A Local Catch? Neighborhood Businesses and Spatial Hiring Patterns in Amsterdam

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Spatial mismatch theory argues that marginalized individuals suffer from inequality because job opportunities are not located in their residential areas. Indeed, there is increasing evidence that they face longer-than-average commute times. Neighborhood businesses have been heralded for contributing to local labor markets, particularly among minorities who have difficulty accessing jobs. Beyond a lack of empirical evidence demonstrating this baseline relationship, neighborhood businesses located in high unemployment areas may be well positioned to hire locally given the dearth of alternative options. This project will examine the spatial hiring patterns of neighborhood businesses.

Note: Data visualization and structure Inspired by Milias et al., 2024
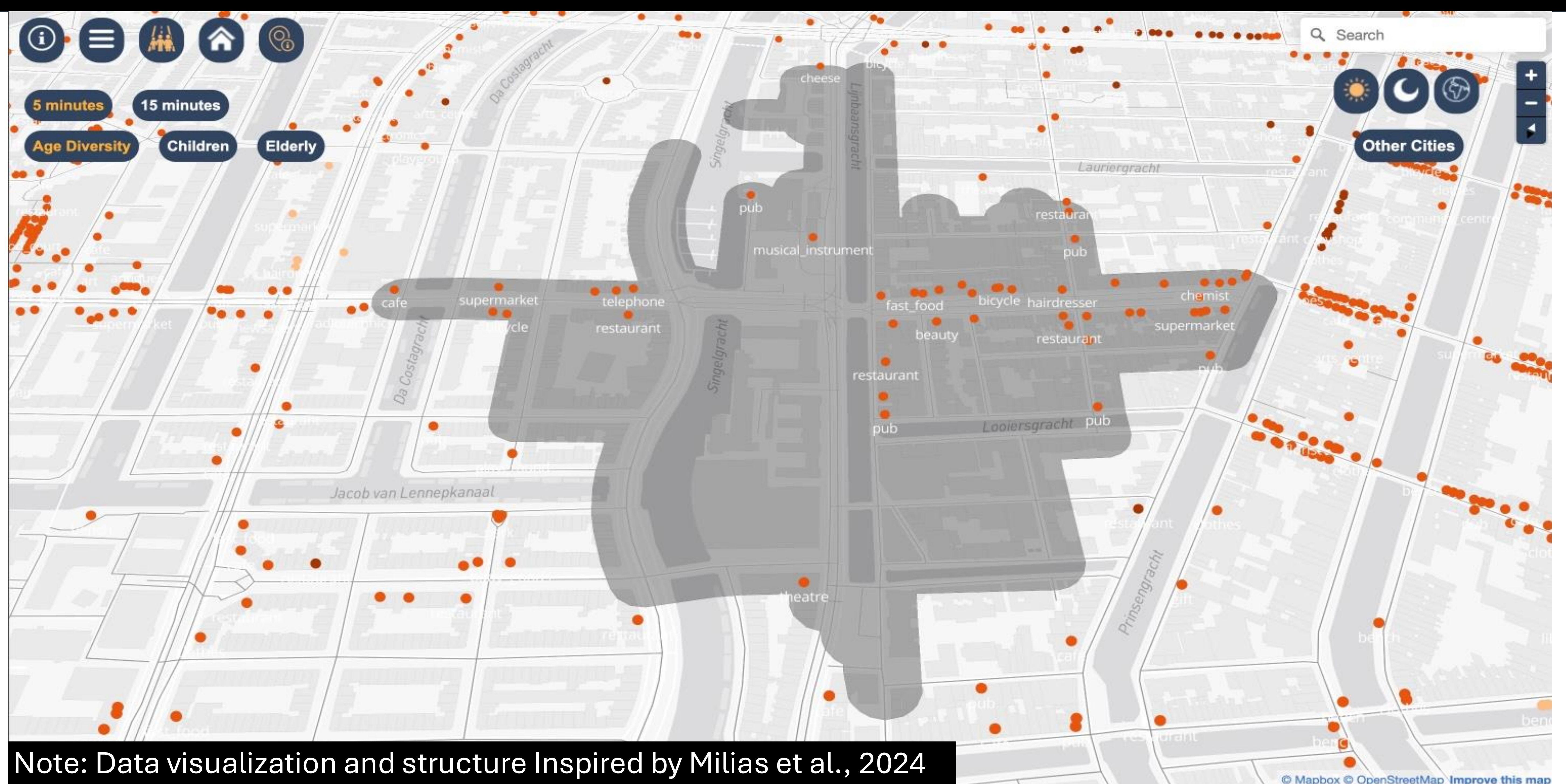
Hypothesis 1: **Neighborhood business located in areas with higher employment rates are more likely to hire employees in proximity.**

Hypothesis 2: **The effect of H1 is stronger for neighborhood businesses that act as third spaces.**

Hypothesis 3: **The effect of H1 is stronger for neighborhood businesses that are started by ethnic entrepreneurs.**

CBS Microdata, Datasets: ABR_REGIO (firms), Gemeentestpltab (employees), SPOLISBUS (jobs/wages), VSLGWBTAB (location specific attributes)
    Sample of Neighborhood Businesses: SBI Codes 33, 47, 56, 96.01
    Reparatie en installatie van machines en apparaten, Detailhandel (niet in autos), Eet –endrinkgelegenheden, Reinign van kleding en textiel)

    DV: Commuting Distance
    IV: Unemployment Rates within 5-minute, 10-minute, 15-minute radius around a focal business.
    Moderators: Third Spaces (operationalized by everyday routine businesses SBI codes 47, 56)
    Ethnic Entrepreneur is operationalized on whether the founder is first or second generation migrant