved position in a changing global economy? 'I can't look into the future and of course, Rotterdam will be affected by economic setbacks like any other city. But because of the diversified, structurally strengthened economy and the improved balance between education levels and incomes, the city now has a much better position to pull through such a crisis.'



Living

€ 113 is what you save on student housing in Rotterdam compared to Amsterdam

There is a general rule to cities: as the number of jobs and quality of life increase, so do the costs of living. Meanwhile, the population in Rotterdam expands due to natural growth and national and international migration. Unique to Rotterdam is the growing group of young people, whereas in most cities, populations are ageing. Young professionals are increasingly choosing to live in the city and the number of students, Dutch as well as international, is growing.

While Rotterdam is becoming a hotspot, there is no need to fear that finding a place to live will be impossible: housing is still relatively affordable compared to the strong economy and attractive city centre. A house goes for 85% of the national average, whereas in other large Dutch cities prices have already exceeded this average.

'There are some local exceptions, especially in the centre and in the North', says Van Haaren. 'But the South is still affordable for highly educated starters.' An increasing number of them, especially those who are not familiar with Rotterdam, choose neighbourhoods that used to have bad reputations, such as Charlois and the Afrikaanderwijk. 'They don't have a preconception of those areas and just look at the positive dynamics, the relatively nice real estate and the reasonable prices.'

For students, too, Rotterdam keeps getting more accessible. Their mental map of the city is getting

bigger and bigger. 'Because of the revitalisation of places like the Nieuwe Binnenweg, students are no longer confined to the East as they were a decade ago. Clubs, beer cafes and alternative music venues are now located all over the city, which adds to the attraction of other areas: a recent trend is that this includes the south.'

The nation's capital is still very appealing to Erasmus alumni, especially because the job supply remains strong there. However, the increased accessibility of Rotterdam because of, for example, the Intercity Direct, has made it easier and more common to live in Rotterdam while working in Amsterdam. About a third of alumni remain in Rotterdam, even if not all of them work here. And for the first time in this century, more people from Utrecht, Amsterdam and The Hague move to Rotterdam than vice versa. Van Haaren: 'The combination of a strong economy, high quality of life and a relatively affordable housing market are contributing to this positive migration rate.'

Rotterdam is investing strongly in keeping the city affordable to young professionals. Many apartment buildings are being constructed, also in the more expensive segment. While most major cities struggle with the combination of economic success and offering affordable housing to young professionals, Rotterdam has the relative advantage that there are still parts of the city that are underpriced. 'Students are often the first pioneers to move into these areas', Van Haaren says.

Leisure

€ 23,28 will buy you and 7 friends a round of drinks - in The Hague you need €1,10 more (let's face it: for most students, every euro counts)

A city needs jobs and inhabitants, but without ways to spend your free time, there's little to stick around for. In recent years, quality of life in Rotterdam has increased a great deal. All throughout the city, especially in the North but also in neighbourhoods in the South, restaurants, bars and clubs are popping up. Empty stores are converted into places to eat, and the multicultural character of Rotterdam is shining through in the menus: 'Rotterdam's best value-for-money restaurant in my view, is located in the South, and serves authentic Thai food'. The number of 'urban wastelands', areas that are deserted after 5 pm, has decreased all over the city. Van Haaren: 'Weather permitting, the streets are lively.'

Another part of Rotterdam that has become very lively is our own university campus: what used to be an all-business-like place now has bars, restaurants, a

supermarket, services and student housing. As soon as the sun is out, the green patches of grass around the pond are full of students having a drink and relaxing after class.

The increased quality of life also shows in tourism. As highly enthusiastic articles in the Rough Guide, Lonely Planet and The New York Times have illustrated, tourists increasingly find their way to Rotterdam. The growing number of amenities have certainly contributed to the popularity of the city: whereas tourists used to travel quickly between the several scattered points of interest (the Euromast, the Central Station, Blaak) without paying much attention to the surrounding areas, Rotterdam now has become a destination in itself. Both Dutch people and international visitors take a day or more to see what the city has to offer.



Jeroen van Haaren is an urban economist at the Erasmus Centre for Urban, Port and Transport Economics. He specialises in quantitative spatial analysis of among others labor markets, housing and commercial real estate markets, and urban amenities.

Balance

So, as Rotterdam's economy picks up, more and more people find their way to the city to live, work, study and spend their free time. How can the city sustain this growth? Van Haaren and his colleagues have contributed to the most recent editions of the Economic Outlook Rotterdam, a yearly outlook commissioned by the City of Rotterdam containing core data of Rotterdam's economy. In it, they conclude that Rotterdam should maintain the balance it has found between living, working and leisure. Exclusively building new houses will make the

housing market more accessible, but leaves little room for economic activity and amenities. A solitary focus on economic activity increases the pressure on the housing market. And just adding new amenities will make Rotterdam more attractive, but unaffordable. Van Haaren: 'Only a focus on further structural reinforcement of the economy can sustain a growth from which everyone in Rotterdam can benefit. Currently, Rotterdam is still fairly affordable, and in my view, offers a bargain in terms of the prices you pay for the quality of life and opportunities this city offers.'

