On November 2nd 2004, a young Muslim man of Moroccan descent murdered Dutch filmmaker and Islam critic Theo van Gogh. In September 2008, a local bus company announced that it would withdraw its services from a certain neighborhood in Gouda (a provincial town in the western Netherlands) because its drivers had been intimidated by Moroccan-Dutch youths. At a time where both their ethnic and religious identity are under public scrutiny, Moroccan-Dutch young adults of the second generation are struggling to construct positive identities. This dissertation explores how Moroccan-Dutch young adults are constructing new stories that define them and others of their generation in focus groups, individual interviews, and at social gatherings. Although Moroccan-Dutch young adults share the experience of marginalization, their inclusion in local level networks (schools, organizations, sports clubs, and neighborhoods) provides them with ample material to also share their story of local and national belonging. Moreover, by alternating stories of exclusion with stories of inclusion, Moroccan-Dutch young adults manage to draw attention to both the consequences of a negative group image in the public sphere, as well as the positive contribution they provide to a society they feel a part of. In this way, they are constructing positive identities for themselves and contribute new and positive storylines to the collection of stories underpinning the Moroccan-Dutch identity. A narrative approach is developed through which conversational storytelling is studied, taking into account both the content as well as the social functioning of stories.