



# Introduction to the Special Issue: “New Perspectives on Public and Social Rental Housing in the Nordic Countries, part one”

Martin Grander

*Associate Senior Lecturer, Department of Urban Studies, Malmö University.*

[martin.grander@mau.se](mailto:martin.grander@mau.se)

Jardar Sørvoll

*Research Professor, NOVA – Norwegian Social Research, Centre for Housing and Welfare Research, Oslo Metropolitan University & BOVEL*

[jarso@oslomet.no](mailto:jarso@oslomet.no)

## Summary

In this introduction, we briefly present the idea behind this special issue on public and social rental housing in the Nordic countries. We emphasize that empirical knowledge and theoretical understanding of key aspects of social and public housing is crucial for policymakers and others seeking to grasp the challenges, opportunities, and dilemmas in the field of housing in the northernmost part of Europe. In the introduction, we also outline the cross-national varieties in the Nordic region when it comes to social and public rental housing, suggest a broad working definition of social rental housing, and summarize the main points of the articles published in part one of the special issue. As social scientists interested in comparative studies and international collaboration, we regard this special issue as a small step or even a new beginning for Nordic housing research that has comparative ambitions or is at least aware of theoretical debates and significant developments in neighbouring countries.

## Varieties of social rental housing in the Nordics

Even though comparative studies often place the Nordic countries in the same world of social democratic welfare, the institutional differences between Sweden, Denmark, Finland, Norway, and Iceland are considerable in many areas of public policy. Housing provision to low-income groups is perhaps one of the best examples of this Nordic policy variation (Bengtsson ed., 2013). Post-1945 the Nordic countries all developed different strategies to satisfy the housing needs of low- and medium-income households. In Sweden, there is still a strong tradition of universal public rented housing with no income ceilings or other forms of needs-testing. Swedish researchers, practitioners, and government agencies therefore generally object to the term “social housing” and prefer “public housing”, even for the purpose of brief comparative juxtapositions or comparative statistics (Lind, 2017; Grander, 2017; OECD, 2020). Social housing in Denmark resembles the Swedish case in the sense that rented housing provided by independent housing associations is formally open to all

sections of the population without needs-testing. Unlike Swedish local governments, however, Danish municipalities have the legal right to allocate up to 25 percent of all vacant social rented homes to disadvantaged households (Nielsen & Haagerup, 2017).

The homeowner nations of Norway, Finland, and Iceland are different kettles of fish altogether, as they all have different varieties of needs-tested social rented housing directed at low-income groups (Ruonavaara, 2017; NBO, 2020; Osnes & Sørvoll, 2023). As shown in table 1, Norway and Iceland have the smallest social rented sectors amongst the Nordic nations by some distance. In comparison, their Finnish, Danish and Swedish counterparts account for a significant share of the housing units in their respective housing markets.

These substantial institutional differences aside, the providers of social rented housing in the Nordic countries have faced similar challenges in recent years related to residualization, the need to house refugees from Syria and Ukraine, socio-economic segregation, and the need for large-scale refurbishment of older parts of the housing stock. Nordic social and public housing providers are also key actors – or at least involved, in national efforts to combat homelessness and improve the housing conditions of disadvantaged groups. (Nielsen & Haagerup, 2017; Ruonavaara, 2017; Borg, 2019; Sørvoll, 2019; Sørvoll, 2023; NBO, 2020; Hansson, 2021). It is also the case that low-income groups disproportionality gravitate towards public and social housing throughout the Nordic countries. This is not surprising in cases where social housing is needs-tested to a higher or lesser extent (see for instance: Turner & Aarland, 2023), but even the universal Swedish public housing is arguably “social by default” (Magnusson & Turner, 2008) because households with limited economic resources are overrepresented in the sector often described as *allmännyttan* (literally translated to “the common good”).

**Table 1.** Social or public rented housing in the Nordic countries (approximate share of the housing stock)

|                | “Social” or “public” rented housing | Needs-testing   |
|----------------|-------------------------------------|---|
| <b>Sweden</b>  | 19 %                                | No  |
| <b>Denmark</b> | 21 %                                | No (but municipalities have the right to allocate up to 25% of housing to disadvantaged households) |
| <b>Finland</b> | 13 %                                | Yes   |
| <b>Norway</b>  | 4 %                                 | Yes, strong.  |
| <b>Iceland</b> | 3.8 %                               | Yes   |

Source: NBO, 2020.

## Defining social housing: a pragmatic approach

For a publication such as *The Nordic Journal of Housing Research*, which was established to strengthen the quality and impact of academic research on important societal phenomena related to housing, a special issue on public and social housing is a logical editorial choice. To grasp the challenges, limits, and opportunities available to Nordic policy makers in the field of housing, empirical knowledge, and theoretical understanding of key aspects of social housing is arguably crucial. As noted above, the public and social rental sectors in the Nordic countries are all key policy instruments and provide homes for millions of people. In our view, they may also be part of the solution to the main challenges characterizing housing markets in the northernmost part of Europe, including problems related to socio-economic inequality, (un)affordability and housing shortages produced by a one-eyed market-based approach to housing provision.

