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# How the City was Owned

## Property Markets, Property Rights, and Entrepreneurship in Stockholm, Sweden 1726-2018

Klas A. M. Eriksson

Doctoral Thesis in Economic History at Stockholm University, Sweden 2022

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**Klas A. M. Eriksson**

Academic dissertation for the Degree of Doctor of Philosophy in Economic History at Stockholm University to be publicly defended on Wednesday 15 June 2022 at 10.00 in hörsal 2, hus A, Universitetsvägen 10 A.

**Abstract**

In this dissertation three central themes concerning the ownership and allocation in the city of Stockholm over long periods are examined.

The first theme *property markets* involves constructions of real estate price indexes spanning from 1726 to 2018. The second theme *property rights* concerns the regulation of private and public ownership of real estate from 1874 to 2010. The third theme *entrepreneurship in urban environments* is an examination of the efforts to influence property markets and property rights through entrepreneurship in difference sectors from the 1920s to the 2010s.

With an extensive amount of empirical material, this dissertation examines and relates the three themes to each other and shed new light on urban dynamics from an historical perspective. This dissertation is particularly important today when ownership and prices of real estate in cities are burning issues, and entrepreneurship is of central importance for development. The dissertation is a compilation thesis consisting of six articles.

**Keywords:** *real estate, law, private property, public property, Stockholm, PBL, planning and building law, urban, Sweden, New Institutional Economics, long-term, mixed methods, 18th century, 19th century, 20th century, 21st century, general, specific, formulations, entrepreneurship, regulations, sharing, owning, digital entrepreneurship, digital innovation, cities, agglomeration, institutional entrepreneurship, field conditions, regulatory capture, price index.*

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Dedicated to Stockholm.

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# List of papers

1:
Carlsson Emelie, Edvinsson Rodney, Eriksson Klas, Ingman Gustav, (2022) A Real Estate Price Index for Stockholm, 1726–1875
In press *Historical Monetary and Financial Statistics for Sweden Volyme 3*, Riksbanken Ekerlids förlag

2:
Edvinsson Rodney, Eriksson Klas, Ingman Gustav (2021) A Real Estate Price Index for Stockholm, Sweden 1818–2018: Putting the Last Decades Housing Price Boom in a Historical Perspective
Published *Scandinavian Economic History Review 2021, VOL. 69, NO. 1, 83–101*
https://www.tandfonline.com/doi/full/10.1080/03585522.2020.1759681

3: Eriksson Klas A. M. (2022) Whom the City Regulates: Regulation of Public and Private Ownership Interests in Planning and Building Legislations in Stockholm, Sweden 1874-2010
Conference paper *The Thirteenth European Historical Economics Society Conference Paris School of Economics* 30 August 2019

4: Eriksson Klas A. M. (2022) How the City is Regulated: General and Specific Regulation in Planning and Building Legislations in Stockholm, Sweden 1874- 2010
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5:
Geissinger Andrea, Nykvist Rasmus, Eriksson Klas A.M. (2021) “Own it” or “Share it” Transformations of Regulatory and Community Norms in the Swedish Housing Market
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6:
Geissinger Andrea, Laurell Christofer, Sandström Christian, Eriksson Klas, Nykvist Rasmus, (2019) Digital Entrepreneurship and Field Conditions for Institutional Change– Investigating the Enabling Role of Cities.
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https://www.sciencedirect.com/science/article/pii/S0040162517316992

# Overview Chapter

Table of Content

## 1. Introduction

> Humans have to hold on to the belief that the incomprehensible is comprehensible, otherwise they would not continue to explore.
> - Johann Wolfgang von Goethe

Ownership and allocation of resources are the institutional foundations of the economy. History suggests that ownership protected by written law and allocation of resources through formal markets became relevant with the building and maintaining of urban environments.[1] According to thinkers from various traditions, economic growth and innovation mostly take place in urban environments (Glaeser, 2011; Hayek, 1960; Kotkin, 2005; Pipes, 1999; Rose, 2018)[2]. Furthermore, the viability of cities often relies on *property markets (allocation), property rights (ownership)* and *entrepreneurship (a way to influence allocation and ownership).* These three spheres are the focus of this dissertation.

