Housing, poverty and the welfare state
Spatial distribution of tenure types and its effects on housing deprivation, unemployment and residualisation

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Abstract
An important question that has caused much academic debate is how to best organise the welfare state system to combat poverty and social exclusion. Much such research is focused on how to combat income poverty through core areas in the welfare state. This dissertation widens the perspective to include housing as a part of the welfare state and it represents an attempt to study poverty outcomes beyond income measures. In doing this, the dissertation uses power resource theory to understand welfare state change and the design of institutions in terms of housing tenures, and shows how this design might affect individual outcomes. Thus, the overall aim of this dissertation is to gain knowledge of the principles that underpin the design and organisation of the housing market in terms of tenure types and to understand the ways in which this design might affect the well-being of individuals and the society as a whole. The dissertation consists of an introductory essay and four papers. The introductory essay presents my theoretical approach and methodology. It also summarises the papers and discusses my main findings.

Paper I analyses the extent to which the organisation of the rental sector may explain cross-national differences in the prevalence of housing deprivation. Using a multilevel framework on survey data covering 26 European countries, I find that a large and integrated rental sector significantly reduces the prevalence of housing deprivation across EU countries. The organisation of the rental sector appears to be crucial when it comes to reducing poverty and social exclusion in terms of housing insufficiencies.

Paper II continues the quest to find explanations of the variations in the prevalence of housing deprivation in Europe. Our results develop the findings of Paper I. We find that a high proportion of outright owners is positively associated with housing deprivation. This is suggested to reflect the historical and political processes that affect the housing markets in eastern and southern European housing regimes.

Paper III investigates a puzzle regarding the relationship between the extent of home-ownership and unemployment. At the macro level, more home-owners indicate higher unemployment rates, while home-owners in general are less unemployed. What can explain this? In this paper, we show that regions with high home-ownership also tend to be regions with small labour markets, which affects the efficiency of matching on the labour market.

Paper IV turns to the process of residualisation, a process which can be described as when the public or social rental sectors become dominated by low-income households. For Sweden, this process is of key interest since the public housing sector aims to be universal and is not directed towards any specific income group. The results indicate a clear trend towards increasing residualisation. The trend is most pronounced in sparsely populated municipalities, while the public rental sector is quite mixed in larger cities and municipalities near larger cities.

This dissertation offers a contribution to the field of housing by showing that power resource theory may be used to understand institutional design in terms of tenure types, and that this design also affects individual outcomes. Moreover, power resource theory is presented as a viable theory to understand geographical variation in institutional design across and within countries.

Keywords: housing, tenure types, welfare state, power resource theory, housing deprivation, unemployment, residualisation, Europe, Sweden.
HOUSING, POVERTY AND THE WELFARE STATE
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Ida Borg
Till mamma
Acknowledgements

In the final phase of finishing this PhD dissertation, my mother died after a long period of illness. Contemplating about her course of life, something she often used to say to me echoes in my head; “If I had the chance to do it all again, I would go for more education, like you have done”. I feel so grateful I was able to carry out more education, much because of her support.

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Stockholm September 2018
List of papers

Paper I

Paper II

Paper III

Paper IV
Author contributions

Ida Borg is the sole author of Paper I

Paper II was written with Anne-Catherine Guio from the Luxembourg Institute of Socio-Economic Research (LISER). Anne-Catherine initiated the collaboration by suggesting an update and expansion of the analyses of Paper I. In Paper II, Borg conducted the statistical analyses including gathering macro level data. Borg and Guio analysed the results of regression analyses together and wrote the manuscript jointly.

Paper III was written jointly with Maria Brandén at the Department of Sociology, Stockholm University and the Institute for Analytical Sociology, Linköping University. Both authors were involved in the study design and devising the theoretical framework, and drafted the article together. Borg performed the literature review, Brandén conducted the statistical analyses. Borg wrote most of the text. Both authors were involved in revisions and approved the final version.

Ida Borg is the sole author of Paper IV
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Introduction

Housing is a topic that gathers researchers from different disciplines such as geography, political science, sociology, and economics – all with different points of departure. The multidisciplinary nature of housing research has advantages in that it brings a multitude of concepts and theoretical views together, but also disadvantages in that central concepts and theoretical views can be too diverse. The particular nature of housing research has led to intense theoretical debates about the topic (Bengtsson 2018, Bengtsson 2015, Clapham 2018, Ruonavaara 2018, Aalbers 2018, C. Allen 2018, Blessing 2018, Kohl 2018, Lawson 2018, Kemeny 1992).

In this dissertation, I understand housing as something more than the bricks and mortar that make up the buildings within which people live. As social scientists we are interested in the social, economic, and the political relationships that centre on housing. The study of housing can be defined as “the study of the social, political, economic, cultural and other institutions and relationships that constitute the provision and utilisation of dwellings” (Kemeny 1992:8).

The theoretical framework in this dissertation has its starting point in the principle that institutions matter, that they change, and that they ultimately affect the behaviour of individuals. Institutions are here perceived as the “outcomes of actors’ efforts to economise on power resources in situations of conflicting interests” (Korpi 2001:11). Thus, institutional structures are created by the underlying motives of political actors who are either actively pursuing particular goals or responding to structural economic or demographic pressures. This understanding of institutions draws from power resource theory developed by Walter Korpi (Korpi 1980, Korpi 1981, Korpi 1985, Esping-Andersen, Korpi 1987, Korpi 1989, Korpi, Palme 1998, Korpi 2000, Korpi 2001, Korpi, Palme 2003, Korpi 2006). Power resource theory is a critique of the rational choice type of institutionalism where institutions are seen as “outcomes of voluntary attempts to find mutually satisfying forms for cooperation and exchange among actors, who – at least implicitly – are assumed to be relatively similar in terms of power” (Korpi 2001:6). Thus, institutions are not neutral, but asymmetries of power resources need to be taken into account to be able to understand why institutions have developed in the way they have.
In this dissertation, I will argue that tenure types in general and the rental sector in particular are important institutions. The organisation of the housing market into different tenure types is therefore of key interest. Power resource theory, I argue, helps us understand how and why the housing market is organised the way it is, both as reflected in housing policies at the national level and as reflected in diversity at the local level.

Outline of the dissertation

In the next chapter, power resource theory is introduced in three parts; the causes, the institutions and the outcomes. These parts help us to understand the different aspects of the power resource theory. In the following chapter I describe the background of research on the place of housing within the welfare state and I also describe and discuss important concepts. Then follows a chapter where I discuss the use of power resource theory in housing and also discuss some competing theories to explain welfare state design and change. I end the theoretical framework of this dissertation with a separate summary. Following the summary, I present my aim, my research questions and the contribution of the research. Next follows a chapter on the Swedish context in more detail, as two of my empirical articles are focused on Sweden. A chapter which presents the methodology and data is then presented. I summarise my four empirical articles in a separate chapter. I continue with a discussion and finally, there is a summary written in Swedish. After this, my four empirical articles follow.
Power resource theory

This chapter presents the theoretical framework of the current dissertation and will be focused mostly on power resource theory. The outline of this chapter will follow the logic presented in Figure 1 below.

*Figure 1. Outline of theoretical framework, inspired by Nelson (2003:10).*

Figure 1 presents the three pillars needed to understand welfare state programmes (Nelson 2003). At the bottom of the figure we see the outcomes which welfare states were developed to combat. Causes of welfare state development are found at the top of the figure. These causes can be described as driving forces for change and development of welfare states. I have added ‘power resources among actors’ next to causes to clarify what I understand as the contribution of power resource theory in terms of driving forces for change and development of welfare states. Competing theories would suggest that
causes of welfare state development include, for instance, the logic of capitalism or industrialisation/post-industrialisation (Myles, Quadagno 2002). Continuing to describe Figure 1 above; in the middle we find the institutions which deliver welfare state services, benefits and goods. These institutions are thus formed by the causes and are in turn believed to have an impact on the outcomes. The empirical work of this dissertation will be focused on the red arrow going from Institutions – the structure of the housing market in terms of tenure types – to Outcomes, here focused on poverty. Figure 1 also shows that welfare state programmes operate in a complex reality, as indicated by the grey arrows pointing at Causes, Institutions and Outcomes. These arrows indicate that other factors apart from power resources may influence the distributive capacity of the welfare state. Such factors may include, for instance, globalisation, demographic change and deindustrialisation. Moreover, there is also a feedback mechanism between what people get in terms of outcomes and the causes or driving forces for change of the welfare state. The arrow going from the bottom next to ‘Outcomes’ to the top ‘Causes’, illustrates this mechanism. This means that people form interests and attitudes in relation to the context they are living in. Such interests and attitudes affect possibilities to change welfare state structures, e.g. towards more or less redistributive welfare state budgets. In the chapter that follows, I will describe the different aspects of power resource theory in relation to the pillars as presented in Figure 1.

Causes

Walter Korpi, a sociologist from Sweden, developed the power resource theory in the early 1980s, linking it to the emerging theoretical paradigm called new institutionalism. Institutions and their influence on agency have however always been one of the core interests in sociological thought (Weber, Merton, Parsons, Marx, and Durkheim). In simple words, new institutionalism emerged as a need to understand and explain institutions rather than just assuming their existence and importance.

In order to explain institutions, we need to be able to explain human action. The rational choice type of institutionalism, where institutions are seen as the result of voluntary agreements, assumes rational actors having a fixed set of preferences, and acting to maximise these preferences. Power resource theory recognizes that humans are purposive and reasoning actors but takes into account other factors as well, such as social norms, implying that actors are satisfying rather than maximizing their preferences when pursuing goals. Korpi (2001) calls this “an augmented rational actor approach to institutions”, which is a form of “bounded” rationality. Another example of this type of “thin rationality” (Elster 2016) is Somerville’s and Bengtsson’s (2002) suggestion for a contextualised rational action perspective. A “bounded” or “thin rationality” implies that individuals act according to some logic consistency; reasoning
actors tend to do as well as they can when calculating routes of action and alternatives, assuming that they might have limited information or limited possibilities to process information (Korpi 2001:7, Somerville, Bengtsson 2002:124, Elster 2016). Bengtsson (2015) and Somerville and Bengtsson (2002) note that this perspective makes it difficult to generate a general theory, as we can never say “if A then always B” when allowing actors to follow norms, rather than rationality. Thus, using an actor-related institutional approach such as the power resource perspective implies an interest in middle-range theorising, claiming “if A, then sometimes B” (Merton 1957).

In understanding the pathway from semi-rational actors pursuing goals becoming institutions, Korpi (1985:32) argues that we must first take into account the capacity of human beings for being rational, or to act strategically in pursuit of their goals. In other words, we must acknowledge that actors make choices that, according to their beliefs, are on the route to reach the intended goals. Those choices will be influenced by how actors perceive their environment and their interrelations. Thus, the route selected to reach goals will be dependent on other actor’s intentions and choices, and in turn, their beliefs about the environment and its interrelations. The capacities to act and make choices in this interdependence are, Korpi (1985:33) argues, “assumed to depend on and to reflect their relative power resources”. Power resources are defined as “the attributes (capacities or means) of actors (individuals or collectives), which enable them to reward or punish other actors” (Korpi 1985:33). In this line of reasoning, power is always understood as relational. Power resources can only be activated in relation to other actors, but power resources do not necessarily demand activation to have consequences.

Dimensions of power resources

Power resources are contextual, but some types are more common than others. In Western capitalist societies, Korpi (1985:34) outlines three basic power resources; violence, property and labour power. These power resources differ in several dimensions. Power resources can be described by their domain, scope, their cost of mobilisation, cost of application, scarcity, centrality, concentration, conversion possibilities, storage potential and liquidity. To gain an overview, I have gathered the different dimensions and their description in Table 1 below.
Table 1. Dimensions of power resources. Source: Korpi (1985:33) from text

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domain</td>
<td>The number of actors who are receptive to rewards or punishments via this resource</td>
</tr>
<tr>
<td>Scope</td>
<td>The range of activities of other actors that can be rewarded or punished via the resource</td>
</tr>
<tr>
<td>Cost of mobilisation</td>
<td>The relative ease with which a resource can be mobilised or made ready for use</td>
</tr>
<tr>
<td>Cost of application</td>
<td>The cost of the actual use of the power resource</td>
</tr>
<tr>
<td>Conversion possibilities</td>
<td>The relative amount of basic power resources (they in themselves provide the capacity to reward or punish other actors) determine the possibility to derive other power resources</td>
</tr>
<tr>
<td>Scarcity</td>
<td>The extent to which a power resource is available</td>
</tr>
<tr>
<td>Centrality</td>
<td>The extent to which the resource is necessary for the daily life of other actors</td>
</tr>
<tr>
<td>Concentration possibilities</td>
<td>The extent to which the resource can be concentrated to one or a few actors</td>
</tr>
<tr>
<td>Storage potential</td>
<td>The extent to which a resource can be preserved over time</td>
</tr>
<tr>
<td>Liquidity</td>
<td>The degree to which a resource is ready to use</td>
</tr>
</tbody>
</table>

For example, Korpi (1985:34) describes money as a “significant power resource with a large domain, high concentration potential as well as high convertibility, liquidity, scarcity and storage potential. It has been necessary to restrict its wide scope; e.g. through laws against bribery”.

Power resources, exchange and conflict

Importantly, the use of power resource theory allows us to go beyond the study of power as a manifest conflict. The focus on conflicts leads us to underestimate the role of power in social life. Power resources are not always activated or exercised, but nonetheless, they are operative. In order to understand how power operates beyond manifest conflicts in social life, Korpi (1985) adds the situation of exchange as a type of interaction where power resources also are present. This type of interaction used to be seen as the antithesis to power, thus as voluntary, balanced and symmetrical. However, Korpi (1985, 1974) shows that we as actors take both our own and others’ (dimensions of) power resources into account when pursuing our goals. Moreover, our aspirations adjust according to the knowledge about how our power resources stand up against the others’ power resources when making interdependent choices. We do not aspire for things we know are out of reach. Or, we do aspire for things that normally might be out of reach if we know that we have gathered enough
power resources. Korpi (1985) calls these factors expectancy of success and motivation for reaching the goal. These factors are likely to be affected by the perceived differences in power resources. Thus, perceptions of one’s own and other’s power resources are important. Weaker actors will probably adjust their expectations as they know that the costs of using their power resources tend to be higher. Their motivation to pursue their goal will also be lower if there is a conflict of interest that has been present over a longer time period. Thus, the weaker actor is very unlikely to use any (pressure or punishing) power resources at all. Manifest conflicts thus only show how power operates in our social life at the tip of an iceberg. We should also not forget that the stronger actor actively uses its power resources as a way to maintain what we perceive as a “status quo”. In situations where actors have a skewed distribution of resources, overt conflicts are unlikely to occur. In situations where the distribution of resources is more balanced however, the motivation of the weaker party is higher and overt conflicts are more likely to occur.

This understanding of exchange is thus turning many of the assumptions of actors active on so-called free markets upside down. In the economic model of perfect competition for instance, the assumption is that all actors are price takers, i.e. “each actor is so small in relation to the market that it cannot affect market prices” (Korpi 1985:36). In this view, that has influenced the belief that capitalist democracies are based on a balance of powers, power resources are neglected. From a power resource perspective, exchanges on markets are voluntary, equal and equitable only in special cases – when the actors have similar levels of power resources. From a power resource perspective, we learn that actors perceive exchange as a process over time, involving bargaining (adjusting aspirations according to resources). It is from this understanding that Korpi (1985, 1980, 1974) developed the power resource theory to understand how the conflicting interests between businesses and labour power have influenced the way social protection, social insurance and redistribution (welfare state services) are organised in Western European democracies.

