

Ethnic diversity and entrepreneurship in Oslo and Drammen



A report on two case studies prepared in association with
"The intercultural city - making the most of diversity", co - ordinated
by COMEDIA, UK for the cities of Oslo and Drammen.



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The project has brought us into contact with many people who have contributed to this project. Nevertheless, the responsibility for the final product and the conclusions that are presented, are entirely our own.

*Bergen and Oslo 30. May. 2006-05-30
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1 SUMMARY

This report presents the findings from case studies in two Norwegian cities, Drammen and Oslo. The projects in Oslo and Drammen were commissioned to explore the situation with regard to immigrant participation in business and the labour market and contribution to economic development with particular attention to the multi – ethnic dimension.

The cities of Oslo and Drammen have experienced a relatively long period of sustained growth in their immigrant populations. Early inward labour migration required relatively little in terms of public response. With continued growth in the immigrant population it has been recognized that there is a need for a shift from a perspective with a strong social policy emphasis to emphasis on the need to enable immigrants to participate in the Norwegian labour market, working life and in civil society. It is increasingly being recognized that diversity based on national, ethnic or other background in itself may represent a resource and a potential for innovation, entrepreneurship and growth. The question is how to mobilize these resources and how to release the potential that they represent.

The aim of the project was to identify areas where intercultural exchange would contribute positively to the creation of wealth. Based on the assumption that collaborative efforts in these areas may strengthen the positive effects, an additional aim was to mobilise and connect agents that can make this happen in practice in Oslo and in Drammen, and to give policy recommendations. The project design is a combination of classical social science and action research methods.

From the research it became apparent that socio-economic factors, not ethnicity, were the most important contributors to creation of wealth and a good life, regardless of respective ethnic definitions of such. Length of stay in Norway, employment, type and location of dwelling, and participation in civil life seemed to be the five most important factors. It is recommended to develop/update diversity policies in the following three areas: employment, housing and planning, and participation.

Positive effects of ethnic diversity on the creation of economic wealth, was found in the development of new products and production processes, and in the development of new markets/market segments. Positive effects of diversity on organisational innovation were changes in some unions and some public bodies. Having to adapt to a culturally diverse member base, the organisations themselves have had to change and develop new kinds of services. Finally, positive effects on local life were found in certain neighbourhoods where the fact of the ethnically diverse population served to improve the quality of neighbourhood life.

The institutional infrastructure that may take advantage of the positive effects and strengthen them further turned out to be a large number of institutions and associations, public, private sector and voluntary. These are poorly connected and lack resources and arenas for interaction and dialogue.

The report is divided into 9 chapters. Background for the project, theoretical framework and methodological approach is presented in chapters 2, 3, 4 and 5. Statistical background information about Oslo and Drammen follow in chapter 6. Findings from each city are presented in chapters 7 and 8. Conclusions appear in chapter 9.

2 INTRODUCTION

The cities of Oslo and Drammen have experienced a relatively long period of sustained growth in their immigrant populations. Until around 1970 most immigrants in Norway were from other Nordic countries or from elsewhere in the western world. Since then the picture has changed dramatically. In 2005 near 75% of all immigrants are from non – western countries and Eastern Europe. Statistics from the UN Economic Commission for Europe show that in 2001 Norway ranked as number 11 in Europe in terms of immigrants as % of total population. (OECD, 2005)The immigrant population of Oslo has exceeded 20% and that of Drammen is rapidly approaching 20%. The average age in the immigrant populations is lower than in the indigenous populations of the two cities. This implies that the immigrant populations will be the main contributors to total population growth in both cities.

The early inward flow of migrants was mainly motivated by opportunities in the labour market. These migrants would naturally locate in the geographic hubs of the labour market such as in Oslo and Drammen that received migrants particularly from Turkey and Pakistan. From the 1980's there was a strong increase in the influx of refugees. As a result of active government intervention, the refugees were received in centres which were more evenly spread throughout the country. Many refugees are still in the country. As these gradually establish themselves, there is a growing trickle of immigrants from the regions, especially from the rural districts towards the cities (Seland Forgaard, T, 2005). Both Drammen and Oslo are at the receiving ends of these moves.

Early inward labour migration required relatively little in terms of public response. The main challenges were language training and new and different demands on the public health and social services sectors. Later, with the increased influx of refugees there was a growing need for a more broadly based inter disciplinary public sector approach to facilitate integration. Until recently the main emphasis has been on the social policy aspect of integration. Though there have been many serious and creative efforts to include the new immigrant population in the labour market, immigrant unemployment remains high compared to average unemployment rates. Many immigrants have created their own small businesses. The establishment of one's own business is on the whole a risky business. It may, however, be an alternative to struggling against prejudice and unfavourable formalities an inaccessible labour market.

With continued growth in the immigrant population it has been recognized that there is a need for a shift from a perspective with a strong social policy emphasis to emphasis on the need to enable immigrants to participate in Norwegian work life and civil life. The reasons for this shift are many.

A growing immigrant population of which a large proportion is without work and independent income contributes to social and ethnic stigmatisation as well as segregation, both socially and geographically, not least through the mechanisms in the housing market. Such a situation will generate a permanent need for social welfare payments and be a burden on the public purse with the reallocation of means from other vital services as a consequence.

It is also recognized that the immigrant population represents a large and growing work force with an underexploited economic potential. Particularly during periods of economic growth with corresponding shortages of available labour, the existence of an underemployed immigrant population may well contribute to unnecessarily high costs of production. In the final instance this will also have a negative effect on the national balance of trade. In a reverse situation with a less favourable economic climate high unemployment in the immigrant population may cause stronger segregation and a greater potential for conflict. It is also a question of the quality of life for the immigrants themselves.

Finally, it is increasingly being recognized that diversity based on national, ethnic or other background in itself may represent a resource and a potential for innovation, entrepreneurship and growth. The question is how to mobilize these resources and how to release the potential that they represent. In the emerging literature on the subject it is claimed that the release of such potential depends on the extent to which

there is openness, understanding and dialogue. Or more specifically, to what extent openness is part of institutional frameworks such as legislation, management and public administration, in the business community as well as in the media and the wider society with all its organizations and cultural life. It is also assumed that different urban environments with public spaces, housing and other urban structures may be more or less conducive to cross – cultural interaction and exchange. An important common denominator in all this will probably be the absence or presence of physical and social arenas which may promote interaction and stimulate innovation.

The projects in Oslo and Drammen were commissioned to explore the situation with regard to immigrant participation in business and the labour market and contribution to economic development with particular attention to the multi – ethnic dimension. One ambition has been to find out if the underlying idea of inter cultural relations as a particular potential for development is supported by the observations made in the two cities. Another has been to uncover critical factors that may determine the extent to which immigrants are able to contribute to economic development.

The case studies in the two Norwegian cities have been part of an international research project led by the research and consulting company Comedia in London. The international project has the aim to compare the situation between cities in different countries.

3 THE MANDATE AND APPROACH

The two studies that are reported on here were commissioned by the municipalities of Oslo and Drammen. They were facilitated by grants from the Norwegian Directorate of Immigration and the studies were carried out in 2005 and 2006.

The objectives, as stated in the project briefs, were to uncover critical success criteria for the contribution of minority populations to the creation of value, including economic growth, innovation, firm formation and job creation as well as to the development of the city in terms of social and environmental qualities. In order to discuss success criteria it was necessary to enhance the understanding of the economic, social and cultural capital represented by the immigrant populations.

In both briefs there is also a clear policy orientation. Both local authorities wish to find out more about how the innovation potential in the immigrant populations may be stimulated and developed in order to increase the rate of entrepreneurship and the formation of new jobs and firms. A practical purpose is to develop a base for policy formation and decision making aimed at the mobilization of private and public organizations which may have key roles in the efforts to open up the labour market more widely for immigrants, and to increase ethnic entrepreneurship and innovation.

The approach to the two studies was guided by a need to obtain information and insights specific to the two cities and to establish a base for comparison which would facilitate a discussion of more general questions emerging from observed similarities and differences.

4 THEORETICAL FRAMEWORK

The theoretical approach of the two Norwegian projects was inspired by the distinction between the concepts of ‘multiculturalism’ and ‘interculturalism’. This distinction had been developed in the international project (Bloomfield& Bianchini 2004, Wood 2004). The concepts relate to a number of slightly different discourses and provide somewhat different outlooks (e.g. Tylor 1994, Parekh 2000, or Very briefly, ‘multiculturalism’ indicate a situation where different ethnic groups live and work side by side, but where there is little interaction, or worse, conflict and mistrust, between them. ‘Interculturalism’

denotes situations where interaction and dialogue between ethnic groups create new phenomena, in business, in the arts or in daily life (Florida 2001, 2005). The shift from 'multiculturalism' to 'interculturalism' had emerged from experiences internationally and in Britain where multiculturalism as phenomenon had been somewhat discredited as it did not seem to lead to integration of minority groups. The international project therefore raised the question of whether or not interculturalism is a more promising path towards growth for all. Even though multiculturalism/interculturalism are academically coined terms and part of academic discourses, they may also be understood to point toward different practical policies and this is how they have been applied in the Norwegian case studies.

Compared with other countries, large scale immigration to Norway is more recent and there are fewer immigrants (OECD 2005). There have been some examples of ethnic struggles, for examples between different ethnic youth groups, but the distinction between 'Norwegian' and 'immigrant' overrules all other ethnic differentiations (Gullestad 2002). Discourses on "the multicultural Norway" have tended to be related to how the immigrants can best be integrated into Norwegian society, and how to overcome the well documented problems immigrants face: high unemployment, low-paid-work, poor housing, discrimination etc. The problems are very well documented and there was no need to gather more information on this in the project (Wikan 1995, Djuve et.al 1995, Salimi 1996, Sørholt 2001, Brox 2003, Kjeldstadli et. al 2003, Haaland 2004).