Institutional theory suggests that well-functioning property markets presuppose well-defined property rights, which in turn represent a precondition for entrepreneurial initiatives. Still, there is a lack of studies that systematically examine these spheres and their evolution through history. Despite worries about future crashes in real estate and financial markets, there are at present only a few cities for which a housing price index for before the industrial revolution exists; despite an ongoing debate on the various constraints of building and planning laws, there is a lack of studies that quantify the evolution of these laws over a longer period; despite cities being the primary environment for entrepreneurial activity, there are few studies that examine the link between urbanity and entrepreneurship. Sweden has very rich historical sources on urban development – allowing numerous studies, mainly conducted by historians – but there is a lack of systematic mixed methods studies (with both quantitative and qualitative approaches) that examine longer periods. This dissertation fills these research lacunas.

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1 'Urban environment' refers to all kinds of dense population settlements going beyond Dunbar's number of approximately 150 people (Dunbar, 1993).

### 1.2 Aim and outline

The aim of this dissertation is to explore how *property markets*, *property rights* and *entrepreneurship in urban environments* have evolved between 1726-2018 and how are they have been related to each other and to the urban environment in which they take place. Data on real estate prices, building and planning regulations, official investigations, and company records in Sweden in general and Stockholm in particular have been used for this aim. The data have been analyzed using institutional theory. The dissertation consists of six papers, which can be divided into three related subject themes, namely:

1) **Property markets:** This theme is about ***the market allocation of property through prices.*** Papers one and two investigate the property markets by constructing real estate price indexes and studying how the prices of real estate evolved in Stockholm from 1726 to 2018. The aim is to study how long- and short-term fluctuations in real estate prices can be related to institutional change and shocks.
2) **Property rights: This theme is about the *formal private and/or public ownership of real estate*.** Papers three and four analyze the evolution of formal institutions regulating private and public property rights in city development in Sweden from 1874 to 2010. The main formal institutions used is the planning and building laws, which are the primary laws regulating public and private ownership in this sector. The aim is to study how the ratio of private and public ownership interest has evolved over time and how the formulations in these laws have changed over time**.**
3) **Entrepreneurship in urban environments: *This theme is about the activity of influencing allocation and ownership in the market sphere and through the institutional sphere.*** Paper five explores the informal institutions of the digital and non-digital sharing economy in the housing sector from the 1920s to the 2010s. Paper six is about the institutional entrepreneurship in telecommunication and finance markets during the 1980s and the urban concentration of enterprises and customers operating in the digital sharing economy in 2010s. The aim is to study what role cities had and have for entrepreneurship and informal institutions in the sharing economy, and what role cities had for institutional change in the wake of technological transitions.

These themes closely relate to each other since the prices in theme one is affected by the laws regulating private and public property in theme two, which, in turn, affect entrepreneurial activities in theme three.

To examine these themes a close and systematic coding and quantifying of a large number of qualitative and qualitative data have been conducted with both traditional and digital methods. The data, which has been gathered in collaboration with other researchers, consists of 22169 transactions of real estate properties, 7915 building permit acts, 3462 law issues in 1383 law sections, 1547 pages from five different government investigations, 20 qualitative interviews, 4829 posts in social media on the perception of sharing platforms, information on the geographical whereabouts of headquarters and target market of 89 companies active in the platform economy, and around 8000 dispersed qualitative documents from the institutional de-monopolization process of telecommunication and finance trading floor sector in Stockholm, Sweden.

The rest of this overview chapter is structured as followed: Section 2 briefly presents the six papers in the dissertation and their relation to each other. Section 3 presents a brief history and previous research on markets, property rights and entrepreneurship in urban environments and the gap this dissertation fills. Historical background and previous research are in the same section since previous research is related to specific historical periods. Section 4 owerviews the data and methods. Section 5 discusses the theories that are applied. Finally, section 6 discusses the results, provides a conclusion, and reflects on the contribution of the dissertation and possible future research.

## 2. Presentation of the papers

This section briefly presents all the papers of this dissertation and how they relate to each other.