Institutions

The formation of institutions – institutionalisation of power

Korpi (1985) argues that managers of power resources want to decrease costs and avoid the use of power resources as much as possible. This is so because using and mobilising power resources is associated with high (opportunity) costs. Having repeated controversies and thus repeated use of power resources entails high application costs and affects liquidity. Therefore, managers of power resources have incentives to find ways for generalised and routine handling of situations when there is a conflict of interest. They do so by sacrificing resources ‘today’ through conversions of power resources with the intention
to increase benefits in the future, also called “investment processes” (Korpi 1985:38). Investment processes can take different forms; one can develop new mobilisation channels, create institutions for decision-making and conflict regulation, convert costly power resources to less costly types, and foster anticipated reactions.

Thus, power resources are used to create institutional structures. The distribution of power resources will determine important aspects of the institutions that are created: the context, the conditions, the methods, the principles, and structures for decision-making. The institutions that are created thus reflect the distribution of power resources of the different actors. Institutions are formed “as the residues of previous activations of power resources, often in the context of manifest conflicts which for the time being have been settled through various types of compromises. By developing institutions, bureaucracies, structures and rules for the making of decisions and for the distribution of rewards and punishments, the need to continuously activate power resources can be limited” (Korpi 1985:38).

Power resource theory in research

Power resource theory has gathered a vast body of literature, mostly concerning comparing welfare states and their schemes of social protection. Scholars using power resource theory are preoccupied with either the formation or the causes/determinants of different programmes in the welfare state, such as income protection (Ferrarini, Nelson et al. 2013, Korpi, Palme 1998, Nelson 2003, Nelson 2004, Nelson 2007), pensions (Palme 1990) or family policy (Ferrarini 2006). Or, scholars are preoccupied with the link between institutions and outcomes, often related to poverty and social exclusion (Nelson 2012, Nelson 2003, Korpi 2000, Korpi, Palme 1998, Bäckman, Ferrarini 2010, Ferrarini, Sjöberg 2010). This dissertation follows the pattern of the latter, that is, I am mostly concerned with the link between institutions and its outcomes in terms of poverty.

Basically, scholars using power resource theory have mostly focused on the distributive conflict of interests on the labour market between wage earners and capitalists, as well as the conflict among different types of wage earners according to their human capital (Shalev, Korpi 1980, Korpi 2006). In this setting, power resource theory stresses the importance of collective organisation of wage earners and their role of creating and shaping welfare state institutions to better protect their interests. A conclusion from comparative welfare research using power resource theory has been that countries with stronger organisation in (left-wing) political parties and trade unions are associated with having more redistributive and generous welfare state programmes and

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1 Anticipated reactions is a rule or a law that acknowledges that although power is not always exercised in a manifest way, power is always present.

Outcomes

The last section in this chapter concerns the well-being of individuals, or the lack of it. This section concerns how well welfare states actually combat poverty and social exclusion, one of the key aims of the welfare state.

A part of power resource theory is the linkage between institutions and formations of identities and interests among citizens (Korpi 2000, Korpi, Palme 2003, Korpi 1985). According to power resource theory, institutions generate different patterns of political coalition formation among citizens which will affect outcomes where resources are redistributed. Thus, institutional structures today can reflect future policy reforms indirectly. In the field of housing, the tenure structure today is believed to affect possible reforms in the future through interest group formation and the ways in which citizens are likely to coordinate to achieve political action.

Korpi and Palme (1998) gave the design of the social security systems as an example of how the design of these institutions might matter for the formation of coalitions. First, the starting point is that market economies are socially stratified, meaning that risks and resources in a wide sense are distributed according to socio-economic positions. The design of social insurance systems may either stress differences in risks and resources by targeting welfare to groups which tend to be homogenous, or social insurance systems may downplay such differences by mixing people with different risks and resources in the same system. By this design, welfare institutions may lay foundations for more or less coalition among the poor and the better off citizens. This degree of coalition between the poor and the middle classes has repercussions for interest formation; it determines whether the different classes may form one and the same interest group or have diverging interests. In simple words, this might translate into the logic that if a majority of households are eligible for welfare state services (universal strategy), this majority will demand that these services are of good quality. This contrasts with means-tested services (selective strategy), where the better off households have to pay for the services for the poor without getting anything in return. The latter design might create incentives to keep these services at the lowest quality, as better off households have to cope with paying for market solutions for welfare services and at the same time, devote a part of their income to the poorest.
Poverty

While many agree that combating poverty is an important task for welfare states, scholars disagree on how to conceptualise poverty and on what welfare states should actually provide in order for individuals to live decent lives. In most regards, poverty involves a lack of some resource which may have consequences for the individual’s ability to participate in everyday social life. This conceptualisation of poverty was spelled out by Townsend in 1979 (Townsend 1979). There are also other concepts related to poverty, such as social exclusion and material and social deprivation, which have implications for how we might re-conceptualise and measure poverty.

Even if there are different concepts of poverty, most of them match in that they involve a relative aspect to poverty, that is, what is considered as poverty changes depending on place and over time. A person considered poor in Sweden today lives under very different circumstances from one who was poor a century ago. A common denominator, which includes the relative dimension and the social dimension of poverty, is that a person who is poor is someone who, due to lack of economic resources, is unable to participate in ordinary life in society (Sen 1983). Thus, poverty is in this way defined as the inability to make ends meet according to prevailing standards. Sometimes, it is argued that poverty should rather be conceptualised in absolute terms. Absolute poverty often focuses on basic needs in relation to the human body and subsistence, what people need to survive (Atkinson, Bourguignon 2001). Relative poverty on the other hand, always takes into account the actual living standards of the society in question (Townsend 1979). Today, the relative aspect of poverty is undisputable among policymakers and those in scholarly society.

An example often brought forward is that even Adam Smith recognised what later was named ‘the relative deprivation theory’, meaning that people evaluate their position against the wider social structure. Thus, Smith (1981:870) defines necessaries as “not only the commodities which are indispensably necessary for the support of life, but whatever the custom of the country renders it indecent for creditable people, even of the lowest order, to be without”.

But, what is it that creditable and lowest order people shouldn’t be without? A common strategy in most poverty research is to conceptualise poverty by lack of cash income. However, many have raised the issue that enough income might not secure an individual’s living standards. It is now widely recognised that income and the capability to participate in the society differs among different households, depending on a household’s needs (Whelan, Layte et al. 2004, Fusco, Guio et al. 2011). This insight has led to the acknowledgement that other resources than monetary resources are important to take into account when conceptualising poverty. Thus, living standards are often measured directly (Erikson, Åberg 1987). Inability to match prevailing consumption standards in the society in question means that the household is materially deprived. The discussion on what should be included in decent living condi-
tions is ongoing (See for example Guio, Gordon et al. 2018 on child deprivation). Other important resources for individual well-being include education, employment, sound social relations and psychological well-being. In this regard, poverty is often conceptualised as social exclusion.
Housing in the welfare state – a research background

What is the relationship between housing and the welfare state? Or, differently stated, what is the role of housing in the welfare state? It is in the literature addressing these questions that I have found the inspiration for my research. The titles in this literature can be very revealing of the debate.

For instance, Bo Bengtsson’s (1995) dissertation can be translated into “Housing - the market commodity of the welfare state”. Another book edited by Turner, Kemeny and Lundqvist (1987) is named “Between State and Market : Housing in the Post- Industrial Era”, and Torgersen’s (1987) often cited “Housing: the Wobbly Pillar under the Welfare State” should not be forgotten. Thus, the discussion of the place of housing within the welfare state is not new. We could even start with Engels’ (1872) “The Housing Question”, which tries to address the serious housing crisis facing workers in the industrialising cities of Western Europe. Engels’ suggested solution was, not surprisingly, to abolish the capitalist mode of production as he believed that the housing crisis is caused by the exploitation of workers by capitalists. This leads us to the very core of the debate about the place of housing within the wider welfare state system.

In capitalist democracies, housing is recognised as a very important good in people’s life, but also, at the same time, a market good, distributed via market principles (Bengtsson 2001). What is under debate is how to conceptualise state intervention in the housing market (see for example: Fahey, Norris 2011) or how to understand the status of housing within the welfare state. From time to time, housing is incorporated as one of the five key public services that are the focus of social policy in academic debates; health, social security, education and personal social services. In contrast to these services, housing is to a large extent dependent on a market sector, as the market functions as the main source of supply and distribution of housing, and this is the reason for the particular place of housing within the wider welfare state. In this regard, Bo Bengtsson’s (2001) “Housing as a social right: Implications for Welfare state Theory” is very helpful, as is a more recent article furthering the discussion on housing as a social right and what this means for welfare states (Fitzpatrick, Bengtsson et al. 2014).

Thus, the basis for placing housing within the wider welfare state stems from the insight that housing is a social right, but that there are various ways to fulfil this right. Critics of state intervention often point out that this is a
rather empty phrase, with no consequences in policy. Bengtsson (2001) shows the opposite, acknowledging that housing as a social right is a “political market of concern”, indicating that housing is an arena demanding state intervention. However, how this intervention and how housing as a social right is translated into provision of housing is bound to be dependent on (national) context. Bengtsson (2001:257) points out that housing should be defined “as an individual market commodity and as a public good demanding state intervention”, at the same time. There is no either/or situation. Housing policies can thus be understood as “the state providing correctives to the housing market” (2001:257) because, according to Bengtsson and many others, the market serves as the main distributor of housing through voluntary contracts, and state intervention determines the institutional settings for those contracts.

Clearly, state intervention in the housing market is debated and controversial. According to the policy theory based on market correctives as spelled out by Bengtsson (2001), state intervention in the housing market is justified from two positions; 1) the commodity is of special importance in people’s lives, and 2) the commodity cannot be provided to all citizens at acceptable standards and prices in an unregulated market (Bengtsson 2001:258). Three particularities of housing have been noted which could cause market imperfections; a housing unit is not one-dimensional, it is a complex good with many different characteristics. A unit of housing is not easily exchangeable as housing is heterogeneous. And lastly, a housing unit has a location, and is thus spatially fixed (see also a discussion in King (1998) on the morality of state intervention in housing markets). These particularities may influence how the different actors can meet and exchange contracts in a free market. Bengtsson (2001) mentions that tenants’ transaction costs and attachment costs provide landlords with more market power. Thus, the inequalities that might rise from this also justify state intervention in the housing market. In practice, however, even when state intervention is great, some types of housing are still provided by the market. To my knowledge there is no country that has completely withdrawn the housing sector from the market completely and allocates housing directly through the state.

Combining state intervention with a provision of housing through market contracts is, in Bengtsson’s words (2001:259), to make “market transactions fulfil both housing demand and housing needs”. That is, as clarified by Bengtsson (2001:259):

Thus, the political concept of housing needs, like housing demand, is based on preferences and willingness to pay, but, unlike housing demand, not by definition the preferences and willingness to pay revealed in the existing market. One might say that the aim of the state correctives is to make the outcome of transactions in the existing, imperfect housing market more like to what it would be in an imaginary perfect market.
This leads Bengtsson (2001) to propose two alternative types of state intervention in the housing market; one is to create a specific housing market for those who are unable to attain housing in the general housing market, and the second is to intervene in the functioning of the general market to adjust it to the demands, preferences and willingness to pay of all households. These two alternatives are not new within the welfare state; rather, they build upon the distinction of welfare states as either selective or universal that was made in the early 19th century (Titmuss 1974, Korpi 1980, Sainsbury 1991). Importantly, these concepts should not be exchangeable with “more” or “less” state intervention; rather, selective strategies require much state intervention, but organised in a different way than in countries pursuing universal strategies.

The idea behind the selective model is that state intervention in market principles should be minimal, as the most efficient distribution of resources should be organised by market competition, rather than state intervention. In terms of housing policy, this means that the housing market is divided into two sectors: the general market, without state intervention, which is supposed to fulfil the housing needs of a majority of the households, and the other sector, designed for households who are unable to attain housing in the general market and thus need state support. The latter type of housing is needs-tested, meaning that the households need to prove that they do not have any assets which could provide them with housing in the general housing market (Bengtsson 2001, Kemeny 1995). In most countries, these types of housing, provided by the state, are categorised as ‘social housing’. An emerging concept related to ‘social housing’ is ‘affordable housing’, which however has not yet been connected to a specific tenure type, as in the case of social housing (renting).

Universal strategies on the other hand, reject the proposition that markets are most successful in distributing resources, with a just and fair quality, to all households. In the housing market, the universal strategy is reflected in the fact that there is no specific sector for households unable to attain housing in the general market. Instead, the general market is regulated to meet the demands and needs of a majority of the households. The aim is to support individuals as market actors, to give households market power. This is generally achieved through tenure legislation (rental and tenant-owned housing), supplemented by subsidies (tenure neutral housing allowances) which support certain households’ financial ability to consume housing in the general market (Bengtsson 2001).

In previous research on social policy in general, there have been extensive debates about which of these strategies are more successful in reducing poverty and social exclusion (Marx, Salanauskaite et al. 2012, Korpi, Palme 1998, Brady, Bostic 2015, Kenworthy 1999). Advances have also been made in the conceptualisation of universal and selective strategies (Marx et al. 2012). Previous research tends to agree that universal strategies are, or have been, more successful in reducing poverty and social exclusion.
However, what is lacking from Bengtsson’s (2001) policy theory on market correctives is the understanding of how the different strategies of universal and selective welfare state were chosen, how they came about, and why they change. Again, referring to the welfare state in general, scholars diverge on how to view the causes, changes and design of the welfare state. Since these disparate views can influence how the housing market is understood, I will briefly mention them here before discussing the structure of the housing market.

There are three main approaches: one which suggests that welfare states evolved as an answer to the logic of industrialisation, another that sees welfare states as an answer to the logic of capitalism, and yet another that seeks to explain welfare states’ emergence, design and changes based on the ideological character of the social structure of the society (Myles, Quadagno 2002). These general approaches apply both to the welfare state in general, but are also recognised as important for the study of housing within the welfare state. Thus, some researchers (for example Donnison, Ungerson 1982) see industrialisation and economic development as key factors affecting how housing systems or regimes change. Harloe (1995) is a good example of a proponent explaining diverging housing systems as a result of the logic of capitalism. Kemeny (1995) is one of those scholars who seeks answers in the ideological character of the society, with the role of hegemony and dominant political ideology explaining why western European countries have different types of housing provision models. Another explanation for diverging or converging housing systems is found in the role of historical pathways, a perspective adopted by Bengtsson and Ruonavaara (2010) for instance. In this perspective, it is claimed that events occurring at a certain point in time shape the outcomes of future events. The focus of analysis is the inertia of institutions that affects later pathways. Thus, scholars advocating this perspective stress the importance of path dependency (Bengtsson 2012). Power resource theory, as presented in the first chapter, is proposed as an alternative theory to explain the differences in design and output of welfare states across nation states, but also to make sense of the causes behind their formation and change. I will further discuss power resource theory in the field of housing in the next chapter.

Tenure types

One way to analyse state interventions in housing markets is to study the role of different tenure types. This approach is useful because there is variation in how welfare states have translated selective or universal strategies into different tenure types. But tenure types have been proven to be analytically confusing, as the same tenure type may be associated with different bundles of rights and restrictions in different countries. Ruonavaara (1993:12) helps us to un-
derstand what housing tenures actually are about, “they [...] are basically institutional forms by which possession of housing is accommodated with ownership of housing”.

Today, there are two ways to possess housing; owning or leasing. Ownership of housing can be distinguished from the possession of housing. Either, the individual has ownership rights over her dwelling, including the right of possession and right of disposal, or the individual acquires the right to possession by renting the dwelling from the owner. In modern societies, these types of possession translate into two types of housing tenures: owner-occupation and renting, where the right of disposal is the main difference. Owner-occupiers always have the right of disposal, while renters never have this right.