In Norway, the language of multiculturalism has tended to consolidate an understanding of immigrants as essentially non-Norwegian as well as needy and resource-demanding. Differences between Norwegians are downplayed, as are differences between and within the other ethnic groups. This has its reasons. Statistical categories and measurements need to be clear-cut and specific, the nation state and the municipalities need clear definitions of insiders and outsiders, bureaucracies need predictability and local communities are comprised of people who know the Norwegian unwritten rules of social behaviour. When it comes to development of alternative policies however, the dominant discourse seemed scarcely fitted to deal with the fluidity and ambiguity created by cultural diversity, and it was the potential for providing an alternative language and thought models that make interculturalism seem promising.

5 METHOD AND APPROACH

The aim of the project was not to paint a more "truthful" picture of reality, but to use it to identify areas in which intercultural exchange lead to positive results. Based on the assumption that collaborative efforts in these areas may strengthen the positive effects, the aim of the project was to mobilise and connect agents that can make this happen in practice in Oslo and in Drammen, and to give policy recommendations. The project design is a combination of classical social science and action research methods.

The projects were divided into four phases:

The theoretical framework was general and possibly all-encompassing, and therefore a more specific analytical framework was developed. The aim in the first phase was to explore the research literature and censuses for statistically significant and/or hermeneutically sound indications of positive connections between ethnic diversity and the creation of wealth in Oslo and Drammen respectively. The first step was to make systematic descriptions of the setting for ethnic diversity in the two cities, namely the demographic setting (number of immigrants, ethnicity etc.), the economic setting (industries, employment etc.) and the socio - geographical setting (distribution of people in the townships, quality of dwelling etc.).

Positive effects of intercultural exchange in the economic area were searched by evaluating rate of employment, income and new firm formation, particularly in relation to small businesses. The question of to what extent immigrants contribute to wealth in the sense of achieving a "good life" in the city was

explored using indicators measuring aspects of social geography housing, education, the physical quality of neighbourhoods; and the degree of participation in local civil society.

Through the literature- and census surveys it turned out that the original desire to develop statistically significant measurements had to be abandoned as this would require far more resources than the project allowed. Instead, a broad descriptive approach was chosen. Consequently, the studies do not identify causal and statistically significant links between ethnic diversity and the creation of wealth. More impressionistic evidence has been found in some areas and is presented in chapter 7 and 8 for Oslo and Drammen respectively. The reports that have been produced seek to establish a holistic perspective. They illustrate much of the complexity in the issues at stake and they give an insight into a wide range of questions that may deserve attention and further in depth study.

In the second phase, a number of stakeholders were interviewed. The aim of the interviews was to obtain indications about priorities, and the quality of the relationships between the different stakeholders, in Oslo and in Drammen. An effective integration mechanism is to create institutional conditions for the immigrants' participation through their own efforts (Neymarc 1998). We distinguish between formal and informal participation, where formal participation concerns participation in the political channels. Formal participation has not been in focus in the project. Informal participation concerns participation in what has been termed civil society, the public sphere or the third sector. We have not studied kin based or religious organised activities. Nevertheless, several hundred relevant organisations, institutions and companies with relevant experience were identified and the interviews covered only a very few of the relevant actors. Based on information from phase 1 choice of interviewees were limited to representatives from the three industries with the highest percentage of immigrants, the largest immigrant groups in each city, and the municipal bodies responsible for economic development. The theme of the interviews was how the organisations address issues of ethnic diversity and the creation of wealth.

In the third phase, public policy documents were scrutinized and discussed with the local authorities. Experiences and views provided by the range of informants are held up against the background and an appraisal of public plans and policy instruments representative of the practices followed by the two local authorities.

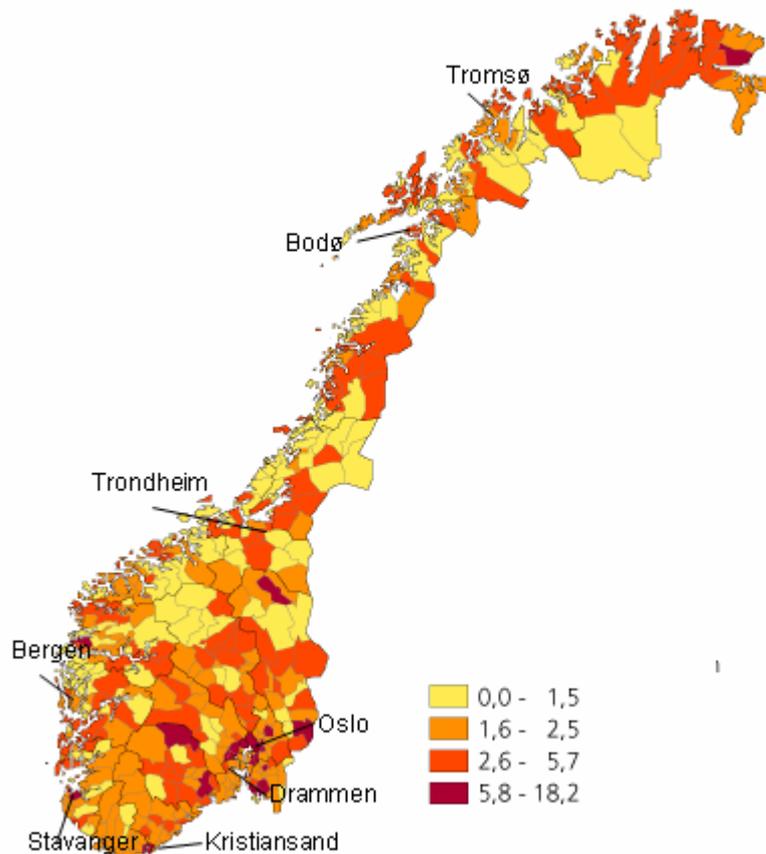
The final element in the process is drawn from action research, a structured dialogue between stakeholders with an interest in realising the diversity potential (Gustavsen 1992, Emery 1996). This was only carried out in Oslo. The design of the conference was based on identified themes from phases 1 and 3, and stakeholders identified in phase 2. This part of the process was carried out in the form of a dialogue conference where the participants were invited to contribute to the development of a platform for further action. 75 people from all ethnic groups and all stakeholder groups participated.

An interim report or working paper has been written from each phase. These reports comprise the main findings made during the project period and have been presented to and discussed with the steering committees in Oslo and Drammen respectively, and with the joint reference group. Main findings from each city, is presented in chapter 7 and 8 of this report. Policy recommendations are specified in the final reports to each city.

6 SOME CHARACTERISTICS OF THE IMMIGRANT POPULATIONS IN OSLO AND DRAMMEN

6.1 Background

Non – western immigrant population
as % of total population by municipality.
January 1, 2005



Map: Statens kartverk, Population: 2005 © Statistisk sentralbyrå

Of a total population of 4,6 million in Norway 33% live in Oslo and the immediately surrounding regions of Østfold, Akershus and Buskerud. Over all fertility rates remain low and inward migration is expected to have a major role in the future growth of the population (SSB:1). Outside the urban core region in east Norway the population is distributed between a number of small to medium size towns of which Bergen, Stavanger, Trondheim and Tromsø are the largest and smaller rural communities along the coast and in the valleys. The economy is heavily dependent on the off-shore petroleum industry and associated technology based industries in the maritime and construction sectors both in terms of income and employment. Earlier industrialization has been strongly associated with the energy based processing of raw materials, paper mills, metallurgical industries and food processing. Direct state participation in the development of important core

industrial sectors has been a significant characteristic, the importance of which is now strongly diminished. As most other western European countries Norway is going through a phase of de-industrialization paralleled by a strong growth in the service sectors, now employing nearly 60% of the work force. The primary sectors which until recently have been very important in the maintenance of the population in the many very sparsely populated regions; now occupy less than 2% of the work force.

The system of local government is based on a two tier system. At the regional level there are 19 regions or counties and at the local level there are 450 municipalities. There is a functional division of tasks and responsibilities between the two which operate with a great deal of independence within the scope set out in the local government legislation.

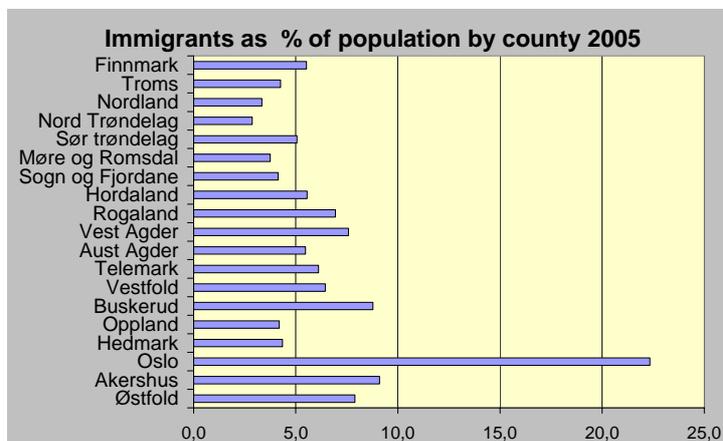
The main responsibilities for immigrants are shared between central government and the municipalities. Integration through e.g. training, education, health and social work and housing is largely a municipal responsibility. The work is financed through per capita grants from central government.

The recent history of immigration to Norway may be described with reference to three distinct phases. Throughout the 1970's there was a wave of labour motivated inward migration. A large proportion of the immigrants came from Pakistan and Turkey. Many of these have since remained in Norway. In 1976 the borders were closed for further inward migration of this kind. During this period there was an increasing awareness and focusing on "foreign workers" in the political debate.