### 2.1 Paper I: A Real Estate Price Index for Stockholm, 1726–1875

In press *Historical Monetary and Financial Statistics for Sweden Volyme 3*, Riksbanken Ekerlids förlag

Paper I, which is co-authored with Rodney Edvinsson, Gustav Ingman and Emelie Carlsson, presents a real estate price index from 1726 to 1875. From 1726 to 1818, information from 11 269 unique transactions has been used for the index. To control for qualitative changes in the housing stock, taxation values as well as a database of 7 915 building permit acts from 1713 to 1875 have been used. The repeated sales (RS) method has been used to recalculate the whole index before 1875.

The results show some volatility in the short run and an upturn up until 1760 when a significant fall takes place. Taken together, the period from 1726 to 1818 shows stagnating prices. However, an increase starts in 1810 that continues for several decades.

### 2.2 Paper II: A Real Estate Price Index for Stockholm, Sweden 1818–2018: Putting the Last Decades Housing Price Boom in a Historical Perspective

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Paper II is co-authored with Rodney Edvinsson and Gustav Ingman and reconstructs a real estate price index of Stockholm covering the period of 1818 to 2018. The main contribution is new data and a new price index for the period 1818-1875 which we add to a previous series from 1875-2012 and new data from 2012-2018. Around 10900 sales have been gathered from the period 1818-1875 and analyzed using the SPAR method. This shows that the so-called "hockey stick-pattern" – meaning a long stagnation between 1875 to 1993 and then a sharp upturn in 1993 to 2012 shown in earlier studies of Stockholm (Edvinsson et al., 2014), and a similar pattern internationally (Knoll, 2017) – is complemented by another sharp upturn in 1855–1887. There are thus two hockey sticks in the extended index. This brings the recent upturn in real estate prices from 1993 to 2017 (370 %) into perspective since a similar upturn was taking place between 1855 and 1887 (315 %). Both upturns came in the wake of structural change, deregulation, and increased urbanization. However, a significant difference is that the upturn in the 19$^{th}$ century coincided with a sharp growth of population, whereas during the upturn of 1993 to 2017 the population did not increase as much. In contrast to paper I, which is more descriptive, this paper focuses on the hockey stick(s) patterns and the institutional and demographic roles in this trend. In paper II the SPAR method is also used, which it is not in paper I.

**2.3 Paper III: Whom the City Regulates: Regulation of Public and Private Ownership Interests in Planning and Building Legislations in Stockholm, Sweden 1874-2010**
Conference paper The Thirteenth European Historical Economics Society Conference Paris School of Economics 30 August 2019

Paper III, which is solely researched and written by the author of this dissertation, explores the evolution of private and public ownership in the planning and building law of Sweden from 1874 to 2010. Every law issue of each version of this law is coded as either regulating private or public or both private/public matters. The category "private" refers to issues that regulate activities that do not affect a third party to any significant degree. The category "public" refers to issues that do affect a third party. The category private/public refers to issues that affect all parties.

Two distinct periods can be traced from this investigation, a period from 1874 to 1946 characterized by a *public regulation of a market*, and a period from 1947 to 2010 characterized by a *public steering of a sector*. The first period is characterized by large changes in the ratio of private regulations, public regulations, versus both private/public regulations. By putting it into context with the overall institutional and economic cycles in Sweden during this period the paper concludes that the law is following the overall trend rather well. The second period is characterized by very small changes in the ratio of private versus public versus both private/public regulation. The overall pattern between these categories is constant during this time even though this period is characterized by large institutional, economic, and technical changes. These findings indicate that the institutional setting is important to the price series of paper II which covers almost the same period. The long upturn in real estate prices from 1855 to 1887 had a radically different institutional setting than the second upturn 1993-2017. During the first upturn, the laws regulating property were relatively sparse and almost entirely focused on externalities and public property. During this time, the population increase corresponded quite well with price increases. During the 1993-2017 upturn there was a radically different institutional setting with extensive regulation of both private and public property. The price increase was much higher than motivated by population growth alone. Both upturns were accompanied by several deregulations, like the freedom of trade reform in 1864 and credit deregulation in 1985 as well as a technological transformation of the economy.