What may be confusing in different countries are the different forms of tenures. While tenure types reflect ideal types of housing tenures, forms of tenure may comprise historically and geographically specific arrangements of tenure types. A good example of the latter is tenant-ownership (bo-stadsträtt) in Sweden, which is neither owner-occupation, nor rental. In a historical perspective, tenant-owned apartments were not transferred at market prices; rather, prices were set on the basis of the property’s taxation value. However, from the early 1970s and onwards tenant-ownership has become a property based on market principles. Thus, today tenant-ownership constitutes a sub-type of owner-occupation (Christophers 2013, Ruonavaara 2005, Ruonavaara 1993).

Are there sub-types of renting too? As I touched upon in the section above, the different strategies of state intervention often have the most dramatic effect on how the rental sector is organised—we should keep in mind that this is also true for home-ownership, which can be more or less subsidised, i.e. more or less dependent upon state intervention. As discussed above, the narrow definition of tenure types as modes of possession, only distinguishes between two types; to own and to rent. From this perspective, aspects such as forms of distribution, rules for access and price setting are not relevant. However, in order to understand systems of housing provision, such regulations are most relevant. For instance, rental housing can consist of different sub-sectors; public/social rental housing or private rental housing. Here Ruonavaara (1993) lists three typical differences between private and publicly provided rental housing. First, according to Ruonavaara (1993) distribution and access differ between private and public rental housing. Private rental housing is distributed via the market, while public rental housing is distributed through administrative decisions by local authorities. Access to private rental housing is thus arranged according to the household’s financial willingness to pay the asked rent and by luck, while access to public rental housing is allocated through means-testing or waiting lists. Second, the price setting tools differ. Private rental housing is typically decided by supply and demand, while the rent in the public sector is usually lower than the market price. And third, the relationship between the landlord and the tenant is different within the private and the public rental sectors with regard to security of tenure and length of rental contract. Here, the question of tenure is relevant again, as it to some extent has
to do with possession, and the use and control of tenure. Tenants within the public rental sector usually enjoy a high degree of security of tenure, as the tenant will have the right to use the dwelling for an indeterminate time, while contracts in the private rental sector are usually made for a shorter time period. Ruonavaara (1993:16) argues that time is an important factor in the concept of security of tenure:

Whether the rent contract is permanent or impermanent makes a crucial difference between types of renting as, in the former case, the entitlement to use the dwelling becomes, in a way, the consumer’s social right.

Recent work illustrates the complexity of security of tenancy. Kemeny (1995:27) reminds us that rental markets are structured, “[…] the result of cumulative legislation and policy over many decades”. Hulse and Milligan (2014:640) argue that “[…] security of tenure is best described as a politico-legal concept, which is historically and culturally contingent and which can be regarded as a continuum rather than a dichotomy.” Moreover, security of tenure is decided at different levels and will be influenced by legislation and regulation in other domains than housing, but also influenced by government policies, the market and the general economic development and all the way down to the individual level and the individual’s beliefs and sense of control, cultural norms and everyday practices of key actors. Moreover, security of tenure is open to change. Fitzpatrick and Pawson (2014) noticed the recent trend in New Zealand, UK and Australia to withdraw guaranteed security of tenure through introducing fixed-term tenancies in the social housing sector.

In my view, the ideal typical differences sketched out by Ruonavaara (1993) are only valid in welfare states which have taken a selective strategy of housing provision. In welfare states with universal strategies, the general market is under legislation, including the private rental sector, to meet the demands of the majority of households. This means that the private rental sector can be regulated to match the distribution and access, price levels and landlord-tenant relationship that are set within the public rental sector.

### Housing market structures in welfare states

The relationship between housing systems (or housing market structures) and welfare state types (or welfare state regimes) is not clear-cut. The former categorization does not necessarily align neatly with the latter. Welfare states have developed housing systems reflecting the different strategies and organising principles of housing provision (Barlow, Duncan 1994, Bengtsson 2001).

Here, the idea of welfare regimes should be mentioned, since these have influenced how we conceptualise welfare states and their distributional outcomes (Esping-Andersen 1990). Housing was not an aspect that was included
in the construction of such regimes typologies, but there are examples where similar housing regime types have been developed (Hoekstra 2010, Hoekstra 2003, J. Allen 2006). In fact, as Hoekstra (2010) reminds us, the very use of welfare regimes points to the great divide between housing scholars, with some seeing housing merely as a commodity on a market, while others see housing as one of the core functions of the welfare state (Compare Harloe 1995, to Kemeny 2001, and Kemeny, Kersloot et al. 2005). Nevertheless, an important and influential construction of housing regimes or housing systems refers to the two rental systems as presented by Kemeny, initially in 1995. Kemeny developed a theory of how two different rental systems have evolved as a result of the corporatist structures of the welfare states (1995:65). These two systems are, an integrated rental market – in line with the universal welfare state strategy spelled out above –, and, a dual rental market – in line with a selective welfare state strategy. However, Kemeny (1995:38) also implied that the organisation of the rental sector will have consequences for the extent and the composition of the households within the home-owning sector. Thus, the rental system provides a theory of the tenure structure of the housing market as a whole and is not limited to explaining only the rental sector. Voigtländer (2009) agrees with this important role of the structure of the rental market when explaining why the German home-ownership rates are comparably low. In paper III, I explicitly study the extent of home-ownership, and thus, take the organisation of the rental sector into account implicitly.

The aim of the integrated rental market is to make the gap between publicly provided housing and private provided housing as small as possible, creating one general (rental) housing market which meets the demands of all households. We could describe this system in terms of the concepts of distribution, access, price setting and landlord/tenant relationship, as understood by Ruonavaara (1993). Different countries have their own rules of distribution and access, but generally speaking, the private rental housing stock is regulated so that distribution and access to private rental housing matches the means of distribution and access of those in the public rental housing. Local authorities may set up the distribution and access to rental housing. Rental housing is accessed through waiting lists provided by the local authority. Furthermore, in integrated rental systems, the price setting in both the private and the public rental sectors is below market rents. And finally, in integrated rental systems, the tenant/landlord relationship is characterised as being long-term, as security of tenure is extensive, both in the private and in the public rental sector. In order to achieve an integrated rental system, the public rental sector receives subsidies, while the private rental sector is regulated. Kemeny (1995) identified Sweden, the Netherlands, Germany, Switzerland, Austria and Denmark as countries with tendencies to integrated rental systems.

Countries with a dual rental market tend to have two separate rental sectors where housing in the private rental market is distributed via market mechanisms and prices are set according to supply and demand. In contrast, the publicly owned rental housing, local or state authority, is distributed via the local
authority and access is provided after means-testing. The prices in this sector are heavily reduced and sometimes dwellings are free. A majority of the households are found in the home-owning sector, while those unable to attain such housing are directed to state – or local authority provided (social) rental housing. Kemeny (1995) identified UK, Ireland, USA, Canada, Australia, New Zealand, Finland and Iceland as examples of countries with a dual rental system. In (2001) Kemeny also added most Mediterranean countries as belonging to this system. In Paper I, I study variations in rental systems and provide an example of how rental systems can be measured. In Paper II, I also incorporate variations in the organisation of home-ownership across Europe.

There is an ongoing discussion on the validity of these rental system types today (Lennartz 2011, Blessing 2015, M. Stephens 2017). Kemeny’s typology is one of the most used and well-known typologies in housing research and has inspired much empirical research as well as academic debate (Lennartz 2011, Blessing 2015, M. Stephens 2017). Although debatable and perhaps in need of an update, these types of rental system classifications point to key differences in how welfare states have organised their housing provision systems. In this regard, they have enhanced our understanding and opened pathways for future research and academic debate.
Power resource theory in housing research

The power resource perspective is scarcely used in the field of housing research. One reason why the traits of such theories, based on labour markets, have been hard to support in the area of housing is “the institutional peculiarity of housing as a welfare state component” (Torgersen 1987). In the housing sector, political and market actors interact in a different way than in the traditional welfare state sector. Three institutional peculiarities of housing should be considered (Bengtsson, Ruonavaara 2010).

First, housing is different from other welfare goods. Housing is a durable good in the sense that the dwelling stock that was built some hundreds of years ago, has to be taken into consideration in today’s housing policy decisions. Housing is spatially fixed in terms of location and cannot easily be replaced by another unit as houses are also homes for which the residents develop place attachment (Fischer, Malmberg 2001).

A second peculiarity is the role of the state in housing provision. Bengtsson (2001) developed a policy theory on housing provision stating that housing is both an individual market commodity and a public good demanding state intervention. Voluntary market contracts between sellers and buyers or landlords and tenants serve as the main mechanism for distributing housing, while state intervention in housing markets typically has the form of correctives, which define the economic and institutional setting of those market contracts (Bengtsson 2001, Bengtsson 2009, Bengtsson, Rothstein 1997). Bengtsson and Ruonavaara (2010) argue that political change is unlikely to occur as political parties will not be tempted to go through with major changes in the housing system without a stable majority in the parliament.

And third, “the fact that housing is distributed in the market may serve as a constraint to political change.” (Bengtsson & Ruonavaara, 2010:194). Bengtsson and Ruonavaara (2010) exemplify such constraints by the difficulties of launching a new tenure type. Several actors in the housing market need to agree: politicians need to support the idea, the voters need to support the idea, the new commodity has to speak to the firms constructing new housing and finally, the individual households have to be ready to consume the good.

These institutional peculiarities may have implications for whether policy change can occur in the way outlined by the power resource perspective. Relative institutional inertia in housing policies, as compared with other welfare state policies, does not necessarily reflect a lack of political, social and eco-
nomic conflicts in this area. In fact, Kemeny (2006:12) notes that “each country’s constellation of tenure types mirrors the interests that are – or, at a crucial state of the rental market formation, have been – represented or advocated by various coalition members or by a broad collection of interested parties”. I would like to add to Kemeny’s analysis that the coalition members or interested parties continuously are or were using power resources to form such constellations of tenure types. In this sense, applying power resource theory to the housing market may prove to be a fruitful strategy for explaining the causes of different tenure type constellations and changes thereof.

Tenure types and the rental sector as an institution

If we accept that state intervention in housing markets differs from state intervention in other welfare state sectors, we may draw the conclusion that housing tenures are the most important (political) institutions to study in order to understand power relations between actors. Bengtsson (2015:681) also develops on why tenures are the most important institution to study in the following quote:

> Forms of tenure define the formal position of residents in their capacities as owners, co-owners and users of their dwellings, and thus set up the rules of the games and constitute the power relations between actors, both in the housing market and in housing politics. Tenure policy (and politics) at the political macro level defines the games of housing politics on lower levels—and, through institutionalisation, on the macro level as well. Decision-making on tenure forms and other types of market regulations define the bargaining room for seller and buyer, landlord and tenant, together with economic support for different types of housing in terms of subsidisation, financial security or tax relief.

Ruonavaara (2005:214) comes to the same conclusion, claiming that [...] “Housing tenures are institutions, sets of practices and rules that regulate a particular field of human action and interaction”.

Given the above-mentioned “institutional peculiarity of housing as a welfare state component” (Torgersen 1987), it seems necessary to determine the state’s role in the housing market, in order to accurately understand the distribution of tenure types. As has been mentioned, housing differs from other welfare state services as it is provided through markets, although also defined as a public good demanding state intervention. Housing policy can thus be perceived as a means by which the state provides correctives to the housing market, as spelled out in the policy theory based on market correctives outlined by Bengtsson (2001:257). “This means that market contracts serve as the main mechanism for distributing housing, and state intervention takes the form of correctives defining the economic and institutional setting of those market contracts” (Bengtsson, 2001:257). In Europe, state intervention in
housing markets is a relatively recent phenomenon. It was not until the post-war period that states in western countries started to take broader responsibility for the financing, supply and production of housing (Esping-Andersen, Korpi 1987). Based on the policy theory of market correctives, Bengtsson (2001) outlines two possible modes of state intervention along the well-known lines of selective and universal welfare logic (Titmuss 1974). These types of welfare state logics also inspired the two ideal types of rental systems as developed by Kemeny (1995).

Selective and universal state intervention

Selective state intervention keeps the market as the main mechanism of housing provision for the larger part of the housing stock. The open market is generally free from state intervention, except for the prevalent regulations concerning property rights and freedom of exchange. With a selective welfare policy, the protected sector, where you rent your dwelling, is the sector where state intervention is most present. However, we should also acknowledge that there is a considerable amount of state intervention keeping financial sectors sound. Private home-ownership relies on such sound financial sectors. Whereas, the protected sector is often a well-defined housing stock to which households unable to meet the demands of the open housing market are referred (Bengtsson 2001).

The universal logic on the other hand, aims at creating support for the individual household in its position as a market actor. This is generally done through state intervention in tenure legislation, which sets up the rules of the game between the actors on the market so that the individual household gains more market power. It is believed that individual households have a weak position in a housing market without state intervention, and tenure legislation is thus implemented to equalise positions. Moreover, different kinds of subsidies to lower equilibrium prices, or to support certain households’ possibilities to demand housing, complement the tenure legislation in order to achieve correctives to the market so that actors can meet at more equal terms (Bengtsson 2001).

The normative logic behind the selective system is that the better off pay to the state, and the not-so-well-off receive benefits from the state. For this system to be legitimate, it is necessary that the state support goes to those who truly need it. Therefore, state support is means-tested. The universal logic stresses on the other hand that there should be no means-testing; rather, the system is based upon the principle of solidarity and risks and resources are pooled. See also the discussion in the section “Welfare, housing and poverty”. Power resource theory has labelled this strategy of pooling risks and resources across social classes “the middle-class inclusion thesis”; all citizens are involved both as givers and receivers in the welfare state system (Esping-Andersen, Korpi 1987, Esping-Andersen 1990, Rothstein 1998, Bengtsson 2001,
Titmuss 1974, Korpi, Palme 1998). Power resource theory explains the relative extent of the selective or universal logic within the welfare state and furthermore, power resource theory helps explain why countries in Europe vary in the degree of their state intervention in housing markets.

Dual and integrated rental systems

Kemeny’s (1995) theory on two types of rental systems could be compared to the selective or universal strategies of state intervention. The two systems are called dual and integrated (or unitary) rental systems. I have briefly described the features of these systems in the research background, but I will here repeat and describe these features again. Below, I will also discuss in more detail how Kemeny (1995) theorises on why these systems have emerged, as this is where Kemeny and I diverge. Nevertheless, I believe Kemeny (1995) identified important differences in the two types of rental systems and also, in fact, provided a theory on how different households will be distributed across tenure types, depending on how the rental sector functions.

A dualist system relies on a profit-driven housing market to provide for a majority of the households. This automatically results in a state-driven sector as a safety net, as there will be households that cannot attain housing in the general housing market. This state-driven sector is kept separate and limited, or residualised, through actions which dampen the demand or reduce supply (Kemeny 1995:51). Thus, Kemeny (1995:53) argues that the dualist system explicitly suppresses the possibilities of developing a cost-renting sector, that is, a system where rents are set according to costs and not supply and demand. Instead, the dualist system “pushes” people into home-ownership. “Dualist rental systems primarily prevent the emergence of a rental market that might tempt large number of households to continue renting rather than buy into owner-occupation” (Kemeny 1995:53). In the dual system, there is thus a state-driven housing sector, “run as a command economy” (Kemeny 1995:59), while the owner-occupied sector and the private rental sector are for-profit housing.

A unitary model, on the other hand, allows the cost-renting sector to mature and compete with the profit-driven housing market. The private rental sector and the state or local authority driven rental housing sector create an integrated or unitary rental market. The maturation of cost-rental housing allows this sector to grow in size and thus influence and lead the market (See also: Kemeny et al. 2005). In doing this, the cost-rental sector puts pressure on rent levels (moderating them) as well as on the quality of the rental housing stock (improving it). Thus, the rental sector “provides a realistic rental alternative to owner-occupation by making it attractive for a significant proportion of the households to remain in the rental market” (Kemeny 1995:57).