During the 1980's there was an increasing inflow of refugees and asylum seekers, many of whom originated in Vietnam, Somalia, Sri Lanka, the middle East and the Balkans. As many immigrants gradually settled more permanently there was an increase in the number of family reunions during the 1990's. In later years and especially since 2000 the eastwards expansion of the European Union there has been a growing influx of people from Eastern Europe.

6.2 A growing immigrant population

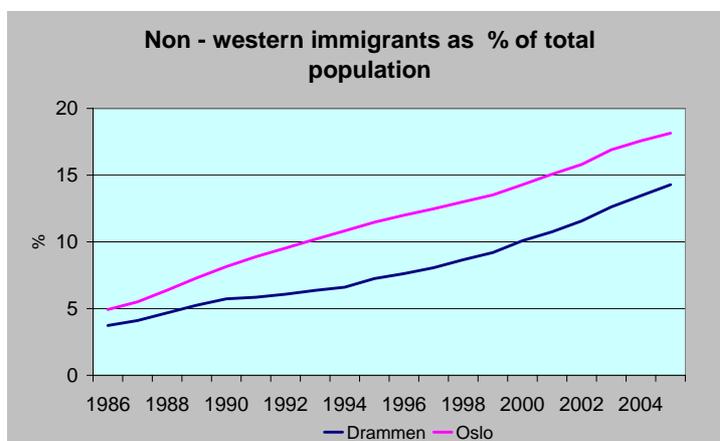
The early wave of immigrants during the 1970's was primarily motivated by employment opportunities. The destinations in Norway were mainly in the south east including the Oslo area and the surrounding regions with a relatively large industrial base. The Drammen region is an example of this. Many of the early immigrants to this area were recruited to work in the paper and pulp mills and in the chemical industries. The more diverse economy of the Oslo region offered employment in a wider spectre of manufacturing and service sectors.



The figures referred to define immigrants as first and second generation immigrants, the former being those who settle after moving to Norway and the latter being their direct descendants.

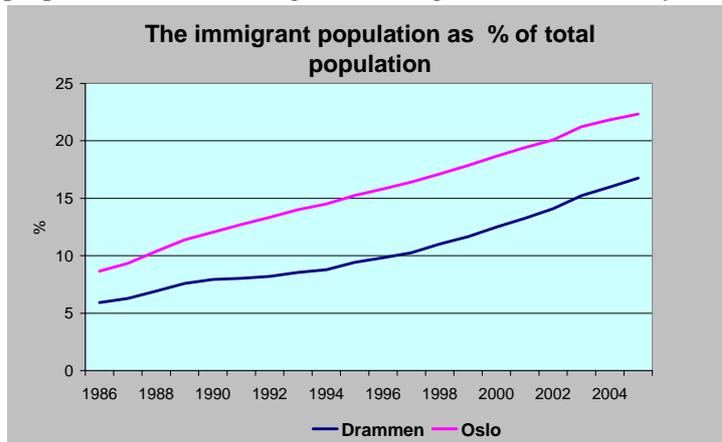
The location of immigrants in the country since the halt in market led immigration in 1976 has been strongly regulated through government policy at national and local level. Central policies have sought to achieve a more geographically balanced distribution of immigrants. This has been seen as a means of avoiding the development of too heavy concentrations in some popular areas with the possible effects of ghetto developments and associated potential conflicts. An important element in the strategy has been the decentralized location of reception centres for refugees and the arrangement whereby each local authority decides on a quota of refugees that they will receive, normally during the period of one year.

The location of immigrants in the country since the halt in market led immigration in 1976 has been strongly regulated

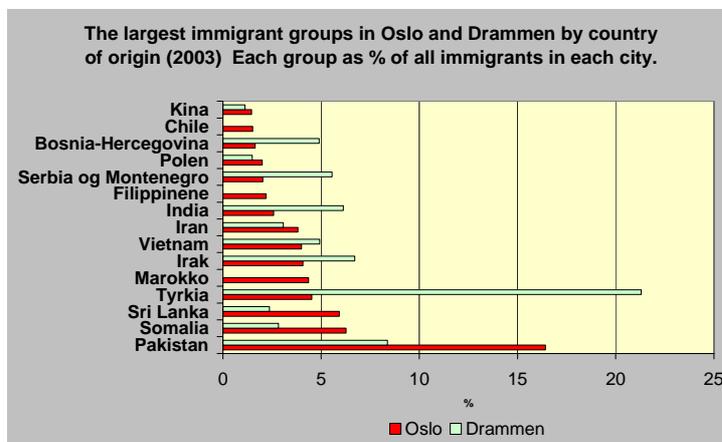


The quota arrangement, however, refers to the transfer of responsibilities for refugees from the state run reception centres to the local authority. These mechanisms contribute to a wide geographic distribution of immigrants. As these settle and get more integrated, they can move freely within the country and many choose to move towards the more urbanized regions, especially in and around Oslo. Another factor which to some extent distorts the effects of the redistribution policies is family reunions. After a period of residence in the country

many immigrants are joined by their families who may have remained in the country of origin. Regions which have experienced strong inward migration during the early phases are also attracting a substantial proportion of the ensuing inward migration motivated by reunions.



Both Drammen and Oslo have experienced a strong growth in their immigrant populations. By 1986 the total immigrant population in Oslo constituted ca 8% of the total population and in Drammen ca 6%. Non – western immigrants represented 4% of the total population in Drammen and 5% in Oslo. By the end of 2005 the immigrant population had grown to near 25% in Oslo and near 18% in Drammen. Most of this growth has been due to the continued influx of people from non – western countries.



There are some differences between the immigrant populations of Oslo and Drammen. A large proportion, more than 20% of the immigrants in Drammen are from Turkey. The major share of these came during the early labour motivated migration phase. The largest contingent of immigrants in Oslo during this period came from Pakistan. By 2003 Pakistanis constituted ca 17% of the total immigrant population in the city.

Furthermore there is a greater concentration of immigrants on fewer nationalities in Drammen than in Oslo. Drammen's largest groups in addition to the Turks are made up by people from India, Pakistan and Sri Lanka, the Middle East and the Balkans. Another difference is that the rate of growth in the immigrant population in Oslo has been more even and at times steeper than in Drammen. This will necessarily reflect differently on the age structures of the immigrant populations in the two cities.

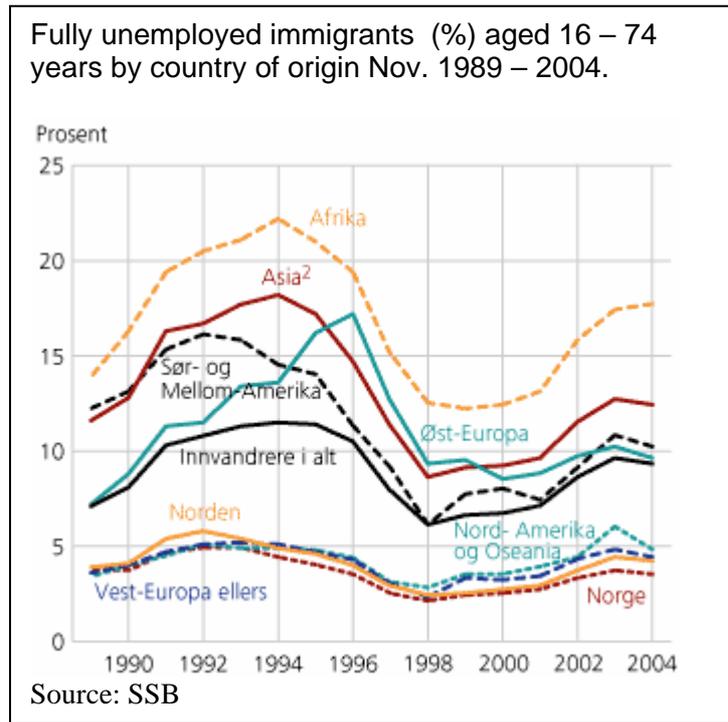
6.3 Employment

Economic activity rates and labour market participation among immigrants are on the whole lower than for the indigenous Norwegian population. Despite the lower average age in the immigrant population, Oslo's immigrants comprise 17% of the total employment in the city, but 22% of the population. The pattern in Drammen is very similar. Another characteristic is that western immigrants on the whole have participation rates similar to those of the Norwegian population while the rates for non – western immigrants are lower.

There are considerable differences in the labour market participation rates for the different groups according to origin. In the Oslo case only a quarter of the immigrants from Somalia and Afghanistan were in employment in 2003 (SSB). Between 40% and 50% of Africans and Asians were employed. The highest participation rates are found among immigrants from countries such as Chile, the Philippines, Ghana, India and Croatia with around 60% being in employment.