### 2.4. Paper IV: How the City is Regulated: General and Specific Regulation in Planning and Building Legislations in Stockholm, Sweden 1874- 2010

Conference paper The Thirteenth European Historical Economics Society Conference Paris School of Economics 30 August 2019

Paper IV, which is solely researched and written by the author of this dissertation, explores the semantic law formulation of the planning and building law and its predecessors in Sweden from 1874 to 2010. The law issues are coded as "general", "specific", or "middle". The category general is defined as the most diffuse, broad, and ambiguous law formulation which often requires an interpretation practice. The category specific does not leave much room for interpretation. The category of middle is somewhere in between.[3]

This method was originally developed by Jarrick and Wallenberg Bondesson in their examination of law formulations in constitutions over a period of 4000 years. Their examination suggests that young non-complex societies have a high ratio of specific law formulation and that the laws tend to become more general the more complex and developed a society becomes.

The aim of this paper is to explore if this trend also holds for laws regulating a specific sector, in this case the planning and building sector of Sweden in general and Stockholm in particular. In 1874, this sector can be seen as being in its beginning since the first national planning and building charter had been passed and Sweden was on the verge of industrialization, liberalization, and urbanization.

The evolution of the law formulation in a specific sector is relevant since it can indicate inertia and insecurity in a market which is considered negative for growth and development (C Rose, 1994). The paper also adds an important dimension in relation to paper III of this dissertation. While paper III explores the ratio of public and private interest regulation, hence *what* the laws are regulating, paper IV explores *how* the laws are regulating these matters.

[3] Examples are made up by author. Examples of these law formulations from the planning and building law are presented in section 3.2 in this overview chapter.

### 2.5. Paper V "Own it" or "Share it" Transformations of Regulatory and Community Norms in the Swedish Housing Market

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Paper V, which is co-authored with Andrea Geissinger and Rasmus Nykvist, explores the informal institution of sharing norms in housing over a period of 100 years. The present digital sharing and platform economy of Airbnb – aiming at effectively enabling temporary housing – is compared with the over 100-year-old sharing norm of cooperative housing in Sweden – aiming at enabling housing and sharing the risk of investment. By using a topic mapping method of a rich dataset of secondary literature and government investigations that led up to the institutional framework of these sharing economies we are able to spot linguistic patterns indicating informal sharing norms during the whole of this period. We are able to spot significant "German Cooperative Capitalism" norms in the broad establishment of housing cooperatives 1920s, which eventually became more and more characterized by "American Competitive Capitalism" norms. The same evolution could be observed in the creation of a digital sharing platform distributing housing where the early platform Couchsurfing – which enabled people to live at each other's places for free during limited periods of time – were characterized by German Cooperative Capitalism. The later platform Airbnb – whose model was that people paid rent to stay at each other's places for limited periods of time – eventually took over the market with its American competitive norms. In this paper, we hence examine the informal institutions preceding the formal institutions of housing in different eras. The systematic identification of these so-called informal institutions (norms, opinions, values etc.) partly complements the systematic coding of formal institutions (laws, charters) in paper III and IV.

### 2.6. Paper VI: Digital Entrepreneurship and Field Conditions for Institutional Change– Investigating the Enabling Role of Cities.

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Paper VI, which is co-authored with Andrea Geissinger, Christofer Laurell, Christian Sandström and Rasmus Nykvist, explores the role of cities in digital entrepreneurship. A

large amount of qualitative data from telecommunication, the finance trading floor, and the sharing economy sector in Stockholm is analyzed. We conclude that cities offer a variety of economic, technological, and institutional possibilities to market actors for overcoming institutional resistance to innovation and avoiding regulatory capture. Even though the sharing platform might be very mobile, we present empirical evidence on how providers and customers are often geographically concentrated in cities. Regarding institutional change, our results suggest that a proactive non-market strategy and institutional entrepreneurship directed toward a variety of resourceful vested interest groups on different levels of society including politicians, officials, academics, business, popular opinion are favorable for making institutional change and renewal of mature industries in Western economies happen. The result also suggests that geography and cities play a key role in the platform economy and institutional change in the wake of digitalization. This paper examines how institutions and markets – which are examined in the previous papers – are affected practically by entrepreneurship concentrated in cities.