Stephens (2017:6) notes that Kemeny (1995) suggests that there are “knock-on effects of the different kinds of rental systems on home-ownership”
which to my mind implies a theory which goes beyond just explaining rental sectors. That is, Kemeny (1995) provides a theory which seeks to explain the tenure structure of the entire housing system. I would like to add that Kemeny’s theory on rental systems may also provide insights into the segmentation of households within the different tenure types in the two rental systems. I will here provide examples of such effects within the two systems.

In the dual systems, Kemeny (1995) argues that state-led housing is coupled with a “poorhouse” attitude […] that it is for the most marginalised households only, that they should be grateful for whatever housing they are offered, and that it should not be too attractive” (Kemeny 1995:52). In the wider tenure structure, this sector will thus be a small part. Moreover, as households are directed towards home-ownership instead of renting, there will be political pressure to bring even more marginal households into owner-occupation through more generous subsidies (Kemeny 1995:54). Thus, a large proportion of the low-income households will be found in the home-owning sector, as this is the only tenure type which provides security of tenure and is (was) affordable. Thus, the home-owning sector will be large. Lastly, the private rental market will be affected by the prevalence of low-income households in the owner-occupied sector as most private rental houses will come from “owner occupier (or petty) landlordism” (Kemeny 1995:55). Thus, a private rental market is dominated by low-income households renting out their homes for shorter time periods, or renting out rooms to finance mortgage payments. Consequently, this sector has low incentives to provide security of tenure and a certain part of the population will be able to afford market rents for a shorter period of time. This sector will not be developed to any great extent, according to Kemeny (1995).

In the unitary rental sector, the public rental sector and the private rental sector will be made up of households from “all socio-economic groups that have actively chosen to rent” (Kemeny 1995:57). The rental sector will also constitute a large part of the housing market, depending on maturation and the influence of the cost-rental (public) sector. Kemeny (1995) does not provide any thoughts on the composition of households within the home-owning sector in countries with a unitary or integrated rental sector, but he contends that the home-owning sector is generally smaller (Kemeny 1995:59).

It should be noted that following Kemeny (1995) there has been extensive debate about the validity of these systems (M. Stephens 2017, Blessing 2015, Lennartz 2011). Great Britain is a good example of a country which has implemented great changes to the system which as categorised as dual in Kemeny’s (1995) work. First, the theorisation of state-led ‘social housing’ and its possible residualisation have generated extensive empirical work and academic debate (Forrest, Murie 1983, Pearce, Vine 2014) (See Paper IV in this dissertation). Evidence suggests that this sector is shrinking and becoming dominated by low-income households. Second, the private rental sector in Britain has grown considerably over the last few years (Kemp 2015, Hulse, Yates 2017, Soaita, Searle et al. 2017). In fact, the private rental sector has
doubled since the 2000s, and in 2014 accounted for about 20% of all dwellings (Soaia et al. 2017). The home-owning sector has at the same time declined, but, while Kemeny (1995) pictured home-ownership as “affordable” (covering costs), he did not foresee the massive growth in house prices. Consequently, households saw the potential of homes as assets and property ownership as means of asset building (Soaia et al. 2017, S. J. Smith 2015, S. J. Smith 2008). In the chapter “The Swedish context” of this dissertation, I sketch out some of the profound changes to a system which was characterised as having an integrated or unitary rental market. Lennartz (2011) and Blessing (2015) provide two recent examples of a critique of Kemeny’s systems, both discuss privatisation and neo-liberalisation and the consequences these have had for integrated respectively dual rental systems. Lennartz (2011) discusses the varying effects of privatisation of social housing in different countries with integrated rental systems; the Netherlands, Germany and Sweden. Lennartz’ (2011) main claim is that Kemeny (1995, 2006) underestimates the variation among integrated rental systems by neglecting the role of wider power constellations. Thus, the reality is too complex to fit in a simple two-fold rental typology. However, Lennartz (2011) does not suggest a new typology based on Esping-Andersen’s welfare regimes, nor does he develop his own typology. Blessing (2016) on the other hand, turned to the recent developments in countries with a dual rental system; the US, Australia and the UK after 2010. In all of these countries, the state is now subsidising private providers in different ways to provide affordable homes. Thus, the clear division between the public and the private rental sectors that Kemeny (1995, 2006) pictured as typical of the dualist system has broken down within liberal welfare states. This, however, has not led to a shift towards a unitary model in these countries, according to Blessing (2016). Blessing (2016) also points out that there are variations in targeting and security of tenure within dual rental systems, which might lead to social housing being transformed to an “ambulance service” (Fitzpatrick, Pawson 2014) in some countries. In sum, Blessing’s (2016) and Lennartz’ (2011) critique mostly questions the use of a two-fold typology when the reality is more complex.

I believe that the theory of the two rental systems ultimately shows that tenures may change their social role, their character, and the nature of their stock over time. Kemeny’s (1995) theory was developed in the “fairly unique” (Kemeny 1995:163) circumstance of the post-war period when many countries’ rental sectors were being formed in response to the housing shortages. Another conclusion from a theory on the rental system is that housing tenures are social constructs. According to Kemeny (2006:15), “housing systems are ‘a strategic policy creation: a social construction’”. The above section also shows that there are mutual relationships within the structure of the housing market. The nature and the role of the state or the public rental sector are dependent on the nature and organisation of the private rental sector and the home-owning sector. Thus, a theory of rental systems actually proves to be a theory on the entire structure of the housing market. Thus, the segmentation
of households within different tenure types is influenced by how these tenure types are treated.

Explaining rental systems

Why did different rental systems emerge in different countries? Kemeny (1995) seeks explanations in the underlying social and political structures in the different countries. He claims that housing should be understood in the wider context of welfare state development, and is inspired by Esping-Andersen’s (1990) classification of countries into three different regimes of welfare capitalism (liberal, corporatist and social democratic). In brief, the *liberal* regime, obeys to a selective strategy for welfare provision, according to which welfare is only provided to the poor. In the *corporatist* regime, welfare is stratified according to class, occupation religion or ethnicity. The *social democratic* regime is based on universal welfare provision. Kemeny (1995) sees the similarities between the liberal welfare regime and the typical features of the dual rental system, but when it comes to the unitary or integrated rental market, it is not so easy to make an analogy with Esping-Andersen’s (1990) regimes.

In fact, Kemeny (1995) diverges from Esping-Andersen’s (1990) categorisation of corporatist regimes. The reason for this disagreement lies in the basis of categorisation of countries into different regimes. Esping-Andersen (1990) bases his typology on labour movement theory, in line with the power resource perspective outlined in chapter one of this dissertation. This theory, applied to the “core” institutions of the welfare state, claims that the degree of welfare state provision is a result of the relative strength of the labour movement and the ability to mobilise for collective provision.

By contrast, Kemeny (1995) points to another underlying social structure as the basis for the categorisation of countries as belonging to the corporatist regime, namely corporatism. In practice, Kemeny (1995) considers not only Germany, France and Italy as typical corporatist societies – in line with Esping-Andersen –, but also Sweden (1995:64) – which Esping-Andersen categorises as a social democratic welfare regime. Kemeny also notes that all of these countries have a unitary or integrated rental system.

Since Kemeny (1995) argues that corporatism is the shared feature of the political systems that develop unitary or integrated rental markets, he cannot use Esping-Andersen’s (1990) regimes to explain why countries have developed different types of rental systems. Rather, Kemeny (1995) suggests that Esping-Andersen’s (1990) social democratic regime is better described as a corporatist regime.

Kemeny does not neglect the role and influence of partisan politics and the role of different interest groups; rather, he attaches importance to how the electoral system might influence the formation of interest groups and their claims on welfare provision through the state. But most importantly, he argues
that the relative strength of the labour movement is mediated through the corporatist structure, i.e. a "system of co-operation and compromise between capital and labour that is orchestrated by the state" (Kemeny 1995:65). Thus the corporatist structure is, “a system of institutionalised political representation of different interest groups that is essentially founded on compromise and accommodation between conflicting power groupings – whether these are based on class, religion or ethnicity” (Kemeny 1995:65-66). Kemeny (1995) argues that Esping-Andersen (1990) incorrectly classifies a group of countries which have a similar corporatist structure, which due to differences in electoral systems generates different interest groups, resulting in different housing systems. The electoral systems Kemeny (1995) sees as most important are the two-party system and the multi-party political system. The former generates dual rental systems and the latter unitary or integrated rental systems (Kemeny, 1995:66-67). Two-party systems are believed to polarise interests into one of the two blocs, which results in weaker interest groups being pushed out from the policy-making process. In two-party systems for instance, Kemeny (1995:66) argues, the private landlords are squeezed out between the support for owner-occupation in the conservative party and the support for public renting in socialist parties. This is why the private rental sector becomes small in countries with a dual rental sector. The small state-led rental sector in countries with a dual rental system is small due to the tendency of labour movements in these countries to be divided into an “industrial wing, focusing on workplace-based action […] and a political wing, focusing on constructing solutions to social problems based on the local and national state” (Kemeny, 1995:67). In countries with developed corporatism and a multi-party system, interest groups for private landlords and cost-rental movements are more likely to be involved in the policy-making process. Because multi-party systems also are corporatist, in that they are based on compromise and coalition, rental policies which promote diversity and support different types of landlordism are likely to emerge (Kemeny, 1995:67). Unitary rental markets are thus a result of give-and-take and mutual accommodation between the major providers of rental housing in a corporatist system.

Kemeny’s (1995) explanation of the emergence of rental systems, thus, suggests that there is a relationship between the corporatist structure and the labour movement. The direction of this relationship is, however, something that Kemeny leaves out. To my knowledge, he sees these structures as operating side by side, and does not specify whether the labour movement creates the corporatist structure, or the corporatist structure generates different types of labour movements (demands). For instance, Kemeny (1995:65) argues that “one might usefully describe the countries which have both a strong labour movement and a clearly corporatist power structure […] as forms of ‘labour-led’ corporatism”. In later work, Kemeny (2006) makes an explicit distinction between labour-led corporatist countries and “capital led” corporatist countries, which explains the different emphasis on state and market providers within the unitary rental systems.
Explaining housing market structure with power resource theory

Power resource theory draws our attention to the role of housing politics, i.e. “the process by which actors and group of actors interact in order to make political decisions or to influence political decision-making, in particular in relation to governments” (Bengtsson, 2015:679). While Bengtsson (2015) calls for actor-based institutional approaches to housing and housing policy, I would argue that he does not acknowledge the different capacities various actors to influence the decision-making processes. However, these different capacities may be accounted for in a power resource perspective. Furthermore, Bengtsson (2015) neglects the role of power conflicts underlying manifest and practical decision-making process. Bengtsson does spell out that political processes involve “authority, power and cooperation, and include enforcing goals and interests, and the settling of conflicts, both in designing political institutions and in formulating and applying policy” (Bengtsson, 2015:679). However, it is unclear how these processes come about, and a power resource perspective offers precisely this understanding.

Thus, if we are interested in explaining how and why housing markets vary across and within countries, we should direct our attention towards the actors and the basis for conflicting interests among them in the housing market. The actors are: property owners, property owners’ association, tenants, associations organising tenants, the state, the local government, private landlords, private companies providing housing, banks, private foundations providing housing and the individual households on the housing market.

I argue that the composition of the different tenure types in the housing markets reflect the balance of power resources and the effects of previous institutionalised power resources among these actors on the housing market. Bo Bengtsson argues likewise in the following quote:

The policy theory of market correctives means that housing tenures are the most important political institutions. Forms of tenure define the formal position of residents in their capacities as owners, co-owners and users of their dwellings, and thus set up the rules of the games and constitute the power relations between actors, both in the housing market and in housing politics. Tenure policy (and politics) at the political macro level defines the games of housing politics on lower levels—and, through institutionalisation, on the macro level as well. Decision-making on tenure forms and other types of market regulations define the bargaining room for seller and buyer, landlord and tenant, together with economic support to different types of housing in terms of subsidisation, financial security or tax relief. (Bengtsson 2015:681).

What power resource theory adds to Bengtsson’s (2015, 2001) theory on market correctives is the specifics of how power and power relations may shape institutions, such as the formation and changes to tenure types. Moreover, power resource theory adds that the decision-making process on tenures does
not always reflect a manifest conflict between actors; rather, power resources have become institutionalised and are used to maintain a perceived “status quo”. It should be noted that the current dissertations aim is not to study these actors or to provide a theory on why these actors act the way they do. Rather, the perspective of this dissertation is that the conflict of interest between different actors and their varying power resources is what can explain how different forms of tenure types/rental sectors have developed across and within countries. However, I do acknowledge that power resources became institutionalised at a certain point in time, which may affect but not decide future possible pathways of coalitions and influence future struggles for change. In most western European countries, this point in time was the period in which different types of state intervention were introduced after the Second World War (Esping-Andersen, Korpi 1987).

This perspective has led me to conduct empirical research which focuses on the design and organisation of the housing market of tenure types as the most relevant institution to study. Furthermore, I seek to do empirical research that connects the structure of the housing market to outcomes relevant to the individual’s capabilities to function as an equal citizen under the prevailing conditions in society. Moreover, power resource theory has primarily been used to understand geographical variation in the generosity of welfare states across western democracies at a national level. I argue that power resource theory also can be a fruitful starting point to understand geographical variations in the design of welfare states within countries. However, this understanding is rarely spelled out. One recent attempt to link partisan politics to the organisation of the housing market within countries is Roger Andersson’s study on the determinants of the size of the public housing sector in Sweden (R. Andersson 2014). Andersson (2014) measured the variation in size of the public housing sector and strength of left-wing parties in different Swedish municipalities together with other demographic and economic factors at two points in time, 1990 and 2008. While local politics seemed not to explain much of the overall variation in 1990, it was clear that politics matter for explaining the occurrence of public housing in 2008 and also the changes in size of the public housing sector between the two time points. One conclusion to draw from these results is that when national regulations are relaxed, local level geographical variation increases and thus local politics become even more decisive for future development. For further research it would be fruitful to go beyond the role of partisan politics and rather try to estimate local variations in strength of other important actors. For instance, a strong tenant union is believed to have had an impact on the extent and quality of the rental sector. Another example, also within the Swedish context, could be to study the local variations in strength of the single-family home movement (egnahemsrörelseren).

While Korpi (1974, 2001, 1981, 2000, 2003) did not focus on how different tenures may also shape interest groups and form coalitions between groups in
society, others have found a link between housing and interest formation. Engels (1872) noted in *The housing question* that home-ownership may limit labour’s defensive strength against capital as it makes the worker a capitalist. Kemeny (2005, 1980, 1981) connected home-ownership to welfare systems, claiming that home-ownership societies will have a smaller budget to redistribute as home-owners in general will tend to resist the high taxations needed for a generous welfare state. Kemeny (1980), in short, argued that countries with high rates of home-ownership also tend to have poorly developed welfare states. The explanation of this relationship is connected to life-cycle housing choices, where households in poorly developed welfare states must early in their adulthood ensure levels of private savings to secure their old-age pensions. A way of securing old-age financial resources is to buy into home-ownership. However, the high costs associated with entering the owner-occupied sector will lead to resistance among households on a tight budget that have invested in housing in early adulthood to vote in favour of the extensive taxation needed to fund a well-developed welfare state. This theory has been extensively debated on its empirical evidence and causality (Kemeny 2005, Castles 1998). Recent empirical work shows that the higher the home-ownership rate, the lower generosity in pension schemes, but that there are other factors that need to be taken into account to understand the basis of privatised welfare provisions (Delfani, De Deken et al. 2014). Thus, housing and the strategy of state intervention in the housing market may be important parts of the puzzle in creating coalitions among citizens.