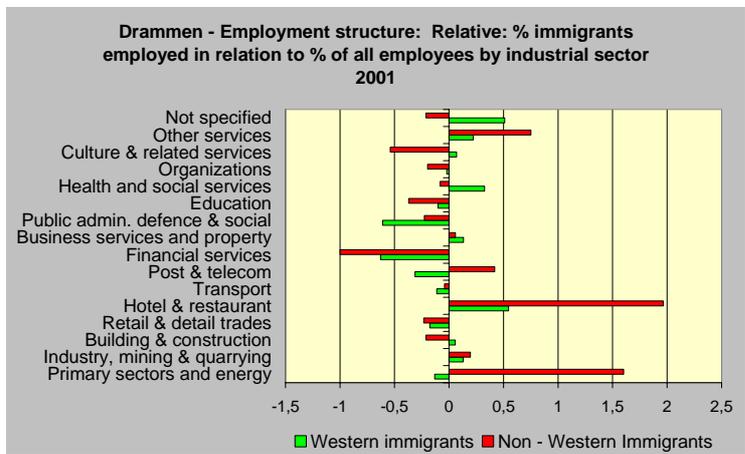
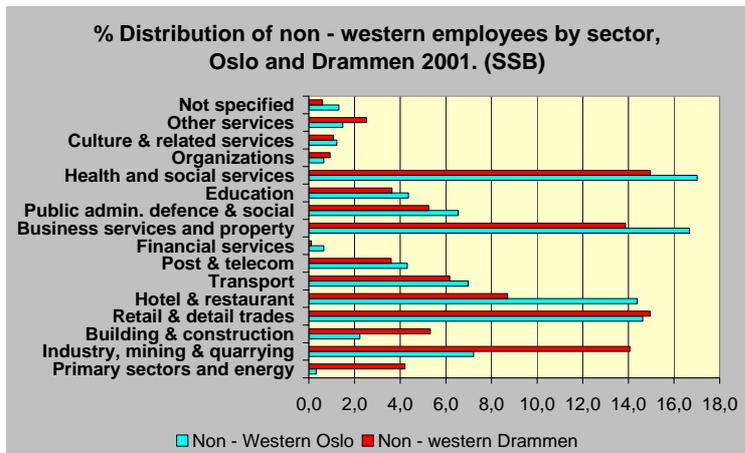
The period of residence in the country has a strong influence on employment opportunities. After a period of approximately 4 years of residence the participation rates tend to increase significantly. This is often the time it takes to gain experience, learn skills including the language and to develop networks which are

also important social mechanisms in terms of gaining access to the labour market. It is also evident that Norwegian – born persons of immigrant parents have a considerably higher rate of participation in the labour market than their parents.



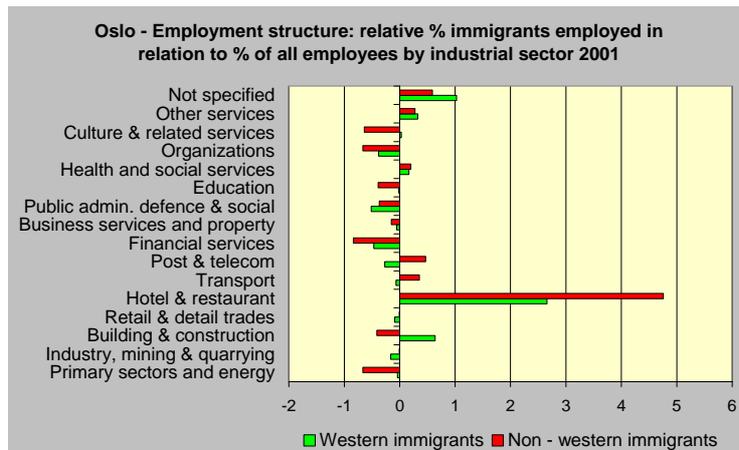
Macro economic conditions also influence the employment of immigrants. Shifts in labour demand have greater effects on the employment of immigrants than on the employment of the indigenous population. During periods of high demand, there are more immigrants in the workforce than in periods with a cooler economic climate. This is best illustrated in the unemployment statistics.

In a long perspective immigrant unemployment rates are consistently higher than unemployment rates of Norwegians. Western immigrants follow more or less the same trends as the Norwegian population while non – western unemployment rates are well above average. The highest unemployment rates are found among Africans, Asians and East Europeans. During periods of generally high unemployment, non – western immigrant unemployment has tended to grow more than indigenous unemployment.



The employed segments of the immigrant population are concentrated in fewer industrial sectors than the working population in general. Non – western employees are more concentrated than western immigrants. The typical non – western sectors with considerable over – representation are miscellaneous services, hotels and restaurants. Other important business areas are post and telecom, as well as the transport sectors. There are slightly less immigrants in the public sector than in the private sector. An exception is the health sector, where there are many immigrants in internal services, assistant nursing and associated occupations. Another important area is the property business which employs a considerable number of immigrants in various maintenance jobs.

Despite the fact that there is a relative overrepresentation of immigrants in some sectors, the broader picture shows that the largest sectors measured in terms of the number of employees, also employ the largest number of immigrants. In other words, although there are some sectors which may be more attractive to immigrants than others, there is no evidence of exclusion from any particular industry. A selective mechanism, however, is the skill requirement associated with different types of employment. A large proportion of the non – western immigrants are employed in jobs with lower formal skill requirements, a factor which probably also contributes to the greater vulnerability of these groups to shifts in the economic climate.



Although there are some sectors which may be more attractive to immigrants than others, there is no evidence of exclusion from any particular industry. A selective mechanism, however, is the skill requirement associated with different types of employment. A large proportion of the non – western immigrants are employed in jobs with lower formal skill requirements, a factor which probably also contributes to the greater vulnerability of these groups to shifts in the economic climate.

There are some notable differences between Oslo and Drammen in terms of employment structures. Firstly, there is a bias towards an overrepresentation of immigrants in the manufacturing sectors in Drammen which is not found in Oslo. The background is that Drammen had an early influx of labour migrants, especially from Turkey and that in relative terms; Drammen has a larger manufacturing base than Oslo.

Furthermore, the unevenness of the distribution of immigrant employees in relation to the Norwegian workforce by sector in Drammen is greater than in Oslo. This may to some extent be explained by the fact that the strong growth in the number of immigrants in Drammen came later than in Oslo. Drammen therefore has a larger proportion of its immigrant population with a shorter period of residence in Norway than Oslo.

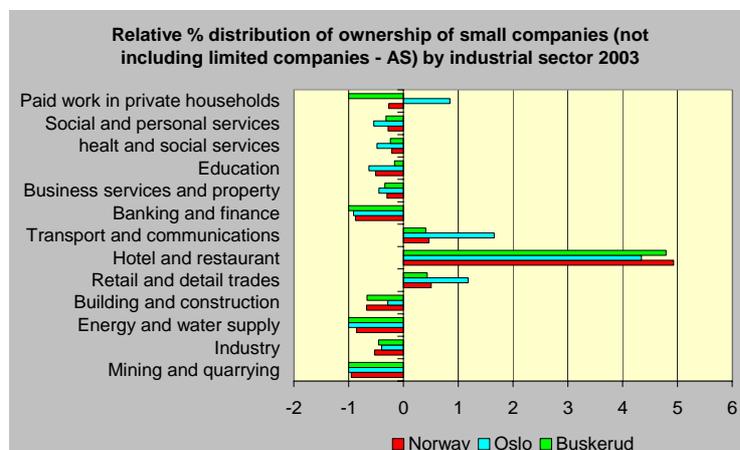
One question which was asked in the project was if there are ethnic clusters in different parts of the labour markets, i.e. if some groups are more likely to be employed in some sectors rather than others. This could be an effect of differences in skills, in the development of networks or an expression of other characteristics associated with a particular group. Some conclusions are that

- In general the largest employment sectors also recruit a large share of the immigrant work force. Origin does not seem to have a strong bearing on this. Some of the large sectors measured in terms of the number of employees, are the detail and retail trades, health and social work or social services. These sectors are very important labour markets for immigrants irrespective of origin.
- Transport services in addition to post and telecommunications are an important labour market for some, but not all groups, notably for people from Pakistan and for many Somalians, though they are not among the top three for the latter group.
- Hotels and restaurants are very important employers for many non – western immigrants and more so than for non – western immigrants or Norwegians.
- For many of the immigrant groups, retail and detail trades rank high on the list of employment sectors. This is also a very important sector for other employees, and in percentage terms employment in this sector is not very different in the immigrant- and the indigenous populations.
- The main differences between immigrant employment structures in Drammen and Oslo would primarily appear to be associated with differences in local industrial structures and Drammen’s early influx of Turks of whom many came to be employed in the manufacturing sector, rather than with ethnic differences.

The three largest employment sectors by major group of immigrants in Oslo and Drammen

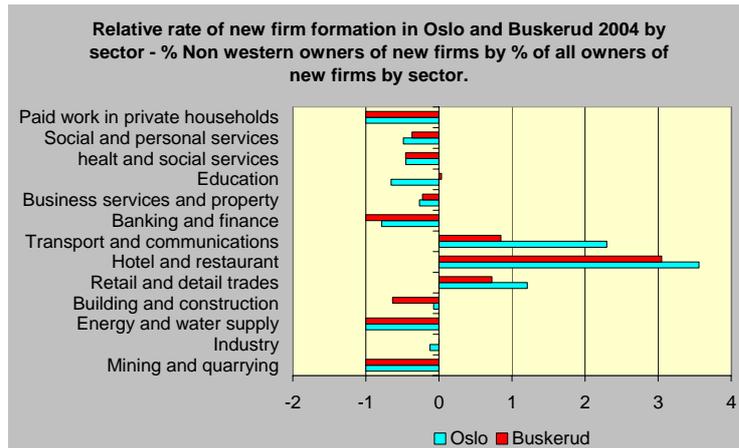
	Oslo	Drammen
Pakistan	<ul style="list-style-type: none"> Detail and retail trade Transport Hotell and restaurant 	<ul style="list-style-type: none"> Health and social work Detail and retail trades Business and property services, maintenance and Manufacturing (incl. India)
Sri Lanka	<ul style="list-style-type: none"> Business and property services, maintenance etc. Health and social work Hotel and restaurant 	
Turkey	<ul style="list-style-type: none"> Business and property services, maintenance etc. Detail and retail trade Hotel and restaurant 	<ul style="list-style-type: none"> Manufacturing Business and property services, maintenance etc. Detail and retail trade
Iran, Iraq, Afghanistan	<ul style="list-style-type: none"> Health and social work Detail and retail trade Business and property services, maintenance etc. 	<ul style="list-style-type: none"> Transport Detail and retail trade Health and social services.
Somalia	<ul style="list-style-type: none"> Business and property services, maintenance etc. Health and social work Detail and retail trade 	in "other non – western"
Vietnam	<ul style="list-style-type: none"> Detail and retail trade Manufacturing Hotell and restaurant 	in "other non – western"
Eastern Europe	<ul style="list-style-type: none"> Health and social work Hotel and restaurant Business and property services, maintenance etc. 	<ul style="list-style-type: none"> Health and social work Detail and retail trades Business and property services, maintenance etc.
Other non – western	<ul style="list-style-type: none"> Health and social work Hotel and restaurant Business and property services, maintenance etc. 	<ul style="list-style-type: none"> Health and social work Manufacturing Business and property services and maintenance
Western immigrants	<ul style="list-style-type: none"> Business and property services, maintenance etc. Health and social work Detail and retail trade 	<ul style="list-style-type: none"> Health and social work Retail and detail trade Business and property services, maintenance etc.
Indigeneous Norwegian	<ul style="list-style-type: none"> Business and property services, maintenance etc. Detail and retail trade Health and social work 	<ul style="list-style-type: none"> Retail and detail trade Health and social work Business and property services, maintenance etc.