It is, however, quite hard to squeeze different forms of social and public housing beneath the same conceptual roof. Many have tried to formulate definitions of social housing that aim to transcend cultural differences and administrative boundaries (see for instance: Ruonavaara, 2017; Hansen & Lundgren, 2019). The Finnish sociologist Hannu Ruonavaara (2017) has put forward a broad definition that surely covers many cases in contemporary Europe. According to Ruonavaara, social housing is housing that satisfies the following criteria:

- that is allocated not only by demand and supply,
- but by bureaucratically established rules that
- favour applicants in pressing housing need and modest means, and
- is priced by bureaucratically established rules
- aiming to provide housing on a lower price level than in the market (quoted from Ruonavaara, 2017, p. 9).

However, this definition does not cover all public and social rented housing sectors in the Nordic countries, nor is it intended to do so. It certainly does not encompass the universal Swedish case, and perhaps not the Danish case either, as social housing in Denmark is formally open to the entire population. Since many municipal providers of rented housing in Norway favour some form of market-based rent setting, it is also debatable if the Ruonavaara definition encapsulates the highly targeted Norwegian social rented sector (Sørvoll, 2023; Osnes & Sørvoll, 2023). To include all the Nordic countries in a useful working definition as a point of departure for this special issue, we therefore suggest the following broad conceptualization of social rented housing:

rental housing supplied by public sector or civil society providers that are primarily motivated by satisfying the housing needs of the population, or at the very least the needs of a more or less clearly defined target group.

This definition seems sufficiently broad to cover all the real-life public and social housing sectors in the Nordic countries. Some might object that providers that are instructed to function according to “business-like” principles, such as public housing companies in Sweden (Grander, 2017) or the largest social housing provider in Oslo (*Boligbygg*; Sørvoll, 2019), fall outside the boundaries of even this rather pragmatic and non-specific definition. However, the “business-like” (*affärsmässiga principer*) operating procedures of these housing providers are not goals in themselves, but rather motivated by the need to comply with the European Union’s laws regulating economic competition, in the case of Sweden, and the quest for efficient economic management of public housing resources. In short, housing provision is the goal, while profit-seeking is arguably more of a means to an end.

## Summary of contributions

The first part of this special issue on public and social rented housing in the Nordic countries, contains scientific articles examining key aspects of social housing (*almene boliger*) in Denmark and public housing in Sweden. The second part of the special issue covering articles focussing on all the four largest Nordic countries, will be published in the next issue of the journal (1/2024).

In the first article in the special issue, Bo Bengtsson and Martin Grander analyse Swedish housing policy and its central policy instruments, applying a conceptual framework based

on the continuum between universality and selectivity. They also discuss how key policy developments of recent times, for instance the widespread use of so-called social contracts in public rented housing, may be understood through the classic welfare researcher's lens of selectivity and universality. The authors acknowledge that the Swedish housing regime has changed substantially and moved in the direction of stronger selectivity, but still argue that it should be described as universal, not least because of the enduring universality of public rented housing. According to Bengtsson and Grander, public housing "is still the prime example of universality" as it makes it theoretically "possible for all citizens, regardless of financial resources, to find acceptable housing in one and the same housing market". Striking a more critical note, the authors conclude that even though the universal policy discourse still dominates, the outcome of the Swedish housing regime has become increasingly inversely selective or "exclusive", because the housing opportunities and housing assets of well-off households are given priority over the interests of low-income households.

Eva Wikström and Madeleine Eriksson's article provides an excellent example of how the universality of Swedish public rented housing affects central aspects of housing provision. Based on qualitative interviews, the authors discuss the allocation of housing to refugees in a medium-sized city and ponder the wider consequences of the universal model of public rented housing for the social inclusion of refugees in Sweden. In the city Wikström and Eriksson studied, the municipality offered refugees secondary fixed-term two-year tenancies, in line with the practice of the majority of Swedish local governments that sub-let temporary housing to refugees from public housing companies. As a result, refugees in large parts of Sweden are in danger of becoming excluded from the universal public rented housing model. Long waiting lists for permanent first-hand leases make it difficult for refugees to access public rented housing after their temporary leases have expired, and this may have negative consequences for their level of cultural, economic, and social integration in society. The public officials and policy makers interviewed in Wikström and Eriksson's study were adamant in their defence of the universal model ("same terms for all, and same stock of housing for all"). This meant that the municipality did not have any permanent selective measures aimed at refugees in the public housing sector, such as priority allocation or a parallel housing stock for refugees. According to Wikström and Eriksson, this left refugees in the city in an "ambiguous position of being "in between" – inside the nation, but not really entitled to settle down locally", something they see as "a striking example of differential inclusion".