**Welfare, housing and poverty**

Welfare is an ambiguous concept with various meanings and interpretations. In the sections above I have discussed welfare in relation to the system for provision of services, or in other words, the welfare state. In this section, I will discuss welfare interpreted as the well-being of individuals. It should be noted that the word ‘welfare’ in Scandinavian languages actually can translate into well-being, in terms of standard of living and quality of life. This well-being is determined by the fulfilment of basic needs but also by the realisation of life-chances and capabilities (Sen 1983).

Once we identify a group of especially important functions in human life, we are then in a position to ask what social and political institutions are doing about them. Are they giving people what they need in order to be capable of functioning in all these human ways? And are they doing it in a minimal way or are they making it possible for humans to function well? (Nussbaum 1992:214).

The debate about state intervention in housing markets is of key importance as it decides how far governments rely on markets to provide welfare/capabilities to their citizens and ultimately the extent to which these governments
believe markets distribute resources in a just way. Countries differ in their ambitions and guiding principles regarding state intervention (Esping-Andersen, 1990). Thus, through the design and formulation of institutions, welfare states generate patterns of inequality and respond to requirements of social justice. Moreover, it should also be noted that, according to the power resource theory, citizens can ultimately “choose” how to design institutions. Thus, the ideal types of universal and selective strategies as sketched out above, reflect different conceptions of justice that have become institutionalised. Two broad conceptions of justice are luck egalitarianism and relational equality (Anderson 1999, Pettit 2014, Pettit 2012). Pettit (2014) describes a relational understanding of equality in terms of non-domination. Non-domination means in this regard being in power and having independence to such a degree that we can exercise our basic liberties without being at the mercy of others, and without having to be exposed to others’ arbitrary intrusion in our personal lives. A key aspect of being able to participate in society is that all individuals have the resources necessary to “appear in public without shame” according to the prevailing standards and social conditions of their community (Sen 1995: 15). Thus, a universal strategy in housing policy reflects an ideal where all citizens are encompassed in the solutions to problems common in our lives; we all need somewhere to live. The goal of the universal welfare state is not to discriminate between citizens, nor to separate the “needy” or “poor” from the rest and to treat the poor differently. Social policies and welfare state programmes are about providing basic capabilities according to equal concern and respect, placing each citizen on an equal footing (Rothstein 1998).

Luck egalitarianism on the other hand, describes a family of theories pre-occupied with distributive justice. According to Knight (2013) it is one of the most discussed post-Rawlsian theories of justice. One of the proponents of luck egalitarianism, Arneson (1997), states that the aim of distributive justice is to compensate individuals for misfortune. Individuals may be born lucky or unlucky and the society’s role is to alter this distribution of luck in a just way. “Distributive justice stipulates that the lucky should transfer some or all of their gains due to luck to the unlucky” (Arneson, 1997:1). The selective strategy is essentially about separating out those citizens unable to provide basic capabilities for themselves (the unlucky). This procedure demands that an authority decides whether or not an individual is in need of such provision and how much and for how long they might need such provision (Rothstein 1998). Many have shown that such separation of “needy” and “poor” citizens results in stigmatisation (Stuber, Schlesinger 2006). In paper IV, I discuss the role of universalism in relation to residualisation of the public housing sector, that is, the process by which low-income households dominate the public rental sector.

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2 As opposed to views following the logic of industrialism or capitalism where future pathways are determined.
These conceptions of justice ultimately imply different conceptions concerning how resources can be distributed and how institutions which distribute resources should be designed. Sen (2009) explains the role of institutions in promoting justice, but also shows how accounts of justice trump the role of institutions:

Any theory of justice has to give an important place to the role of institutions, so that the choice of institutions cannot but be a central element in any plausible account of justice. However, . . . we have to seek institutions that promote justice, rather than treating the institutions as themselves manifestations of justice, which would reflect a kind of institutionally fundamentalist view . . . Of course, the institutions themselves can sensibly count as part of the realisations that come through them, but they can hardly be the entirety of what we need to concentrate on, since people’s lives are also involved. (Sen, 2009:82).

Considering the empirical evidence on just institutions and distribution of resources, Korpi and Palme (1998:681) have demonstrated that there seems to be a paradox of redistribution, namely:

The more we target benefits at the poor and the more concerned we are with creating equality via equal public transfers to all, the less likely we are to reduce poverty and inequality.

This paradox can be explained by the fact that policy institutions that encompass a broad majority of households will also sustain wider political support for taxes high enough to ensure adequate protection to disadvantaged people (Korpi, Palme 1998, Kenworthy 1999, Brady, Bostic 2015, Marx et al. 2012). However, this result relies on the design of major types of social insurance systems, from which housing and other welfare state services are often excluded. Thus, housing is an additional arena of the welfare state that deserves increased attention in this regard.
Summary of theoretical framework

This dissertation is an attempt to gain knowledge on the principles that underpin the design and organisation of the housing market in terms of tenure types, and to understand the ways in which this design might affect the well-being of individuals and society as a whole.

In doing this, I identify housing as a part of the welfare state, and I thus understand the welfare state not only as having a direct impact on the well-being of individuals through provision of services, benefits and goods, but also an indirect impact through improving well-being in society as a whole. As we will see, placing housing within the welfare state is not easily done, as it is claimed that the political economy of housing differs from other core areas of the welfare state. However, placing housing in the welfare state framework also allows me to use concepts and theories from research on “traditional” welfare state sectors such as social benefits (Nelson 2007), employment insurance (Korpi, Palme 1998), pensions (Palme 1990) and family policies (Ferrarini 2006). Where scholars diverge is on how to conceptualise the causes, design and outcomes of the redistributive programmes of the welfare state.

My theoretical framework is based on the power resource theory developed by Korpi (Korpi 1980, Korpi 1981, Korpi 1985, Esping-Andersen, Korpi 1987, Korpi 1989, Korpi, Palme 1998, Korpi 2000, Korpi 2001, Korpi, Palme 2003, Korpi 2006). Nelson’s (2003:10) outline of the redistributive processes in welfare states helps us to understand the different aspects of the power resource theory which have been discussed in this dissertation. The outline is summarised in Figure 2 below. Figure 2 presents three pillars needed to understand welfare state programmes. At the bottom of the model are the outcomes which welfare states were developed to combat. Causes of welfare state development are found at the top of the model. These can be seen as the driving forces for change and development of welfare states. The institutions which deliver welfare state services, benefits and goods are in the middle. These institutions are formed by the causes of welfare state change and development, and are believed to have an impact on individual outcomes. The empirical work of this dissertation is focused on the red arrow going from institutions to outcomes.

The theoretical perspective applied in this dissertation stresses the importance of (welfare state) institutions and argues that power resources are key
driving forces that can explain the ways in which these institutions develop, change and ultimately affect individuals.

In this dissertation, I argue that tenure types in general and the rental sector in particular are important institutions. The organisation of the housing market into different tenure types is therefore of key interest. Power resource theory helps us in understanding how and why the housing market is organised the way it is, as reflected both in housing policies at the national level and in diversity at the local level.

Well-being is a multifaceted concept. In this dissertation, the focus is on lack of well-being, namely poverty, here understood as housing deprivation, unemployment, and processes of residualisation.

Figure 2. Outline of theoretical framework, inspired by Nelson (2003:10).

How housing can be seen as a part of the welfare state has generated much academic debate (Torgersen 1987, Kemeny 2005, Kemeny 1995, Bengtsson 2015, Bengtsson 2001, Malpass 2008, Kemeny 1981). Some authors see a connection between the wider welfare state and housing systems (Kemeny 1995), while others focus on the private market characteristics of the housing sector (Harloe 1995). Bengtsson (2001) raised the issue that housing is perceived as both a welfare state good demanding state intervention and, at the
same time, as a commodity distributed on a market. In this dissertation, housing is seen as a part of the broader welfare state, where the welfare state is understood as the institutions that arrange the ways in which goods and services are distributed, and which determine how people can be protected from market mechanisms. The ways in which welfare states distribute welfare state services have consequences for the hierarchical structure of societies. Housing provision can be organised in such a way that it solely rests on market mechanisms; those with the most money get the best housing. However, since housing is also understood as an important aspect of people’s lives, markets may fail to provide housing for all. Hence, there is (welfare) state intervention. Thus, the state is able to regulate the provision of housing according to different objectives. There has been some agreement that the organisation of the housing market in different tenure types to some extent reflects the characteristics of the welfare state (Kemeny 1995, Doling 1997, Doling 1999). Thus, liberal welfare states are seen as relying more on market principles than social democratic welfare states, which in turn rely more on collective solutions also when it comes to housing. Two well-known distinctions between welfare states are those of universal or selective strategies (Titmuss 1974). These strategies can also be found in the objectives of housing policies. Different theories have emerged on how to understand the creation of welfare state institutional arrangements, or in other words, how to understand the variations of state intervention in market economy.

As Europe industrialised, it became evident that nations took different pathways in how they organised their welfare state. Theories on the causes, changes and design of welfare states have tended to focus on the role of industrialisation/logic of capitalism, the role of political parties, ideologies and institutions, the influence of globalisation and post-industrialism, and the historical conjunctures shaping future pathways (Kemeny 1992, Myles, Quadagno 2002, Bengtsson, Ruonavaara 2010). Power resource theory stresses the role of political partisanship and has been used to understand the determinants (causes) of various welfare state programmes such as pensions, income protection schemes and family policies (Palme 1990, Korpi, Palme 1998, Ferrarini 2006, Nelson 2003, Montanari, Nelson 2013). Power resource theory is also often used to ascertain links between key (welfare) institutions and outcomes related to well-being (Bäckman, Ferrarini 2010, Nelson 2012, Ferrarini, Sjöberg 2010, Nelson 2004). This dissertation is an attempt to follow the latter tradition.
Aim, research questions and contribution

The overall aim of this dissertation is to gain knowledge of the principles that underpin the design and organisation of the housing market in terms of tenure types and to understand the ways in which this design might affect the well-being of individuals and the society as a whole.

A pertinent question that has generated much academic debate is how to best organise the welfare state system to combat poverty and social exclusion (Kenworthy 1999, Brady, Bostic 2015, Brady 2003, Korpi, Palme 1998). It is clear that the ways in which welfare states distribute services and resources have consequences for social and economic hierarchies in the society. Much such research is focused on how to combat income poverty. In this dissertation, I try to widen the perspective to include housing as a part of the welfare state and to link the organisation of housing markets to outcomes of poverty beyond pure income measures.

Thus, a more specific aim is to examine how the structure of the housing market can be linked to poverty. In doing so, I analyse housing markets in terms of tenure types on various scales – across nations, across labour market regions, and across types of municipalities – within a general welfare state framework. Thus, the geography of housing market structures is of key importance. I analyse poverty in terms of housing deprivation, unemployment and processes of residualisation.

To fulfil the aim I have formulated the following research questions:

- To what extent does the rental sector account for cross-country differences in housing deprivation in Europe? (Paper I)
- To what extent can varying housing deprivation rates across Europe be explained by macro factors, i.e. housing market structures or micro level risk factors related to households needs and resources? (Paper II)
- Can the structure of the housing market be linked to labour market opportunities? (Paper III)
- To what extent can the size of the regional/local public rental housing sector influence the magnitude of low-income households within the same sector? (Paper IV)
Contribution

The main contribution of this dissertation is to the field of housing. Since the early 1990s and perhaps even earlier, housing scholars have been subjected to criticism concerning how we theorise, or more specifically our lack of theorising or theoretical points of departure when conducting research on housing (Clapham 2018, Bengtsson 2018, Lawson 2018, Kohl 2018, Ruonavaara 2018, Kemeny 1992). A suggested remedy was that housing scholars should borrow theories and central concepts from other disciplines to inform housing research (Kemeny, 1992). This dissertation is one example of such an endeavour. I see this dissertation as a contribution to the field of housing, and of use to housing scholars interested in welfare (state) topics. I show that power resource theory may be fruitful to use as a model to understand welfare state change and the design of institutions in terms of housing tenures and how this design might affect individual (well-being) outcomes. Power resource theory offers a model which connects all the important parts of the distributive processes of the welfare state which we as researchers are interested in understanding. If this model can be extended to the analysis of housing, as this dissertation attempts to show, we may open up the field of housing for more research of this type.

By applying power resource theory to the field of housing, this dissertation also makes a contribution to the field of comparative welfare state research. Power resource theory is seldom used for studying non-traditional areas of the welfare state, mainly due to the complexity of the services and goods that are not among the core pillars of the welfare state. Studies using power resource theory are usually concerned with policy areas such as unemployment and sickness benefits, parental leave and pensions (Korpi, Palme 1998, Bäckman, Ferrarini 2010, Palme 1990, Nelson 2003). Large scale cross-national investigation of public services and goods such as housing are rare. One explanation is of course that the political economy or the particularities of services differ from the core areas of the welfare state in a number of ways. Partisan politics are believed to be one factor among many other structural factors that may explain the differences in provision of public services and goods. Power resource theory stresses the importance of political organisation based on social class. However, when expanding power resource theory to other services of the welfare state, one may need to incorporate citizens and actors according to other categories than social class; for instance, in the case of housing, according to tenure type. By using power resource theory on non-core areas of the welfare state literature, I try to make a contribution to the field of comparative welfare state literature by showing that there may be interesting connections between the structure of the housing market, in terms of tenure types, and outcomes of poverty. Thus, these areas deserve increasing attention in welfare state literature and research.

At the same time, this dissertation makes a contribution to human geography by presenting power resource theory as a powerful tool for analysing and
understanding geographical variation in institutional design and individual level outcomes. Thus, Korpi (1980:298) and I would argue that power resource theory is neither atemporal nor aspatial. It is the opposite. Power resource theory was developed to understand geographical variations in the extent of social protection, and also how the extent of social protection can change over time. However, the geography in power resource theory is seldom acknowledged in the comparative welfare state literature. Conversely, within the field of urban geography and housing, the use of power resource theory is very rare. Still, human geographers are interested in institutions and their impact in the society and on individuals (Amin 2001, Cleaver, de Koning 2015). For example, the role of institutions in ensuring geographical competitiveness (see for example Hudson 2005) or in the policy transfer literature that analyses how global ideas are implemented locally (McCann, Ward 2011). Another example of geographical interest in institutions can be found in the work of Massey and McDowell (2013). Their understanding of geographical variation in the extent of women’s social rights in nineteenth century England comes very close to my understanding of how geographical variations in social rights are unique, depending on place.

Notwithstanding an overlap in interests, this dissertation will not offer a comparison of power resource theory and other explanations of geographical variation in institutional design. My view is that it is difficult to present such a comparison without a concrete example of what can be achieved by using power resource theory to understand geographical variation in institutional design. This dissertation provides such an example. A detailed survey of existing approaches is therefore beyond the scope of the current dissertation and a systematic comparison, therefore, has to be left for future work.
The Swedish context

Key features of the Swedish housing system

The housing reforms during “the golden era” of the welfare state created the cornerstones of the Swedish housing system; a universal housing policy, a public rental sector owned by the municipalities, an integrated rental sector and a negotiated rent-setting system (Bengtsson 2006, Bengtsson 2012). As we will see, these cornerstones have however been at best adjusted and at worst abandoned (Christophers 2013, Bengtsson 2012).

Bengtsson (2012, 2006) described the Swedish housing system as having four main characteristics. The universal housing policy means a housing policy covering broader parts of the population without individual means-testing. The public rental sector comprises housing companies owned by the municipalities and professionally managed free from political influence. An integrated rental market is where the public and private rental markets are subject to the same regulations and form a unified market through linked rent-setting. The fourth cornerstone relates to the centralised rent-setting system where rents in both the private and the public rental sectors are negotiated between the Union of Tenants and the associations representing the property owners.