6.4 Business ownership and new firm formation



Non – western immigrants are entrepreneurial in business. The number of company owners of small firms among immigrants is increasing and there is a higher per capita ownership rate than in the indigenous population, at least in respect of small companies which are not limited companies. There is no available and comparable statistical information concerning limited companies. Figures for Drammen on its own have not been available, and it is therefore referred to the county of Buskerud in which Drammen is the

major city.



The high ownership rates are in the typical immigrant business sectors, namely transport and communications, the hotel and restaurant trades and in the retail and detail trades. In these sectors which also have been shown to cater for an above average employment share of immigrants there seems to be an expanding business segment where both employer and employee have immigrant origins.

The rates of new firm formation show a similar pattern. Immigrants from non –

western countries have a major share in the establishment of new small businesses in the same areas, namely transport, the hotel and restaurant trades as well as in the retail and detail trades.

The reasons for the active involvement in these business areas by non – western immigrants may be several.

- A general problem of accessibility motivates the immigrant to establish an independent business as an alternative to paid work.
- Skill structures, experience and in some cases a culture of entrepreneurship within certain business sectors in the immigrant population make these sectors a natural choice.
- The business areas entered by the immigrant entrepreneur have low thresholds in terms of specific requirements for education or other professional skills, relatively low initial capital costs and financing requirements, and they are associated with relatively few bureaucratic hurdles and little red tape.
- The network effect: friends, relatives and acquaintances may already be in similar business, have accumulated experience, expertise and insight in markets and supplier networks, thus making it easier for others to follow suit.

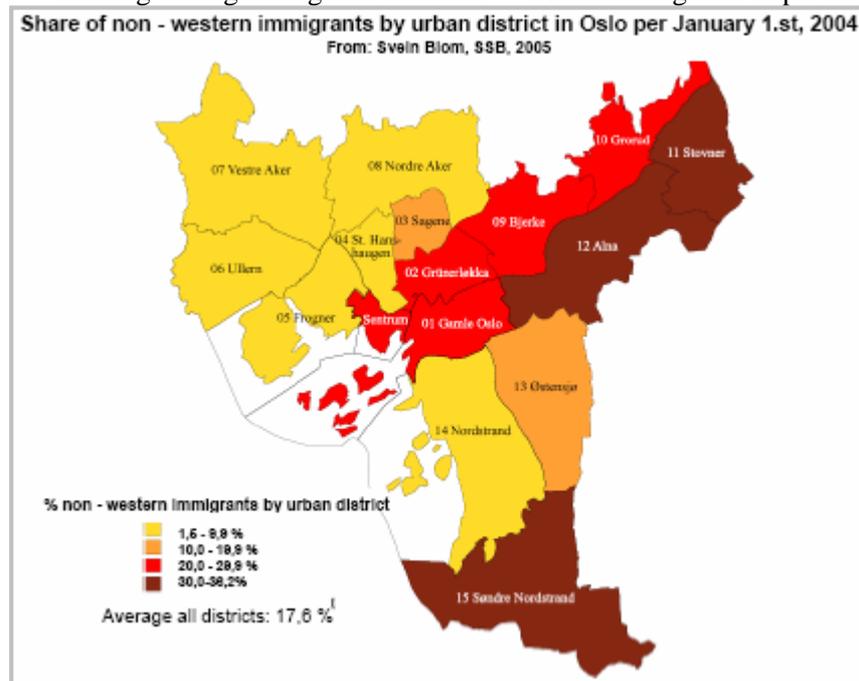
6.5 Housing conditions and the importance of the housing market

The studies have examined the housing conditions of the immigrant populations in Oslo and Drammen. A number of aspects associated with housing and housing conditions have a bearing on the way in which the immigrant population is integrated into the society at large and in the labour market and business life.

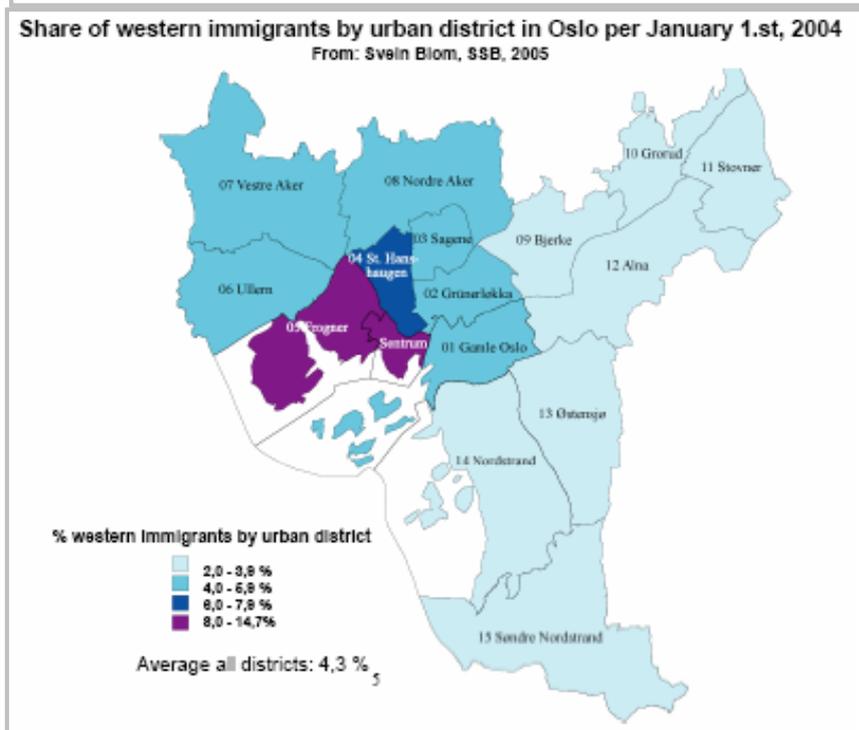
The housing market has a general segregating effect on settlement patterns, as different income groups with varying purchasing power will settle in different segments of the housing stock which again is unevenly distributed geographically. The effect tends to be social segregation as well as geographical segregation.

- The key facts in both cities as illustrated by the statistics are that
- Non western immigrants tend to live in smaller dwellings measured by floor space and the number of rooms.
- Non – western immigrants are more likely to live in blocks of flats, tenements and other high density housing than other population groups.

- Rented accommodation and co – operative housing (“borettslag”) are the most common forms of housing among immigrants and non – western immigrants in particular.



- In central urban areas, especially in Oslo the non – western immigrant population is more likely to live in older and poorer quality housing as measured by the age of the housing stock and in terms of sanitary standards.
- Due to larger average household size among the immigrants, the resident density per dwelling is considerably higher for these groups than for other population groups. Overcrowding may be a problem in some areas.



There is evidence that in both cities that at least some of the immigrant population over the years moves into accommodation with higher standards. Nevertheless, there is a clear tendency towards residential polarisation in Oslo in particular (Blom, 2005). Non – western immigrants settle in the central and eastern parts of the city while the western immigrant groups tend to settle in the central to western parts of the city. A separate study within this project of gentrification processes in Oslo showed quite clearly how this geographical segregation has to do with the development of house prices.

As house prices reach higher levels, the non – western immigrant population is pushed towards the eastern sub urban areas. At the same time the central areas with a traditionally high immigrant population is being reoccupied by western and especially Norwegian property buyers.

Drammen has a less distinct east – west structure that separates the different strata in the housing market. There is, however, a pattern of segregation in Drammen, where the large clusters of immigrants are located in higher density housing schemes on the south side of the river running through the city.

To entrepreneurs and small business owners, owner occupancy is often a primary source of finance for the business enterprise. This is also true, perhaps to a greater extent for the immigrants who will have few

other means of providing collateral. The study of the housing market, housing conditions and the social geography that emerges, indicates that there are some segments in the immigrant populations who are moving into the private owner occupied sector, but also that for a large number of immigrants, such prospects remain a vision for a distant future.

7 OSLO

As a response to persistent and comprehensive exclusion and or discrimination in worklife or community life, many of the immigrants may have little option but to go where doors are open, in this case other immigrants, either of one's own ethnic group or with other immigrants. Then these groupings may develop inner solidarity and identity that serves as a substitute for the opportunities and rewards one is excluded from. Knowledge, experience and expertise may then be developed and channeled through the group, and will greatly benefit the members of that group. It may not, however, be of benefit to the development of work life or local community life in Norway. In order to develop policies in one direction or the other the actual conditions for application of the policies has to be taken into consideration. What is the situation in this respect in Oslo?