In Matti Wirehag and Johan Mellberg's contribution to the special issue, the authors report the findings from a study of Swedish municipalities' solutions to homelessness, where they analyse public, private and third-sector rental housing actors who provide services for homeless people. The authors explain how such services expanded and changed from 2011 to 2018 due to increasing refugee immigration, but also the changed application of eligibility criteria for homeless people seeking housing from municipal social services. Wirehag and Mellberg show that the municipalities are (still) major providers of housing services to the homeless in Sweden, but that there is a large variation between municipalities regarding the actual solutions, which they explain by local differences in municipal size and geographical location, but also variations in the thresholds for entry to local rental housing markets, not least public housing. They further find that the size of public housing positively affects the number of other actors involved in local housing services for persons living in homelessness. Public housing is still a key actor, they argue, but primarily an indirect one as providers of flats to the municipalities' social services rather than directly to persons in need of housing. Thus, the importance of a mix of for-profit and non-profit

actors involved in municipal homeless housing services is highlighted, and an important conclusion by Wirehag and Mellberg is that a well-developed rental housing market provides a foundation for providing housing to the homeless and also creates opportunities for transitions from temporary solutions into future tenured housing.

In the last article of part one of the special issue, Rikke Skovgaard Nielsen, Lene Wiell Nordberg, and Hans Thor Andersen provide us with an authoritative overview of contemporary trends and future challenges in the Danish social rented sector. The authors discuss the housing situation of disadvantaged groups in relation to five key developments in the sector in recent years: physical restructuring of social housing neighbourhoods, the parallel societies legislation, from 25 to 100 percent local government housing allocation in some municipalities, increased use of flexible letting, and the opportunity municipalities were granted in 2015 to insert 25 percent social rented housing in newly constructed neighbourhoods. Nielsen et al. stress that contemporary government interventions in the social rented sector “are primarily intended to offset the inadvertent development of deprived housing estates, which is undoubtedly a fair and relevant purpose”. On the other hand, they argue that these interventions “makes access to the social housing sector difficult for those who need the sector most”. According to Nielsen et al., it is a paradox that “the more interventions are introduced to avoid the marginalisation of individual areas, the more difficult it is for the sector to fulfil its core task: providing suitable housing for vulnerable citizens”.

### **A new dawn for Nordic collaboration in housing research?**

As social scientists interested in comparative studies and international collaboration, we regard this special issue as a small step or even a new beginning for Nordic housing research that has comparative ambitions or is at least aware of theoretical debates and significant developments in neighbouring countries. In some ways we are bucking a trend in a world of international publications without reference to what is common or different between the Nordic countries. After all, *Scandinavian Housing and Planning Research* was rebranded as the more international and sophisticated sounding *Housing, Theory and Society* almost twenty-five years ago. Nonetheless, we hope there is interest in many scholarly communities to help breath fire into this journal by submitting articles on all aspects of housing markets and housing policy throughout the Nordic region.

### **References**

- OECD (2020). Social housing: A key part of past and future housing policy. *Employment, Labour and Social Affairs Policy Briefs*, Paris: OECD.
- Bengtsson, B. (2013 ed.). Varför så olika? Nordisk bostadspolitik i jämförande historiskt ljus. *Egalité*.
- Borg, I. (2019). Universalism lost? The magnitude and spatial pattern of residualisation in the public housing sector in Sweden 1993–2012. *Journal of Housing and the Built Environment*, 34 (2), 405–424. <https://doi.org/10.1007/s10901-018-09638-8>
- Grander, M. (2017). New public housing: a selective model disguised as universal? Implications of the market adaptation of Swedish public housing. *International Journal of Housing Policy*, 17 (3), 335–352. <https://doi.org/10.1080/19491247.2016.1265266>
- Hansson, A. G. (2021). Housing the Vulnerable: Municipal Strategies in the Swedish Housing Regime. *European Journal of Homelessness*, 15 (2), 15–28.
- Hansson, A. G. & Lundgren, B. (2019). Defining social housing: a discussion on the suitable criteria. *Housing, Theory and Society*, 36 (2), 149–166.
- Lind, H. (2017). The Swedish housing market from a low-income perspective. *Critical Housing Analysis*, 4, (2), 150–160.

- NBO (Housing Nordic). (2020). STATE OF HOUSING IN THE NORDIC COUNTRIES 2020. Affordable housing in the Nordic Countries – challenges and possibilities post-corona. NBO Housing Nordic.
- Nielsen, R. S. & Haagerup, C. D. (2017). The Danish social housing sector: recent changes and future challenges. *Critical Housing Analysis*, 4 (1), 142–149.
- Magnusson, L. & Turner, B. (2008). Municipal Housing Companies in Sweden – Social by Default. *Housing Theory and Society*, 25 (4), 275–296.
- Osnes, S. M. & Sørvoll, J. (2023). Kommunale utleieboliger til vanskeligstilte på boligmarkedet i Norge 2023. HOUSINGWEL-Working Paper 2/2023, Oslo Metropolitan University, Oslo.
- Ruonavaara, H. (2017). Retrenchment and social housing: the case of Finland. *Critical Housing Analysis*, 4 (1), 8–18.
- Sørvoll, J. (2019). The dilemmas of means-tested and market-oriented social rental housing: Municipal housing in Norway 1945–2019. *Critical Housing Analysis*, 6 (1), 51–60.
- Sørvoll, J. (2023). The great social housing trade-off. “Insiders” and “outsiders” in urban social rental housing in Norway. *Housing Studies*, <https://doi.org/10.1080/02673037.2023.2242803>