Two important aspects of the Swedish housing system not mentioned by Bengtsson (2012, 2006) are security of tenure and tenure neutrality. Households within the public rental sector enjoy a high security of tenure which means that rental contracts are often not time-limited, and this is true also for tenants within the private rental sector (Elsinga, De Decker et al. 2007). Tenure neutrality implies both that all households should have universal access to all tenures and the public rental sector should not be targeted towards low-income housing, but it also implies that the government should not favour a tenure economically, for example through tax relief (Lundqvist 1987).

The political ambition behind this housing policy was to provide good housing for all regardless of income, and to break the link between income and housing outcome. From the 1940s to the 1990s, municipal housing was the key element in the Social Democrats’ ambition to construct a housing system that would secure high quality, affordable housing for all (Elander 1991).
The growth of the Swedish rental sector

The rental sector as we know it is a relatively recent phenomenon. It was not until the years of the post-war period that most of the governments in the European and Western countries, including Sweden, took responsibility for the provision of housing. In the Scandinavian countries, although different paths were taken subsequently (Bengtsson 2013), the state became active during the 1940s, which coincided with the development of welfare programmes such as sickness benefits, universal health care, unemployment insurance and old-age pensions (Esping-Andersen 1990). Other Nordic countries took different paths; for example Norway placed emphasis on constructing and subsidising single-family housing (Wessel 2010a, Wessel 2010b). Most countries in Europe focused on overcoming the great housing shortages after the war (Esping-Andersen, Korpi 1987).

In Sweden, a housing reform in 1945 suggested a boost in new construction of public rental housing and cooperative urban apartments. Moreover, poor housing standards were to be abolished, substandard housing was to be either renovated or demolished, housing space to increase, and dwellings to be equipped with bathrooms. Housing costs were not be allowed to increase beyond what was considered affordable for the average working citizen (Bengtsson, Annaniassen 2006).

Before the Second World War, state intervention in the housing market was limited, selective and temporary, and rental housing was primarily a commodity to be provided via the private market (Bengtsson, Annaniassen 2006). Social aspects of housing were met by poor houses but mostly, low-income households were dependent on the initiatives of private foundations in the civil society (Forsell 2003). The housing reform after World War II was intended to provide decent housing for all; however, the construction rate did not increase as fast as predicted, even though schemes for housing financing directed to the market was introduced. Moreover, the large baby boom in the 1940s, creating a generation ready to move from their parents’ homes in the 1960s, demanded a radical intervention (Strömberg 2001).

In the 1960s the Million Programme was introduced, adding one million new dwellings over a 10-year period, mainly multi-family municipal rental housing estates (SOU 1965:32, Strömberg 2001). The Swedish welfare system was at the same time expanding, encompassing more of the population. The key feature of the Swedish welfare system was to incorporate the middle classes in general allowances and insurances which at the same time raised the contribution to the general welfare state through the tax system (Esping-Andersen 1990). Housing became a part of this vision, as it was presented as a social right, along with the aim of housing policy to ensure decent housing for all at a reasonable cost (Proposition 1967:100).

In the end of the 1970s, when the million dwelling programme was completed, municipal rental housing had a backlash in public opinion. Households previously housed in substandard dwellings had moved to the new and modern
housing estates, but the oil crisis and lower urbanisation rate lead to difficulties for the municipal housing companies in filling their housing stock (Strömberg 2001). During this period, the million dwelling programme became unpopular, stigmatised and defined as socially problematic (Molina 1997, Borevi 2002, Grundström, Molina 2016). Increasingly, households showed a preference for owning, as the construction of single-family housing was boosted and equal subsidies were given to the owner-occupied sector. Moreover, Sweden developed what Korpi and Esping-Andersen called “...probably […] the world’s biggest housing allowance scheme” (1987:68) covering the lion’s share of rent costs for almost half of all families with children and almost all pensioners. This led to a growing proportion of working- and middle-class households entering the owner-occupied sector.

State involvement in the housing market has thus varied over time in line with the development of the welfare state. Housing policy has been used as a corrective when the housing market on its own has not been able to provide for enough housing (Bengtsson, Rothstein 1997). However, in conjunction with the economic crisis of the 1990s, most state involvement in housing policy was ended, having repercussions for the way the rental sector operates today (Christophers 2013, Turner, Whitehead 2002, Holmqvist, Turner 2014).

The rental sector after the 1990s

First retrenchment, the 1990s

In 1991, the right wing government launched a ‘system shift’ in housing policy, featuring the dismantling of state housing loans and universal subsidies. Several economic and political realities coincided, unemployment grew, and the interest rate rose (Bengtsson, Annaniassen 2006). It was not surprising such a shift was needed, the previous system with interest rate subsidies and overall generous benefits to housing were very costly. (Turner, Whitehead 2002). However, an ideological shift also took place, changing the aims of housing policy, which were now to be based on the assumption that competition and freedom were preconditions for all citizens to obtain a decent home at a reasonable price (Bengtsson 2006). These neoliberal measures were not reversed when the Social Democrats returned to government in 1994.

The cuts in subsidies made it more difficult for the municipal housing sector to cover its costs. To survive in the free market, the municipal housing companies had to act like any private company, which to some extent led to less allocation of public housing to the most vulnerable households (Abrams- son, Borgegärd 1998, Turner 1997, Turner 1999, Magnusson, Turner 2008). Moreover, changes in the regulations of 1992 made it easier to convert rental
hiring to tenant-owned housing. However, this did not happen to a large degree at the beginning of the 1990s as all the tenants had to agree to a conversion.

Moreover, households’ preferences for renting changed after the economic crash at the beginning of the 1990s. For a long time, renting and municipal housing were stigmatised and seen as less economically gainful tenure types; however, after the recession, the preference for renting among households increased (E. Andersson, Naumanen et al. 2007).

Second retrenchment, the 2000s

After 12 years in office, the Social Democrats were defeated in 2006 by an alliance led by the Conservatives. Subsidies to housing construction were phased out definitely, and new legislation was introduced that made owner-occupation in new-built multi-family houses possible (ägarlägenheter). Furthermore, the conversion of rentals to tenant-ownership was supported, with strong effects at least in the larger cities in Sweden. Andersson and Turner (2014) reported that due to the conversions in Stockholm, individuals with higher income and higher educational attainment replaced individuals with fewer resources. However, the rent-setting system survived, with some amendments.

The corporate rent-setting system (introduced in 1968) is based on the use-value system (bruksvärdessystemet) which takes into account the aspects of the housing, location, quality and so on when rents are negotiated. A pillar of this system is the role of the municipal housing companies. Until 2011, rents were based on the total costs of the municipal housing company and the negotiations between parties had to be based on which costs were reasonable and how these costs were distributed within the housing stock. After 2011 however, negotiations in the public rental sector were no longer cost-based (Boverket [Swedish Board of Housing, Building and Planning] 2013a).

Moreover, in the private rental sector, negotiations were not based on costs, but on comparisons with rents of similar dwellings within the municipal rental stock. The formal link between the private and the public rental sector has been the use-value trials. A claimed rent in the private rental sector can be rejected as unreasonable if it is found to be higher than the rent charged for a similar dwelling with the same use-value in the same local market. Before the new legislation of 2011, such comparisons were made with the municipal housing companies dwelling stock as the benchmark, giving the public rental sector the role of the price-setters and a stronger impact on the rental market than indicated by their proportion of total housing stock. However, since 2011, user-value comparisons have been based on negotiated rents, not only municipal housing companies’ rent levels (Boverket [Swedish Board of Housing, Building and Planning] 2013b).
Municipal owned housing companies still have about 20% of the total housing stock, and provide housing for about 14% of the population (R. Andersson 2014). However, their key role has been contested and their privileged position has been eroded.

Moreover, the municipally owned housing companies have lost their function of being “social” (allmännyttig) since the private property owners association reported Sweden to the European Commission for giving state aid to municipal housing companies, contrary to EC law (Boverket [Swedish Board of Housing, Building and Planning] 2013a, Boverket [Swedish Board of Housing, Building and Planning] 2013b, Elsinga, Lind 2013). A committee report in 2008 subsequently stated that, according to EC law, the municipal housing companies had two options, either to be run according to business-like principles with a public purpose or to be run according to cost-oriented principles, which is similar to the sort of targeted versions of social housing present in other European countries (SOU 2008:38) The first alternative was chosen and a new law from 2011 now prescribes that municipal housing companies are to be run on business-oriented principles and at the same time support housing provision in the municipalities (R. Andersson 2014).

The new legislation leaves room for diversity at the local level, as business-like and public purpose are concepts in need of interpretation. The new law has not yet yielded market rents, although the discussion on market rents is a recurrent theme in the public debate. So far, no one on any political side is in favour of changing Sweden’s housing system to a model closer to other European countries. Taken together, Christophers (2013) argues that Sweden’s housing policy model today can best be described as a “monstrous hybrid” between old regulations and new market solutions.
Methodology and data

Content of welfare state

Conducting research on the welfare state entails not only conceptualising the content of the welfare state itself; it also involves the conceptualisation of ongoing change to the welfare state. The perspective in this dissertation, the power resource theory, is an example of what scientists were studying in the 1970s and 1980s, namely the social, economic and political institutions that enabled the massive expansion of the welfare state after World War II. Now, there is instead a great deal of research preoccupied with the supposedly “new politics of the welfare state” (Pierson 2001, Pierson 1996), which is focused on how to understand welfare state retrenchment and the last few decades of post-industrialisation (Taylor-Gooby 2004, Korpi, Palme 2003). Pierson (1996, 2001) is one of the key advocates of the perspective that the institutions that mattered for welfare state expansion after the Second World War have profoundly changed and cannot be understood in the same way as they used to. Welfare state retrenchment has fundamentally changed the welfare state, a fact that also influence the basis for political action and coalition formation, argues Pierson (2001, 1996). According to this perspective, instead of class-based political alliances explaining welfare state reform, welfare state retrenchment is believed to break old alliances and give voices to new actors, influencing the possibilities of welfare state reforms (Pierson 1996, 2001). Lindbom (2001) argued that in the policy field of housing, retrenchment had been exceptionally severe as housing is a complex and technical arena where common people have a hard time understanding the content of the political reforms and their possible effects on them.

There is an ongoing debate about the validity of Pierson’s (1996, 2001) claims. Some evidence has been brought forward showing that power resource perspectives, understood as a strength of the political left, cannot explain recent developments in social policy (Castles 2001, Huber, Stephens 2000, Kittel, Obinger 2003). However, a great deal of recent research indicates the opposite; that politics still matter for welfare state development (Korpi, Palme 2003, Allan, Scruggs 2004, Ferrarini 2006, Montanari, Nelson 2013, Birnbaum, Ferrarini et al. 2017). A very important reason for these conflicting results is the conceptualisation and measurement of the welfare state (Clasen, Siegel 2007, Green-Pedersen 2004). As much of the empirical research on welfare state change is conducted in a comparative setting, two alternative ways of comparing countries have become common. Esping-Andersen (1990)
was one of the first who proposed a regime-based approach to studying the content and variation in welfare states. In this approach, it is common to group outcomes according to broader social policy models or institutional categories. In the case of housing and for this dissertation, Kemeny’s (1995) two types of rental systems are good examples of such an endeavour. The housing regime is thus a broad concept which can consist of “constellations of power relationship, ideological beliefs and cultural patterns referring to the social, political and economic organisation of the provision, allocation and consumption of housing” (Kemeny, 1981, elaborated by Dewilde and De Decker, 2016:1). This approach has received criticism in that it neglects details and variation in the ways in which welfare state system are conceptualized (Mabbett, Bolderson 1999). Moreover, there is generally no agreement on the exact number and nature of these regimes, or the categorisations of different countries into different models (Arts, Gelissen 2002). A regime-based approach thus, may obscure differences between countries and make it harder to follow gradual changes in policies.

A second approach common in comparative welfare state research is the so called variable-approach, where the conceptualisation and measurement of the content of the welfare state becomes very important (Ferrarini et al. 2013). Thus, to capture what welfare states actually do, from the perspective of power resources, welfare state institutions are seen as “intervening variables”, reflecting underlying causal factors (Korpi and Palme 1998). By developing/analysing data which reflects the content of the social policies, it is believed that we can reach an understanding of what welfare states actually intend to do for their citizens (SCIP database, Ferrarini et al. 2013).

It is thus important to acknowledge that various measurements of the welfare state may reflect different content. For example, creating housing regimes based on information on government expenditure on housing (% of GDP) could be a mere reflection on that spending. An increase in spending could falsely appear as more state involvement, but in reality, spending could have increased as a result of an economic downturn. Thus, underlying housing policy is perhaps not accurately measured with expenditure data. We therefore need to be careful when we propose indicators of welfare state content and make sure that they harmonise closely with our theoretical concerns.

Measuring housing policy

In this dissertation, the distribution of tenure types on housing markets across and within countries is argued to be an indicator which captures welfare state content, or more specifically, the content of housing policies. As stated earlier, different countries will emphasise various tenure types by means of legislation, subsidies and taxes. Moreover, while the national policy sets the scene,
we will also see local variations in the distribution of tenure types within countries (Salonen 2015, R. Andersson 2014) due to specific constellations of actors and their available power resources.

However, measuring tenure types comes with some drawbacks. First, what is it that we are really measuring? Second, can we measure the phenomenon the same way across countries?

As was discussed in the research background of this dissertation, tenures are different modes of possession of dwellings, and there are two basic kinds; to own and to rent, where the owners always have the right of disposal, while renters never do (Ruonavaara 1993). However, there can be sub-types in both owning and renting, which makes measuring tenure types more complex. I have tried to argue that selective and universal strategies of welfare state intervention in housing markets also mean different degrees of security of tenure. Universal strategies tend to see renting as a long-term housing option, thus providing more security of tenure. This might stimulate higher levels of security which resemble owner’s “rights of disposal” (Hulse, Milligan 2014). It should be noted however that this content of tenure type is not to be confused with measuring tenure type distinguishing between markets and states. Here, we might be confused to think that social or public housing translates into “more state” while private renting or home-ownership translates into “more market”. As Kemeny noted (1995:34) “[…] much owner-occupied could be termed ‘social’. Substantial subsidies are paid to owner-occupiers, for example, in tax privileges and in selling public rental housing at large discounts to purchasing sitting tenants. In addition, a range of policy measures are often taken to provide a public safety net for owner-occupiers (for example against mortgage default). Thus, a simple translation of tenure types into more or less state or market is too simple (Fahey, Norris 2011).

In the late 1980s, criticism was raised against the use of tenure type in research; it was said to be too abstract and too wide a concept (Ball, Ball et al. 1988, Barlow, Duncan 1988). Hulse (2008) and Fahey and Norris (2011) also criticise the use and the translation of tenure types across different settings. Housing policies are complex systems and the same tenure type might have different meanings in different countries (Ruonavaara 1993). Bengtsson (2015) defends the use of tenure type as an absolutely crucial concept to study when it comes to analysing housing politics and institutions.

Measuring tenure types

I have used data from two types of sources in this dissertation; survey data and register data (more on data below). For my comparative articles (Paper I and Paper II) on housing deprivation in Europe using data from EU-SILC, I constructed tenure types on the basis of information from question on tenure status, where the respondent can choose from five alternatives; outright owner, owner paying mortgage, tenant or subtenant paying rent at prevailing or mar-
ket rate, accommodation is rented at a reduced rate (lower price than the market price) and accommodation is provided free. These alternatives were categorised into four alternatives, and aggregated to the country level. Home-owners, irrespective of whether or not they were paying mortgage, were grouped in one category in Paper I, while they were distinguished in Paper II. Accommodation provided for free was excluded from the analyses (mostly common in Cyprus, not common in the rest of the EU (European Union) in 2007). In both Papers I and II, the rental sector was measured according to Kemeny’s (1995) two types of rental systems. The integrated rental sector was present in countries with a large proportion of tenants and subtenants paying rent at prevailing or at market rents. The term “prevailing” is used to denote cases where rents in the private rental sector are regulated, one of the key tools to achieve an integrated rental sector. The dual rental system was present in countries with a large proportion of households that rented accommodation at a reduced rate (lower than the market price). Survey data may of course have drawbacks when it comes to picking the right alternative for one’s own situation in each specific country. For instance, tenant-owners in Sweden are not truly home-owners with a mortgage. They are shareholders in a local housing association.