7.1 The setting

Ethnic composition of the population

The total population in Oslo is 500 000. Nearly 22%, of these, 114 000, are immigrants. Non-western immigrants are 92 000. This number has grown rapidly from the end of the 1980s onwards. The influx of migrants is to a large degree decided by extra national factors. The regulation of the influx of immigrants is part of national policy and not for Oslo to decide separately, and neither are the movements in Norway of immigrants who have settled here. Many immigrants who have initially been settled in other municipalities chose to live in Oslo. All three factors, extra national, national and individual choice, influence the ethnic composition of the population of Oslo. To the municipal authorities the composition of the population is a given, over which they have fairly little influence.

The earliest group of immigrants was refugees from Eastern European countries who settled after World War II. The next influx was of migrant workers from Pakistan, Turkey and India in the 1960s and 70s. Norway has not accepted migrant workers since 1976. Today most of the immigrants come as refugees and asylum seekers, or to be reunited with their families. The most rapidly growing ethnic groups in Oslo are people from Sri Lanka, Somalia, the former Yugoslavia, Vietnam, North Africa, Iran, Iraq and Afghanistan.

Unlike most other cities in Norway, Oslo is a culturally diverse city in the sense that people from many different countries and with different ethnic backgrounds live there. Many of the immigrants are no longer immigrants. They have made Norway their home country, or one of their home countries, and Oslo is their preferred city. Oslo as a culturally diverse city is a fairly new phenomenon, and it likely to continue to be even more diverse if the demographic and migration trends continue with the same pace.

7.2 Participation in the economy

There are 290 000 people employed in Oslo. 50 000 or 17% of these are immigrants, 35 000, 12%, are non-western immigrants. The rate of employment is lower among immigrants than Norwegians (22% of the population 17% of the workforce), and the rate of employment varies considerably between the different ethnic groups.

An ethnically mixed worklife

No economic sector is monopolised by any ethnic group, even though some ethnic groups are overrepresented in relation to the others (for example people from Sri Lanka are more often employed in private service and health and social services, and people from Pakistan in and Turkey in trade). There also did not appear to be systematic, ethnically based competition for access to the same markets, except at shop level.

The economic differences and standards of welfare within the different ethnic groups are as great as the differences within the ethnic groups. The single most important factor for the rate of employment and level of income appears to be length of stay in Norway. The longer people have lived in Norway, the more positive the indicators are. It may be too early to say, but it seems that the fears that non-ethnic Norwegians eventually will become an underclass are not well founded. This will be even less of a fear if action is taken so that young non-ethnic Norwegians with higher education find relevant employment.

The rôle of ethnic networks

The ethnic networks in Oslo play an important rôle for many immigrants, both to help people find and keep jobs, and to start companies. The size of ethnic group and duration of the groups' presence in Norway makes a significant difference. Large groups and long presence increases the chances for help than small and recently immigrated groups. The ethnic networks are informal. They are based on kin or friendship ties, and are most important at the individual and family level, and are more or less invisible in the Norwegian public sphere. Many immigrants are ambivalent about the public apparatus, partly due to their experiences in their original homelands, partly due to their experiences with the Norwegian bureaucracy, and therefore prefer to rely on their own resources and private relationships as far as possible.

One common obstacle for access to work life in Norway is lack of recognition of qualifications from other countries. Another hindrance is lack of proficiency in Norwegian and knowledge of how "the Norwegian system works" as one informant termed it. Even when immigrants have work, for many the ties with worklife are fragile and stressful. In Oslo is to some extent alleviated as recruitment and informal on-the-job-training was done within the channels of some ethnic networks. However, we found that managers preferred to not organise work along ethnic lines, and preferred to have a workforce of mixed ethnic origin because then loyalties with the ethnic group did not compete with loyalty toward the company.

Starting a company may be an alternative to not getting relevant work or to discrimination at work. The start-up process is regarded as enormously bureaucratic. The public systems, (taxes, public funding, vat, sickness protection etc) do not favour the small and informal trading companies that dominate among immigrants, and again personal networks become of great importance for credit, market knowledge, and recruitment.

A lack of connections

A number of public bodies/labour organisations do have policies and institutionalised procedures for systematic actions on issues generated by the multicultural composition of the workforce. Many have not. Those who have them do so because of a local firebrand in the organisations. Without such people, institutions/organisations that are not specifically set up to deal with immigrants and or integration find it hard to give priority to diversity issues.

The issues that the organisations have to handle in connection with cultural diversity are more complex and more time-consuming. For example, for a union to help a member solve problems connected with a lay-off, may mean the need to contact with a wide range of public bodies, specific knowledge of laws and regulations, and contacts with companies and employers' organisations. Some organisations solve the dilemma of few resources and many tasks by holding on to the principle of equal treatment. The argument

is that it would be wrong to make specific concessions to one group, for example by allowing for poorer understanding of Norwegian in a training course, or producing information material in other languages. Others go in the opposite direction and have decided on a policy to help each member who comes into the office regardless of the complexity of the problem.

Loose connections between the different stakeholders and the lack of a common language to speak about the positive affects/aspects of ethnic diversity were mentioned as a problem by several people at different phases of the project. One way to approach and possibly change such a situation is to bring people together and start talking about what can be done, how and by whom, and there has been established a number of productive networks to accomplish this. Their resources are limited and their scope is limited to a group of people who are already engaged in this kind of work, the firebrands. As long as intercultural issues are not part of the dominant discourse about economic development at the municipal level, their presence and influence remain quite local.

Positive effects of ethnic diversity

Positive effects of ethnic diversity on the creation of wealth, was reported from development of new products and production processes, and in the development of new markets/market segments. Three examples will illuminate this. The first is from a nation-wide food cooperative where a Somali employee developed halal-products for the Norwegian market. The company will now consider exporting halal products to the Middle East. The second examples is from the travel industry where local companies serve to improve the quality of neighbourhood life as they become centres for information and contact between locals, that is unusual in Oslo. The third example is from a public company that has found that use of different holiday requirements result in a less interrupted flow of work. All three are examples of ethically mixed solutions and hence point in the direction of positive effects of an intercultural worklife.

7.3 Public policies/town planning

Public policy has effects on the integration and settlement of immigrants. The main focus of this study is on the policies which have a special bearing on the conditions that may encourage and stimulate entrepreneurship and innovation, possibly through the effects of strengthened links between different immigrant groups and between the immigrants and the indigenous Norwegian society. These include national integration policies, local government policy aimed directly at the immigrant community and other policies which define the physical conditions in which the immigrants live, urban development policies and planning in particular.

National policies aimed at the integration of immigrants have developed gradually. It has been a principle throughout that implementation should be a local government responsibility. The initial national focus was essentially on social policy issues. Language, health and housing were key pillars in the policies. Only in later years have questions of employment, entrepreneurship and business development been brought to the foreground to the same extent.

In Oslo's strategic development plan the immigrant population is given considerable attention. The plan presents aims and objectives for integration and inclusion in the city in connection with strategies for most of its sectors and services, including housing, culture, education and practical qualification for employment and work in Norway. It also sets out clear objectives for the development of a democratic city based on community development, involvement, networking and the development of non – racial attitudes.

Oslo have established a special programme: Oxlo - Oslo Extra large, which aims at involving the entire organisation in the development of attitudes, stimulating tolerance and preventing discrimination as well as at a practical level stimulating the recruitment of immigrants to work in the organisation. The programme has initiated a wide range of local projects aimed at creating arenas such as meeting places for youth, training schemes, reading and writing projects and "resource banks" which may help connecting

people with specific resources and needs. Several of these schemes, partly aimed at developing networks and partly aimed directly at the development of practical skills, have the development of human resources in relation to the labour market as a common denominator.

The relative underemployment, especially of non – western immigrants has received more attention during later years. While the main focus has been on the development of skills and recruitment, there is also an increasing attention to the development of business incentives. The local authority has established its own service centre for the business community, especially small businesses and entrepreneurs. The centre offers advice and guidance and is extensively used by the immigrant community. There are also practical schemes being run through the schools and universities aimed at teaching and practicing business development and management. Financing is a problem for many newly established firms. There are few tailor made financing schemes. One private company with a nationwide network has been established to help financing small firms. The concept is based on a form of shared or solitary security where the risk is divided through networks of firms or entrepreneurs. The company co-operates closely with the public advisory and guidance bureaux. However, the scale of these activities is relatively small, and the effects are therefore correspondingly limited.

A particular challenge is the development of a highly educated second generation of immigrants, many of whom experience problems in entering the labour market and business life. The project has revealed that although the attitude among the trades organisations and the organisations in the business community are positive and in principle not discriminating, there is a reluctance to recruit candidates with strange names and exotic origins. One of the conclusions from the project is that the business community itself, the immigrants and the community at large would have much to gain from the development of stronger links between the traditional Norwegian organisations and the immigrant community.

The development of the city and the physical urban fabric has implications for the way in which the immigrant community will develop. An important element is housing policies and overall spatial planning. Segregation as a result of a tight housing market is dealt with elsewhere in this report. The physical development and location of future housing schemes will most certainly have a strong impact on the social geography of the city. Past policies have to a great extent exacerbated the traditional east – west split with the upper end of the housing market towards the west and the lower end towards the east. A review of urban expansion policies with a view to generating a more even distribution of different housing categories in different market segments may be a means of reducing the ethnic and social polarisation which the city is experiencing.

7.4 Participation in the public sphere

An effective integration mechanism is to create institutional conditions for the immigrants' participation through their own efforts (Neymarc 1998). What are these conditions in Oslo today?

A budding public sphere for immigrants?