In my register-based articles of Sweden (articles III and IV), we used data from the tax property register (FTR) to measure tenure types. This information is available yearly from 1990 and onwards. Here, information is given on properties regarding the owner and the type of building. Owners are municipal housing companies, private landlords, private owners, private foundations and housing associations (bostadsrättsföreningar). Building types are semi-detached houses, single-family housing and multi-family dwellings. In the table below, we match the owners and the type of building to create four tenure types that exist in Sweden: public rental housing, private rental housing, tenant-ownership and home-ownership. I have set out the different alternatives in Table 2 below.
Table 2. Tenure types in Sweden as created from the property tax register. 3

<table>
<thead>
<tr>
<th></th>
<th>Semi-detached houses</th>
<th>Single-family houses</th>
<th>Multi-family dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Municipal housing companies</strong></td>
<td>Public rental housing</td>
<td>N.a (very uncommon)</td>
<td>Public rental housing</td>
</tr>
<tr>
<td><strong>Private landlords</strong></td>
<td>N.a (very uncommon)</td>
<td>N.a (very uncommon)</td>
<td>Private rental housing</td>
</tr>
<tr>
<td><strong>Private ownership</strong></td>
<td>Home-ownership</td>
<td>Home-ownership</td>
<td>N.a (not common, but: owner-occupied ägarlägenhet)</td>
</tr>
<tr>
<td><strong>Housing association</strong></td>
<td>Tenant-ownership</td>
<td>N.a (very uncommon)</td>
<td>Tenant-ownership</td>
</tr>
</tbody>
</table>

A drawback with using register data from the tax property register is that it does not capture subletting, a sector which according to Statistics Sweden encompassed between 100,000-150,000 households in 2013 (Boverket 2015). Thus, we underestimate the population who are tenants with this data. For future research, a new dwelling register will be available which will have gathered data from the year 2011 onwards, and which will be able to measure who is actually living in a dwelling in question. A drawback with the dwelling register is that this information is only available from 2011 and will thus not allow for research on housing further back in time.

As seen in Table 2 above, there may be cases of misclassification. Not visible in Table 2 above are farmers, who make up one category. In my research, I have categorised farmers as belonging to the home-owning sector. Furthermore, I have excluded private foundations in my analyses. Other researchers might have categorised them as belonging to the public rental sector as they are often non-profit organisations.

In Table 2 above we are assuming that certain building types are not common among certain owners. For instance, public rental companies are believed to rarely own single-family houses, although there are municipalities where this is the case. Private landlords are not believed to own semi-detached houses. A new tenure form was introduced in Sweden in 2009 which is the possibility to own an apartment (ägarlägenhet). This tenure form has not been very successful yet; in 2014 there were around 1000 privately owned apartments in Sweden. There are also new tenure forms emerging. For example,

3 I am thankful to Eva Andersson who provided us with classifications of owner and building types.
Riksbyggen, a cooperative house builder, developed rental-tenant-ownership (hyrköp) in 2017, which means that young households will be able to rent a dwelling for a shorter time, and the same household will be given the option to buy the apartment within five years. Thus, we should be aware of the difference between tenure types and tenure forms (Ruonavaara 1993) and we should take note of new tenure forms emerging.

Measuring outcomes

Capitalist societies tend to be stratified according to socio-economic resources; thus, some groups have more resources than others. These resources have spatial consequences depending on housing market tenure structures at the local level, thus to enter different tenure types demands different kinds of resources. To own a house or an apartment demands financial resources and liquidity in terms of ability to pay an eventual mortgage. To enter the rental market one often needs queuing time or contacts. Thus, poverty is placed in space according to localisation of different tenure types. Moreover, geographical centrality is often more sought after, which implies a higher demand and higher costs, which only groups with more resources will be able to afford. Groups with fewer resources are thus often found in more peripheral areas where costs are lower. The spatial location of poverty is measured in the current dissertation by the outcomes of housing deprivation, unemployment and residualisation.

To be poor means being excluded from the life of society due to lack of resources (Townsend 1979). How to actually grasp this exclusion is a much debated topic. Ringen (1988:352) reminds us that “there is no such thing as a single and correct answer to the question of how much poverty there is. We must first define poverty and then devise a method of measurement. This can be done in several ways, all of which may be equally ‘correct’”. Income is the most widely used measure of the underlying exclusion. However, as Ringen (1988) and others have argued, income is an indirect measurement of poverty and therefore does not sufficiently capture the magnitude of social exclusion of the individual. Direct measurements of poverty (intrinsic goods, consumption or quality of life) should be combined with the more indirect measurements such as income to grasp the “truly poor” (Halleröd 1995).

In this dissertation, I employ different indicators of poverty and they all come with their own limitations and advantages. I will discuss them one by one below.

Housing deprivation

Housing deprivation is the focus of papers I and II in this dissertation. It is a clear direct definition of poverty and also relative and time-specific. I re-use
my example from Paper I (Borg 2015) here, where I state that improving housing facilities in the early 19th century meant sharing water taps in the courtyard, according to rich western European standards (Townsend 1979). In many countries still today, the existence of a water tap in close proximity to the household would mean a significantly better quality of life.

Since there is no shared conceptualisation or definition of housing deprivation, there is a wide array of measurements of housing deprivation. However, according to a recent literature review, various measurements of housing deprivation seem to cover three categories; (lack of) basic facilities, structural problems and overcrowding (Eurofound 2016). These are the same dimensions that also were gathered by Townsend in 1979. In my two papers focusing on housing deprivation, I apply the definition of (severe) housing deprivation as defined within the EU Open Method of Coordination (OMC). The OMC may be described as a ‘soft’ law and it has the aim of following indicators in the area of social inclusion and social protection across EU member states in order to evaluate and compare countries in their progress of certain decided indicators.

In Paper I, I apply the indicator as it is and make no effort to evaluate the different dimensions of the measurement. In paper II however, one aim is to discern possible differences among the different dimensions which make up housing deprivation and also to include dimensions of housing costs. In other words, in Paper II, I and my co-author test the validity of the EU definition of (severe) housing deprivation and the measurement used in Paper I.

The different dimensions of housing deprivation in focus in Paper I are: leaking roof, damp walls/floor, a dwelling considered too dark, having an indoor flushing toilet and a bath/shower, and not being overcrowded. These dimensions are gathered in an index where 1 is coded as being overcrowded while also exhibiting one of the other dimensions. In paper I, I conducted sensitivity analyses on each of the indicators within the measurement of severe housing deprivation. That is, I tested whether the same results would hold for each of the indicators alone. This analysis is not shown, but is worth mentioning as the indicators were robust. In Paper II, we focus more on the robustness and consistency of the separate items which make up (severe) housing deprivation.

Thus, one aim of paper II is to extend the analysis of housing deprivation by comparing results by using the index presented above as in Paper I, while also including each of the items separately. We also extend the analysis to include housing problems related to housing costs, such as the housing cost overburden rate and subjective housing affordability.

One important aspect when considering these dimensions of inadequate housing is that they are “enforced” on dwellers, that is, they are not chosen. Rather, they are a result of a lack of resources. Eurostat, the provider of EU-SILC, conducts surveys on what people view as necessities to live a decent life. All of the dimensions of housing deprivation mentioned above are seen...
as absolute necessities to live a decent life in the majority of households across Europe (Guio et al. 2009).

Unemployment

Unemployment is not a very common measurement of poverty; rather, it is often seen as the cause of poverty. However, the incidence of unemployment is found to overlap with other known measures of poverty and social exclusion, i.e. no income, eviction and residency in deprived areas. Its limitation is however that it is possible to be employed and to be income poor, i.e. the so called working poor. It is also possible to be unemployed, but not income poor, i.e. with the help of welfare state support systems or other capital. Unemployment is thus more comparable with processes of social exclusion, which entails a wider perspective on the concept of poverty. Social exclusion is concerned with relational issues and the dynamic processes which lead to the breaking of social ties and the marginalisation of groups. In urban geography, the concept of social exclusion is often used together with a spatial perspective. Some areas in a city might for instance show signs of social exclusion.

Now, we have three concepts, unemployment, social exclusion and poverty. How can unemployment be included within the wider concept of social exclusion? We should keep the different concepts clear of confusion. A person may be poor, but not due to unemployment. A person may also be poor while working. A poor person does not necessarily have to be socially excluded from the society. And people may be excluded socially from the society without being poor in the sense of lacking the resources to participate in the society. Moreover, unemployment may lead to poverty but does not necessarily do so. Unemployment might also lead to social exclusion, but might not do so either.

However, as Sen (1997) and Clark and Oswald (1994) argue, even if we do not have to be concerned with unemployment not always leading to poverty, unemployment has costs that go beyond the loss of (monetary) income. Even if the welfare state has generous social protection schemes in case of unemployment, individual sacrifices are made. At the same time, employment might not be the solution to reaching social inclusion; individuals may be employed but still socially excluded. The conceptualisation of unemployment as social exclusion demands a very clear definition of social exclusion. Social exclusion is a concept that have come to be filled with various meanings and interpretations. Atkinson (1998) points out that there are three dimensions of social exclusion which recur within scholarly discussions. The first is that it is relative and specific to time and place. The second is that it concerns agency in the sense that unemployed people are socially excluded because of their incapacity or lack of power to change their situation. The third dimension concerns the dynamic processes of social exclusion, being in and/or out and possibilities of future pathways. Being in long-term poverty might lead to social exclusion, but not necessarily. With this in mind, we can conclude that employment possibilities may lead to social inclusion, but not all jobs are equal.
Depending on the nature of the available jobs, reaching social inclusion might not succeed if available jobs do not provide a sense of control, or prospects for the future, or can be comparable to other’s labour market status. Thus, being unemployed may, but does not have to, lead to serious individual and social problems. Thus, unemployment is an important outcome if we are concerned with the (lack of) well-being of individuals.

There are various ways of measuring unemployment. They all come with pros and cons. The measurement used in this dissertation is based on administrative register data where a person is considered unemployed if she or he is registered as full-time unemployed in November of the year in question. Thus, the underlying concept we are measuring is indeed “registered unemployment”. Household surveys are often used to complement registered unemployment indicators because with surveys then there is the possibility to get a more detailed account of the current labour market status, i.e. currently available for work, looking for work or being employed. According to Statistics Sweden, their measurement of unemployment (used in this dissertation) strives to resemble the International Labour Organisation (ILO) definition of unemployment “[…]all persons of working age not in employment, seeking employment and available to take up employment given a job opportunity, during a specified reference period (International Labour Organization 2017:21). In summary, ‘unemployed’ in the data that we use from Statistics Sweden translates into those ready to take a job and individuals that are job seeking. If they are not ready to take a job they might for instance be on parental leave or on sickness benefits, but still not registered as unemployed.

However, with register-based measures, we are not able to detect whether people have worked during a certain week. Thus, we are dependent on what Statistics Sweden calls “operational methods” to determine whether a person has worked or not. This is done by controlling for whether a person has income or earnings from employment or their own business, or gets payments from welfare programmes, for example because they are on sick leave, parental leave or have pensions (Statistics Sweden 2005). Thus, in Paper III we indeed capture the registered unemployment and we do not capture other situations. Since our measure already uses income or earnings as a part of the definition of unemployment, we did not find it necessary to combine our measurement with information on earnings.

Residualisation
In the last paper of this dissertation, Paper IV, I turn to study residualisation, which is the process under which households with low income (or a similar lack of resources) become a dominating group in the public or social housing sector. It is a process, and not a clear state. There is no “residualisation line”, no clear number of households under a certain income level who have to live
in public or social housing to determine when residualisation occurs. The unit of analysis is not the individual per se; rather, it is the whole rental dwelling stock in the country. However, in Paper IV, I also make a regional analysis to disentangle differences in the magnitude of residualisation across places in Sweden. In Paper IV I make use of a new measurement of residualisation which was developed by Pearce and Vine in 2014. Pearce and Vine (2014) developed an Index of Residualisation which allows for exact comparisons over time, between different tenures, and across and within countries. Residualisation is there defined as “[i]f a particular tenure houses disproportionately more households with lower incomes, this indicates residualisation” (Pearce & Vine, 2014:663). Pearce and Vine (2014) have an extensive discussion on this novel measurement. Some of the advantages are described, such as the use of household income as a primary measure to allow comparisons across space and time. This advantage is used in Paper IV and my paper is thus the first study which, to my knowledge, makes use of this new measurement in a new (Swedish) context.

Data
I use secondary data, in the sense that I did not collect the data used in this dissertation myself. I use two types of data; survey data and population register data. These kinds of data have many advantages, although they also demand much from the user in terms of getting to know and becoming familiarised with the data, applying suitable techniques of analysis and ingenuity in working with what is in the data versus what you wish were in the data.

Survey data
Papers I and II in this compilation dissertation used data from the Survey on Income and Living Conditions (EU-SILC). EU-SILC is a cross-sectional and longitudinal sample survey, coordinated by Eurostat, based on data from the EU member states. EU-SILC provides data on income, poverty, social exclusion and living conditions in the European Union. EU-SILC was established to provide data on structural indicators of social cohesion and to provide data for the “open method of coordination”, that is, the EU member states’ project to promote soft-policy coordination by means of peer pressure (Borrás, Jacobsson 2004). EU-SILC cross-sectional data is available yearly from 2004 and onwards, both cross-sectional data and longitudinal panels are included. The data is collected through national representative probability sampling of populations residing in private households. In Paper I, I used data for the year 2007 covering 26 European countries. In Paper II, we extended the analysis to cover 31 countries using 2015 cross-sectional data.
Population register data

For papers III and IV, I have used Swedish population register data. Register data often refers to structured collections of personal data that have been collected at government agencies for other purposes than research. These registers contain information on the total population living in Sweden for each year from the year 1990 onwards and for all individuals having resided in Sweden during these years. In Paper III, I and Maria Brandén worked with a compilation of registers available through The Institute for Analytical Sociology (IAS) at Linköping University. In Paper IV, I worked with the compilation of registers available through the Department of Human Geography at Stockholm University. In both papers, the longitudinal integration database for health insurance and labour market studies (LISA) was our main source for unemployment records and disposable income records. LISA was consulted, along with registers of moves, and as described above, property tax register to get information on housing tenures. Thus, such a compilation of registers can often give a full picture of individual life courses.

Ethical considerations

Sweden is one of the few countries in the world to have unique administrative registers of the total population available for researchers. Administrative registers are collections of information, commonly compiled for other reasons than for purposes of research. The use of register data in research is not uncontroversial. Most registers contain personal data (personuppgifter in Swedish). Personal data can be understood as all kinds of information that can directly or indirectly refer to a natural person who is alive. Some of these personal data are sensitive. Sensitive information includes for instance personal data that reveals race or ethnic origin, political opinion, religious or philosophical beliefs, and membership of a trade union, or personal data that concerns health or sex life. Therefore, there are legal and ethical premises that need to be taken into consideration when conducting research using register data.

Several international organisations such as the United Nations (UN), The Organisation for Economic Cooperation and Development (OECD), and the European Union (EU) have developed guidelines for dealing with personal data. Important for the Swedish context are the European Convention on Human Rights, incorporated in Swedish law since 1995, and the EU Data Protection Directive, which has been implemented through the Personal Data Act (PUL, in the Swedish acronym). In January 2012, the European Commission presented a draft of a new General Data Protection Regulation (GDPR) that was planned to replace the EU Data Protection Directive from 1995 and in consequence, also replace the national law PUL in Sweden (Nyrén, Stenbeck et al. 2014). The League of European Universities (LERU) protested against
these new amendments as the suggested law would seriously reduce our possibilities to conduct research using register data (LERU 2014). However, the law was passed and the PUL was replaced by the GDPR in May 2018. Additional new laws are being suggested as I write this, among others a new research database law (SOU 2018:36) which are proposed to fill the gaps in the new regulation. It is at the moment (June 2018) unclear what consequences the proposal for new research database law will have for us as regards using administrative register data for research purposes. Since the implications of the GDPR remain unclear, the following text therefore proceeds on the basis of the current law.

What is at stake are the concerns people have about the handling and usage of personal data that might invade personal privacy. Personal privacy is protected in the Instrument of Government (Regeringsformen, in Swedish). In 2011, a large survey was conducted regarding citizen’s attitudes towards data protection, identity management and privacy (European Commission 2011). The survey showed that about 70% of respondents were worried about the use of personal data for other purposes than the data had been collected for. A majority of the countries in the report held the view that individual consent has to be given to be able to use personal data. The PUL is the law that governs the processing of personal data. Personal data can, if within a legal framework, be collected for explicit and justified purposes. The data may not be processed for other purposes. However, authorities are excepted and are allowed to process personal data according to special register statues. Moreover, the PUL also states that the processing of data for historical, statistical or scientific purposes shall not be regarded as incompatible with the purposes for which the information was collected. This opens up the possibility to use information in registers that has been collected for other purposes.

However, the use of data for other purposes than intended requires either the consent of the persons concerned or that the data is necessary in order to perform a task of public interest. Research is one example of such a task. In research, we are often interested in personal data of a sensitive sort, and according to the PUL it is prohibited to process these data. But, following ethical approval, these data may also be processed for purposes of research. In this dissertation, the compilation of registers available in GEOSTAR at the Department of Human Geography and through the Institute for Analytical Sociology at Linköping university both received ethical approval, both in-house from the authority delivering and keeping the data, Statistics Sweden, and from the ethical vetting committee (Ludvigsson, Håberg et al. 2015).
Summary of papers

Paper I

Housing deprivation now ranks high on the political agenda in the EU. There have been recent concerns about the increasing proportion of households across EU countries that are experiencing inadequate housing. At the same time, housing markets are under pressure in most countries, with a decreasing rental sector as a result. It has been recognised that the public or social housing sector has a key role in combating poverty and social exclusion. However, there is a lack of research which links housing policies to housing outcomes. The current paper aims to fill this gap. By applying a multilevel framework, I analyse survey data on 26 European countries in 2007 in order to examine the extent to which the organisation of the rental sector may explain differences in the prevalence of housing deprivation. Housing deprivation is here defined as referring to those who are living in overcrowded conditions while also suffering one of these additional inadequacies: a leaking roof, not bath/no shower, no indoor toilet, or a dwelling considered too dark. The organisation of the rental sector varies across countries. In this paper, I make use of a typology of rental systems which distinguishes between rental systems that are integrated, i.e. the public and the private rental markets are unified versus rental systems where the social or public rental sectors are organised separately, where social housing targets only poor households. I hypothesise on three possible mechanisms explaining why the integrated rental system would be more successful in reducing housing deprivation. Firstly, integrated rental systems are often accompanied by a moderate to low home-ownership rate in which middle and high-income groups are believed to be able to maintain their dwelling. Secondly, in integrated rental systems, the private and the public rental sector competes for the same segment in the population and this competition might lead to better quality of the rental sector. And lastly, it has previously been found that social security programmes which have the aim of making middle-class standards universal by pooling risks and resources across broader income groups are more successful in alleviating poverty. The same

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1 Paper I was developed and re-written from my 2012 master’s thesis in sociology at Stockholm University.
mechanism is believed to apply in the case of housing market organisation. The results from a series of multilevel logistic regressions indicate that a large and integrated rental sector significantly reduces the prevalence of housing deprivation across EU countries. Thus, the organisation of the rental sector appears to be crucial when it comes to reducing poverty and social exclusion in terms of housing insufficiencies. Eastern European countries seem to have the highest prevalence of housing deprivation, something that may be explained by the legacy of a former housing policy model or by the transition to a market economy with extensive privatisation of the housing stock. It should also be acknowledged that housing policies do not operate in isolation; rather, it has been suggested that low deprivation rates in countries with integrated rental systems could also be an effect of interplay with other policy areas, which reduces risks of experiencing hardship leading to housing deprivation.

Paper II

Paper II is a continuation of the quest to understand why the prevalence of poor housing conditions differs extensively across European countries. The overall aim of this paper is thus to study the variation in prevalence of housing deprivation, overcrowding and housing cost overburden between EU countries and to examine to what extent these between-country differences can be explained by measurable factors, either at the micro level or at the macro level. An overarching idea is that poor housing conditions often have the same determinants as social and material deprivation and, hence, many of the explanatory factors we will use are taken from previous studies. However, we also want to analyse if there are specific conditions in the housing market that influence housing deprivation, overcrowding and housing cost overburden. We perform a number of multilevel logistic regressions analyses on housing deprivation and its separate dimensions using survey data covering 31 EU countries from the year 2015. Our results regarding the micro level determinants of poor housing conditions indicate that factors related to permanent income and costs/needs influenced the risk of facing poor housing conditions in a similar way as has been found for social and material deprivation. Moreover, we also found that there was a consistency regarding the micro level risk factors associated with permanent income and costs/needs across all dimensions of poor housing conditions that were included in this paper. Regarding the macro level determinants, we find that the proportion of outright owners is positively associated with housing deprivation. This indicator is seen as a crude measure of historical and political factors that affect housing markets in Eastern and Southern housing regimes. However, our results do not suggest that the organisation of the rental sector is important, which sheds light on the results in
Paper I. Our results in this paper could indicate that the protective impact of integrated rental markets was mainly driven by the fact that the countries with a large proportion of rental housing stock are the same countries which have a low proportion of outright owners. Our results also shed new light on the impact of national wealth on housing deprivation. Despite a clear negative relationship between macro-economic affluence and housing deprivation, GDP did not significantly impact housing deprivation once differences in micro drivers, notably household income, were taken into account.

Paper III

In this paper, we try to solve an intriguing puzzle regarding the relationship between home-ownership and unemployment. The issue at hand is that there is a positive association between home-ownership and unemployment at the macro level, while the relationship is reversed at the micro level. That is, in regions with a large proportion of home-ownership, unemployment rates are also high, while home-owners in general are found to have better labour market positions. This relationship has been found for many countries, but has not sufficiently been explored in the Swedish case. We use administrative register data on Sweden 2001-2011 to explore the effects of the housing market structure and in particular, the extent of home-ownership, on unemployment. We perform logistic regressions coupled with linear probability models on the likelihood to move, as this factors has previously been regarded as an explanation of why home-owners are less likely to be unemployed. However, our main analysis examines the likelihood of being unemployed. Our findings indeed confirm previous patterns; the aggregate relationship between home-ownership and unemployment is positive in that home-owners are found to be less mobile, but also to have a lower likelihood of being unemployed. How can we understand this? One contribution of our study is that we analyse the effect of tenure on two levels; the individual tenure status as well as the characteristics of the housing market of the region in which the individual resides.

In doing this, combining micro and macro level information, we find that both home-owners and renters have an increased likelihood of being unemployed when they are residing in a region with high home-ownership rates. This negative effect on unemployment for all individuals, regardless of tenure status, needed more exploration. We tested for possible answers suggested by previous research, for example that this negative has to do with individual and overall mobility. We found no evidence that mobility affects the increased risk of being unemployed in regions with high home-ownership rates. We also argued for a previously omitted factor, namely that the size of the labour market is
important. Large labour markets are believed to be more diversified in terms of commercial and industrial life, leading to a larger number of vacancies in different work areas. This diverse and large labour market is believed to lead to better matches between workers and firms, which in turn decreases unemployment spells. Our analyses revealed that when including labour market size, the negative effect on unemployment for home-owners and renters residing in regions with high home-ownership rates decreased, in particular for those living in regions with 70% home-ownership rates or more. Thus, high home-owning regions tend to be accompanied by small labour markets where firms and workers are unable to find a good match.

Paper IV

The final paper in the current dissertation turns to the process of residualisation in Sweden. This is a process which can be described as when the public or the social rental housing sector becomes dominated by low-income households. For Sweden, this process is of key interest since the public housing sector has the aim of being universal and not directed towards any specific income group. By using Swedish register data covering 1993-2011, I made use of a novel Index of Residualisation to examine four topics: the development of the public rental sector in Sweden, the income profile of tenants within the public housing sector, the magnitude of residualisation, and the variation of residualisation across types of municipalities. In previous findings, residualisation has been accompanied by a shrinking public or social housing sector where only the poorest households remain. Thus, in a first step, the empirical analyses started by mapping out the development of the rental sector in Sweden. In this regard, the public rental sector decreased by three percentage points between 1993 and 2011, while the tenant-owned sector expanded from 16% to 23%. However, across types of municipalities, the trend is more diverse. The largest decline of the public rental sector has occurred in the larger cities and in municipalities close to large cities. Most other municipalities show a quite stable trend, with around 15% public housing stock. Even so, despite the lack of a dramatic decrease of the rental sector, there was an increase in the proportion of low-income tenants within the public housing sector during this period, from around 30% to 40%, and most of this increase occurred after the turn of the century. The pattern found so far is indeed also reflected when turning to the Index of Residualisation, which shows a clear trend towards increasing residualisation in the public rental sector in Sweden. Interestingly, I also found that the private rental sector seemed to follow the pattern of the public rental sector. Examining residualisation across types of
municipalities in Sweden reveals that the process of residualisation is most pronounced in sparsely populated municipalities, while the public rental sector is quite mixed in larger cities and municipalities near larger cities. These findings are opposite to what has previously been found regarding residualisation in Sweden (and the largest decrease of public housing in larger cities) and thus requires further investigation. In explaining varying patterns of residualisation, I performed regression analyses to assess the extent to which the size of the public housing sector affects the extent of residualisation. I found that the relative size of the public housing sector is a key factor for understanding the geography of residualisation in Sweden. Larger public housing sectors are associated with less extensive processes of residualisation.
Discussion

This dissertation is an attempt to gain knowledge of the principles that underpin the design and organisation of the housing market in terms of tenure types, and to understand the ways in which this design might affect the well-being of individuals and society as a whole. A more specific aim was to examine how the structure of the housing market may be linked to outcomes of poverty. This dissertation has shown that the link between housing markets and outcomes of poverty may be understood theoretically by applying power resource theory, and studied empirically in the four self-standing research papers. The dissertation answered four research questions, specific to each research paper; 1) to what extent does the rental sector account for cross-country differences in housing deprivation in Europe? 2) To what extent can varying housing deprivation rates across Europe be explained by macro factors, i.e. housing market structures, or micro level risk factors related to households needs and resources? 3) Can the structure of the housing market be linked to labour market opportunities? 4) To what extent can the size of the regional/local public rental housing sector influence the magnitude of low-income households within the same sector?

These questions were answered in four independent research papers. Regarding the first research article, empirical analysis of rental sectors in Europe showed that the organisation of the tenure structure is of the utmost importance if we want to understand the prevalence of housing deprivation across Europe. Thus, the way welfare states organise and influence how the housing market is structured has an impact on the extent of inadequate housing standards. The second research paper extended the analyses of the first research paper by showing that the organisation of the home-owning sector is also crucial for understanding varying housing deprivation rates across Europe. The third research paper turned to single country analysis of local labour markets in Sweden and their connection to unemployment probabilities. This paper increased our understanding of labour markets and housing markets and the main finding was that labour markets with a large proportion of homeownership tend to coincide with small labour markets, which may hinder effective matching for workers and employers. The fourth and last research paper concerned the prevalence of residualisation in Sweden. This is a process by which the public or social rental sectors become dominated by low-income households. By using a newly developed measurement of residualisation, this paper showed an increasing trend of residualisation in recent years in both the
public and the private rental sectors, and that this trend is more pronounced in rural parts of Sweden.

This dissertation has made three contributions. The first concerned that the field of housing may be developed by applying power resource theory. The second contribution concerned the use of power resource theory to understand a non-traditional area of the welfare state, such as housing. And the third contribution concerned the use of power resource theory as a tool to understand geographical variation in welfare state design.

Power resource theory guided me to focus on institutions in the housing market which may reflect “what people get” or what welfare states intend to deliver to their citizens. Power resource theory satisfied my need to understand how the organisation and the structure of the housing markets may vary across different places and across different scales, and what it takes to change this organisation or structure. Power resource theory may contribute to a re-opening of the debate on the role of different actors on the housing market and how they influence the design and organisation of the housing market. Although housing is depicted as a welfare state’s most durable good, there is indeed room for change and local variation.

In two out of the four research papers, I have focused on Sweden. Sweden is an interesting case considering the contributions of this dissertation. Sweden has long been depicted as the role model of the universal and social democratic welfare state. However, even in Sweden, left-wing politicians have always believed housing can and should be provided by the market. Moreover, as Sweden has decentralised housing, it is up to each municipality to ensure adequate housing for its citizens. Obviously, municipalities in Sweden face and have been facing very different challenges, and the local structure of the housing market reflects these challenges.
Sammanfattning på svenska

Det övergripande syftet med denna avhandling har varit att förstå hur bostadsmarknaden är organiserad i olika upplåtelseformer, och att förstå hur denna organiserings kan komma att påverka inte bara individers välfärd, utan hela samhällets välmående.


Jag har studerat fyra forskningsfrågor som var och en hör samman med en egen forskningsartikel; 1) i vilken utsträckning kan hyressektorns storlek förklara skillnader i undermålig boendestandard i Europa? 2) Hur kan vi förstå de skillnader som finns i undermålig boendestandard i Europa? 3) Kan bostadsmarknadens struktur länkas samman med möjligheter på arbetsmarknaden? 4) Kan variationer i hyressektorns storlek förklara skillnader i utbredning av antal hushåll med låg inkomst i samma sektor?

Denna avhandling för fram tre bidrag. Den har visat på hur maktresursteorin kan användas för att förstå bostadsmarknader i termer av upplåtelseformer och att hur dessa är organiserade har betydelse för individers och samhällets välmående. För bostadsforskare som söker att förstå inte bara bostadsmarknadens drivkrafter, design och förändring utan också dess koppling till individers välmående, visar denna avhandling att maktresursteorin kan bidra till att förstå denna helhet. För de som redan är bekanta med maktresursteorin utgör denna avhandling också ett bidrag till hur maktresursteorin kan användas för att studera välfärdssatsområden som inte utgör det traditionella skyddsnätet, det som aktiveras vid händelse av förlorad arbetsinkomst på grund av till exempel arbetslöshet, sjukdom eller älderdom. Denna avhandling visar därför den komparativa välfärdsstatslitteraturen att det finns intressanta kopplingar mellan hur bostadsmarknaden är organiserad och utfall som rör fattigdom. Slutligen används maktresursteorin för att förstå geografisk variation i institutionell design, både mellan och inom länder. Den geografiska aspekten i teorin har sällan lyfts fram i tidigare forskning, det är dessutom ovanligt att teorin används för att förstå variationer i institutionell design inom ett och samma land. Därför visar denna avhandling på ett sätt att studera och förstå geografisk variation i både design och utfall i hur bostadsmarknaden är beskaffad samt hur detta kan påverka individer.


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