A number of the ethnic organisations make up the institutional base for the Council of immigrant associations (Innvanderrådet). All ethnic groups are represented. The Council was established in 1986 by the ethnic communities and Oslo municipality. It serves as an advisory body to the political authorities. Oslo appoints the members based on recommendations from the ethnic groups. The Council also serves as a forum for dialogue and cooperation between the ethnic organisations. The Council decides on criteria for, and distribution of financial support to the ethnic organisations, as part of the national system of financial support to voluntary associations. However, several people mentioned that there was still more to be gained from more systematic dialogue between the different ethnic groups, and not only between the immigrants and the Norwegians, but also between members from the different ethnic groups.

All ethnic groups have welfare organisations and many have education activities, language schools and student organisations. Children and students are taught the mother tongue and cultural aspects (Tamil, Urdu, Somali etc.) and get help with their homework in ordinary Norwegian school. In these

organisations there appears to be a shared understanding that children who are fluent and secure in their parents' language and cultural context, more easily get fluent and secure in the Norwegian context – provided that they are allowed access to both. Resources for the activities are mainly provided by the members or supporters of the organisations. Very few of the organisations make their voices heard in the Norwegian public sphere.

There are several multiethnic radio-stations and one newspaper, yet they are little known outside the immigrant milieus and those parts of the public sector concerned with services towards the immigrants. Many immigrants have also experienced that they have been being used to exemplify points and arguments made by Norwegian researchers and journalists, without being able to represent themselves and being heard. Therefore there is some antagonism towards Norwegian researchers and the media. There seems to be an immigrant public sphere that every now and then makes an inroad in Norwegian public sector, especially through the initiatives of a few daring and outspoken individuals who stand to lose both from the Norwegian side and their own ethnic group.

What can prove to be productive is stronger and more consistent support to the apparatus of ethnic organisations in order to contribute to their rôle as active partners in the development of Oslo.

Participation in political life

An inroad to Norwegian civic life is through political organisations and through active participation in political institutions. Such participation can be a means of learning how to pass barriers and to gain access to institutions and organisations as well as gaining influence and power. There is reason to believe that immigrants will be more strongly represented in political decision making over time.

The extent of non – western immigrant participation in municipal councils in local authorities with a large immigrant population seems to be growing. Following the local elections in 2003 there were 20% non – western immigrant members of the city council while at the same time non – western immigrants made up 17% of the total population. In Drammen there was a 16% non – western immigrant share of the council while the non – western immigrant population constituted 13% of the total population of the city. A similar pattern appears in other local authorities with relatively large immigrant populations.

Non – western immigrant representation in municipal councils with high non – western immigrant populations following the municipal and county elections of 2003.

Municipality	Number of non – western elected council members	Total number of council members	% Share of non western council members	Non – western population as % of total population per 1.1.2003
I alt	92	11 138	1	5
Oslo	12	59	20	17
Drammen	8	49	16	13
Lørenskog	4	47	9	9
Moss	3	39	8	8
Rælingen	2	35	6	9
Skedsmo	2	37	5	8
Herøy	1	17	6	3
Levanger	2	35	6	2
Stord	2	35	6	2

Kilde SSB.

It appears that in the political sphere the ethnic dimension is often focussed at in the sense that immigrant representatives are often expected by others to represent their own groups rather than the party which they represent. Balancing between the roles as members of ethnic groups and at the same time politicians with party loyalties is a

balancing act and must in the longer run be expected to contribute to a change in perceptions political and social life in a wider context. It is beyond the scope of this project to examine these questions further, but the extent of political participation must be assumed to be a significant contribution to the development of a more open society with a greater potential for innovation and entrepreneurship based on inter cultural relations.

A lack of connections

On the Norwegian side there appear to be loose connections between the different stakeholders and a lack of a common language suitable for dealing with the positive affects/aspects of ethnic diversity, also when it comes to participation in civil life.

The connections between the different stakeholders in the Norwegian milieu and the ethnic milieu also appear to be weak and ad hoc, and as if they exist in different worlds. One example: Several of the student organisations work hard to help members of their ethnic, national or even pan-national/ethnic groups. The organisations help young people to qualify for higher education, motivate students while they study, and build network with those who are employed and may help others find work. A number of different municipal offices share responsibility for all Oslo citizens in the same areas. Yet, there are few arenas for dialogue and procedures for cooperation between these different types of organisations. As with the stakeholders in the economic field, the situation is that resources are limited, and as long as intercultural issues are not part of the dominant discourse about city development at the town level, the presence and influence of the associations and organisations remain quite local.

Positive effects of diversity

Positive effects of diversity on participation were organisational development in some unions and some public services. Having to adjust their services to the fact of a culturally diverse member base, the organisations themselves have had to change and develop new kinds of services.

7.5 Concluding remarks

It is apparent that in Oslo neither political nor economic interests are consolidated and organised along ethnic lines. Such interests are developed, expressed and pursued through the established institutional apparatus. The exception to this is that there is some organising along religious lines, but this seems to be of small importance economically, and of political interest on an ad hoc basis.

Oslo may be a multicultural city, but not in the sense that there are institutionalised and viable ethnic communities that exist side by side. In Oslo there is neither a consistent and persistent geographical ghettoisation nor socio-economic segregation and also in this respect is it not a multicultural city. Nor is Oslo an intercultural city. With the exception of a few neighbourhoods, Oslo is first and foremost a Norwegian city with a large number of immigrants from a diversity of backgrounds.

Based on international experiences it seems that to develop a policy based on multiculturalism may not be the best way to proceed. That may even lead to a need to create or accentuate cultural differences and distinctions for political reasons. However, to continue with an integration policy that has as its basic assumption that immigrants can and should be essentially Norwegian may also prove to be futile. Many immigrants and many ethnic organisations do not experience that their way of thinking and solving matters is understood or accepted, or their resources acknowledged. The question then is how to develop Drammen further and strengthen the initiatives, networks and arenas that are already established?

Policies for interculturalism in three areas, employment, housing and planning and participation, may be worth exploring. What would an intercultural housing and planning policy be like? What would be needed to develop an intercultural worklife strategy? An intercultural civil society?

8 DRAMMEN

8.1 The setting

Ethnic composition.

The total population in Drammen is 57 000. Nearly 17% of these, 9500, are immigrants. There are 8200 non-western immigrants. In Buskerud, the county in which Drammen is the regional capital, the number of immigrants is 21 000. The number of immigrants has grown rapidly since the end of the 1980s.

The earliest group of non-Western immigrants came from Turkey in the 1970s. They were recruited directly by enterprises in the paper and pulp industry. The Turkish ethnic group is still the largest, and there are also larger groups of immigrants from Pakistan, India and Sri Lanka. These immigrants make up 17% of the immigrant population. People from the Middle-east (Iran, Iraq and Afghanistan) make up 12% of the immigrant population, and people from the former Yugoslavia make up 10%.

8.2 Participation in the economy

As a response to persistent and comprehensive exclusion and or discrimination in worklife, many of the immigrants may have little option but to go where doors are open, in this case other immigrants, either of one's own ethnic group or with other immigrants. Then these groupings may develop inner solidarity and identity that serves as a substitute for the opportunities and rewards one is excluded from. Knowledge, experience and expertise may then be developed and channelled through the group, and will greatly benefit the members of the group. It may not, however, be of benefit to development of worklife in Norway. What is the situation in this respect in Drammen? Does the ethnic diversity lead to innovation and the creation of wealth?

An ethnically mixed workforce

There were 3600 or employed immigrants in Drammen at the time of the 2001 census. 2700 were non-western immigrants. The rate of employment is lower among immigrants than among Norwegians. The rate of employment varies considerably among the different ethnic groups.

The rôle of ethnic networks

The ethnic networks in Drammen play an important rôle for many immigrants, both to help people find and keep jobs, and to start companies. The size of ethnic group and duration of the groups' presence in Norway makes a significant difference. Large groups and long presence increases the chances for help than small and recently immigrated groups. The ethnic networks are informal. They are based on kin or friendship ties, and are most important at the individual and family level, and are more or less invisible in the Norwegian public sphere. Many immigrants are ambivalent about the public apparatus, partly due to their experiences in their original homelands, partly due to their experiences with the Norwegian bureaucracy, and therefore prefer to rely on their own resources and private relationships as far as possible. For people in Drammen their networks in Oslo appear to be quite important as it is here that the sheer numbers makes a considerable difference.

Starting a company may be an alternative to not getting relevant work or discrimination at work. The start-up process is regarded as enormously bureaucratic. The public systems, (taxes, public funding, vat, sickness protection etc) do not favour the small and informal trading companies that dominate among

immigrants, and again personal networks become of great importance for credit, market knowledge, and recruitment.

One common obstacle for entrance into worklife in Norway is lack of recognition of qualifications from other countries. Another hindrance is lack of proficiency in Norwegian and knowledge of how “the Norwegian system works” as one informant termed it. Even when immigrants have work, for many the ties with worklife are fragile and stressful. In Drammen this is to some extent alleviated as recruitment and informal on-the-job-training in industry is done within the channels of some ethnic networks, and this is accepted by the managers of the companies. Establishment of companies does also to some extent follow ethnic lines. This concerns people with roots in Turkey and Pakistan more than people from other ethnic groups. In this respect there are some tendencies that Drammen is a multicultural city, but the tendencies are not unequivocal. This may be because no economic sector is monopolised by any ethnic group and no systematic, ethnically based competition between them for access to the same markets.

The rôle of Norwegian institutions

Drammen is also special by the fact that the social partners, the Norwegian Employers' Association (Næringslivets Hovedorganisasjon NHO), and the largest national trades union (Landsorganisasjonen, LO) have taken an active stand to promote the work conditions also for the immigrants. Exploitation and discrimination of immigrants in some industries have been on the agenda for many years. The activities have been carried out as a part of formal projects funded by the national apparatus. In LO assistance has also been given informally, through personal networks and assistance to immigrants who seek help and advice. There is also fairly close cooperation between the different parts of the union in Drammen and Buskerud. The down-to-earth approach of the social partners may be the result of the relatively close-knit business community in Drammen, and the fact that more people are employed in industry and has been part of the ordinary labour market for several decades.

The diverse approach to ethnic diversity in worklife that can be identified in the economic field in Drammen is a good start however; the efforts may be strengthened to increase the impact. This is not first and foremost the responsibility of the municipality of Drammen. Closer cooperation with the social partners may strengthen initiatives that have already been made.

Positive effects of ethnic diversity

In Drammen, positive effects of ethnic diversity on the creation of economic wealth was reported from development of new products and production processes in companies, and in the development of new markets/market segments. Three examples will illuminate this: Kebab, a traditional Turkish dish, was virtually unknown in Norway until the 1980s. Today 600 tons of meat is sold in Drammen alone every week, due to the inventiveness of a local entrepreneur. Investment in holiday homes in Turkey and other warmer countries is a growing business, and countries in the Middle-East have been identified as markets for mobile phone related technology by local entrepreneurs. Effects of intercultural activities across the ethnic groups have not been identified in the economic field.

8.3 Public policy/planning

The Drammen council have adopted a strategy (2005) for dealing with the growing immigrant population based on the following main elements.

- A revised housing policy seeking to introduce more indigenous Norwegian residents into one of the housing areas with the highest immigrant population share.
- Reduced unemployment amongst immigrants.

- Preventive social policies aimed at the reduction of violence.
- Improved and new schemes to qualify newly arrived adult refugees and immigrants for the labour market.
- Language stimulation for pre school children.
- More freedom of choice in the selection of schools by pupils and parents.
- Particular schemes to stimulate female participation in the labour market and in the community at large.
- Better public information to the inhabitants.

Increasing attention is being paid to the importance of qualifying people with relevant skills for the labour market and for business. The work carried out by the introduction centre for immigrants, is important. Through the centre all the public sectors dealing with the labour market; the labour exchange, qualifying courses and other work related services are pooled in order to provide a comprehensive and professional service. The centre provides compulsory language training for newly arrived immigrants, training, courses, arrange opportunities for working practice as well as cultural and leisure activities.

Drammen have also put a great deal of resources into the development of arenas where people may meet with a purpose. One significant single effort is the establishment of the Union scene, a culture facility with stages, conference rooms, workshops, cafeteria etc in a former industrial building in the centre of town. The establishment caters for a wide range of events with a conscious cross cultural bias in order to create an arena where people of different backgrounds will have reason to meet for social purposes as well as in connection with learning or work. The

Another major project is the recent establishment during 2006 of a centre of expertise specially aimed at the development of entrepreneurship rooted in the existing multi ethnic population. The intention is to offer medium level entrepreneurial and business skills, especially to people with higher academic and professional skills. The project is a cooperative effort between the county and, local authorities in the region, the business community and the regional college. The intention is to offer services nationwide.

Physical planning is a contributor to the integration of the immigrant population. A central theme in the housing policies which have been sketched in a recent housing paper to the city council (2005) is the emphasis on developing a viable urban centre with mixed housing and good urban qualities. The immigrant population is not mentioned explicitly, the effects could be to counter – balance spatial, social and ethnic polarisation.

There are limited financial incentives for small businesses in Drammen in the same way as in Oslo through the small firms cooperative networking system. A conversation with the former regional development fund, now Innovasjon Norge reveals that despite the availability of regional incentives, there are very few immigrant businesses among their customers.

8.4 Participation in the public sphere

An effective integration mechanism is to create institutional conditions for the immigrants' participation through their own efforts (Neymarc 1998). What are these conditions in Drammen today?

A public sphere for immigrants?

A number of the ethnic organisations make up the institutional base for the Council of immigrant associations for Buskerud county (Buskerud Innvandrerråd). Buskerud Innvandrerråd is an umbrella organisation for other ethnic organisations. There are two municipal-based associations, Drammen and Nedre Eiker, and the rest of the associations are ethnically based. Members of the Board of Buskerud Innvandrerråd are elected directly by the member association. The municipality of Drammen may appoint two observers of the Board. The Council mainly serves as a forum for dialogue and cooperation between the ethnic organisations, and to some extent as an advisory board for the political authorities at municipal

and county levels. Financial support to the ethnic association is given from the Buskerud county administration. Each ethnic association has their own activities, mostly related to welfare and cultural issues, to which members of the other ethnic associations are often invited. There are also a considerable number of joint activities between the ethnic associations and the Council. The connection between the Council and the Introduction Centre in Drammen is also fairly close. It therefore appears that there is an “immigrant public sphere” in Drammen. However, it mainly reaches the immigrant and not the Norwegian part of the population, and this was many times said to be a great obstacle to integration in Drammen.

Ethnic networks

The Turkish ethnic group appears to be the one most formally organised and most segregated in Drammen. There are internal groupings within the Turkish group, and these are consolidated around a number of institutions, a mosque, an estate and a number of different activities. Welfare activities are channelled through these institutional lines. The other ethnic groups have less formal networks. The networks in the group of people from Pakistan and India are closely intertwined with associations and networks in Oslo. Very few of these make their voices heard in the Norwegian public sphere.

The rôle of Norwegian institutions

In Drammen there seems to be the two public spheres as in Norway in general: the ethnically diverse and the Norwegian. The ethnically diverse part of the population works hard to create conditions for their participation both in worklife and in the public sphere. So do some institutions in the Norwegian public sphere, and in Drammen a few of these have played a significant rôle. One such institution is the University College of Buskerud. These institutions have cooperated closely with the Municipality of Drammen in several projects aimed to build bridges between the different ethnic groups. The establishment of an MA in human rights, conflict-resolution and multicultural understanding must be understood as part of the same effort. There has also been a cooperative project between the Police force, Red Cross and Buskerud Innvandrerråd, the immigrants’ council in order to reduce the level of conflict and increase mutual understanding among different youth groups.

8.5 Concluding remarks

It is apparent that in Drammen political or economic interests are not consolidated and organised along ethnic lines to any strong degree. Such interests are mainly developed, expressed and pursued through the established institutional apparatus.

Drammen may show signs of developing into a multicultural city, with institutionalised and viable ethnic communities that exist side by side, as is the case with part of the Turkish community. To some extent has there also been geographical ghettoisation, especially at the township of Fjell, this also Turkish dominated, but more recently it has become more ethnically mixed with different groups of immigrants settling there. The pattern today seems that more immigrants spread out to other parts of the city, and if this trend continues, the geographical segregations may become less pronounced. Drammen also shows signs of becoming an intercultural city, especially in connection with the development of an immigrant public sphere that connects people from many ethnic groups and also makes an impact on the daily living of local communities. Drammen is neither a multicultural nor an intercultural city, and has the potential to develop in both directions, as it is first and foremost a Norwegian city with a large number of immigrants from a diversity of backgrounds.

Based on international experiences it seems that to develop a policy based on multiculturalism may not be the best way to proceed. That may even lead to a need to create or accentuate cultural differences and

distinctions for political reasons. However, to continue with an integration policy that has as its basic assumption that immigrants can and should be essentially Norwegian may also prove to be futile. Many immigrants and many ethnic organisations do not experience that their way of thinking and solving matters is understood or accepted, or their resources acknowledged. The question then is how to develop Drammen further and strengthen the initiatives, networks and arenas that are already established?

From the presentation above it appears that there are three areas where policies for diversity may fruitfully be developed in addition to those already in place in connection with education and culture. These areas are employment, housing and planning and participation in the public sphere.

9 CONCLUDING REMARKS

When comparing the situations in Oslo and Drammen it appears that the differences between the two cities are in degree and not in kind. They are the two cities in Norway with the largest number of immigrants. Both cities have taken the challenges seriously, and have over the years worked actively and systematically to counter negative effects of this situation. That the situation may have positive effects has not been acknowledged. Today, the situation is that neither of the two cities may be defined as truly multicultural, and neither is truly intercultural. They are mainly Norwegian cities with a culturally diverse population. Drammen is both more multicultural and more intercultural than Oslo. The multicultural aspects stem from the stronger internal cohesion and larger distance to Norwegian society in part of the group of immigrants from Turkey, and the intercultural aspects can be seen from the closer connection between ethnic associations.

Given the situation in the two cities, what both need to develop, are even more systematic and diverse approaches to enhance positive effects of the ethnic diversity, both externally and internally. First come approaches to cultural diversity in worklife and business. Here there is a need for more systematic and insistent action that has been the case. This is an area where the municipal authorities do not have sole responsibility or control over resources. It will require cooperation between a many and quite different stakeholders. Therefore focus need to be as much on the form of the process of cooperation as on the content. Second come approaches to city-planning. This is the responsibility of the municipalities, yet there seems to be little recognised that a culturally diverse city may require more diversity in the approaches to planning and execution of plans. Third, come approaches to the immigrants' own networks and conditions for participation in the civil society. Again, this is not first and foremost responsibility of the municipalities, but they may initiate support and infrastructures that do enhance the chances for the immigrants to participate. Finally, there is still much to be done in the municipalities themselves. They are among the largest employers in the area, and hence their strategies for recruitment, training and internal cooperation do make a difference, in practice for those who are employed, and symbolically as rôle models and examples for others to follow.

The most important difference between the cities is that of scale. Oslo is far larger by any standard, and Drammen is comparable to one of the larger townships in Oslo. Because of this, each city may learn something from the other. Drammen may learn to develop a more overarching and strategic policy of the kind that Oslo has. Oslo, on the other hand, may learn from the down-to-earth approaches that characterises the policies in Drammen, and especially from the kind of interconnectedness between different groups of stakeholders.

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