## 3. Historical background and previous research on ownership and markets in urban environments

Although cities have been founded for many different reasons, they have often been sustained through trade, entrepreneurship, property rights, efficient knowledge transfers and an expanding division of labor (Abdel-Rahman and Fujita, 1990; Abdel-Rahman, 1988; Becker and Murphy, 1992; Florida et al., 2017; Glaeser, 2011; Glaeser et al., 1992; Jacobs, 1969; Kotkin, 2005; Lucas, 1988; Marshall, 1916)

Richard Pipes (1999 p. 107-111 & 130-133) traces the ideas and practice of western property rights back to Greek and Roman antiquity. According to Pipes, Roman law had a profound influence on the medieval English common law that promoted the property rights of urban land and buildings for all citizens[4] regardless of social estate. Furthermore, Pipes (1999 p. 109f) claims that it was in the English medieval cities – and in their eventual counterparts in the Nordic law tradition and on the continent – that the modern citizenship evolved, with the rights and duties of individuals there being fundamentally different to

[4] The word "citizen" derives from the French word "cite" and was originally a word referring exclusively to urban inhabitants (Pipes, 1999, p. 109)

those living in the countryside. “Stadtluft macht frei nach jahr und tag” (“City air makes you free after a year and a day”) is a German saying that refers to this law system during the Middle Ages where a serf could become free by residing in a city for at least one year and one day (Pipes, 1999 p. 109). According to Pirenne (1946 p. 131f), the property and citizen rights made the medieval burghers, hence the people living in cities, “the first urban middle class”, and, according to Pipes (1999, p 111), they lived in “oases of liberty based on rights” surrounded by an agrarian society based on “duties and privileges”. According to Pipes (1999 p. 131), “Common law jurists laid great stress on private property”, and according to legal historian Arthur R Hogue (1966 p. 107), the “medieval common law was principally land law”.

Pipes (1999, p. 110) claims that owners of real estate had almost the same property rights as owners of “unencumbered commodities” in the medieval cities characterized by English common law. Both a building and the land on which it stood were in the hands of its owner, who was free to dispose of it at will (Pipes 1999, p. 110). According to Macfarlane (1987, p. 192), the inheritance rights in the English 13th century, did not give any automatic right to the land if the seller preferred to sell to someone outside his family instead of passing it on to relatives:

> property {in England} was highly individualized by the end of the thirteenth century, if not much earlier. It was held by individuals and not by larger groups; it could be bought and sold; children did not have automatic rights in {their ancestors} land; there is no evidence of strong family attachment to a particular plot of land. (Macfarlane 1987, p. 192)

In Sweden, however, there was a version of “ancestry rights”[5] that meant that if a relative of a seller of real estate wanted to buy the property, he had the right to do so before a non-relative, provided he was willing to pay an amount at least equal to what the non-relative was willing to pay (Wessen 1966, p. 70). This ancestry right also made it harder for the city to realize its city plan if the plan included expropriation, since ancestry right was above the city rights when it regarded expropriation. This hierarchy of laws was in place until at least the

[5] Swe: “bördsrätt””

18th century (Svensk författningssamling 1875:42, s 9-12). After this period, the ancestry right was merely a custom. These customs are revealed in the data of real estate sales used for the price index presented in papers I and II (theme one) in this dissertation by dividing up the sales into first, second and third bids. In papers I and II in this dissertation the third bid has been used for construction of the price index.

The practice of planning cities and towns through centralized public ownership and authority expanded in Sweden during 17th century when Sweden became an empire. New military strategy required that cities had straight, smooth, and predictable streets, where armies could move effectively. Almost 80 cities were founded and 20 cities were relocated during this century, primarily for military reasons (Lundevall, 2021 p. 47). It was mostly the road infrastructure that was centrally planned with for instance long esplanades. Before this period, towns in Sweden developed spontaneously, almost entirely through decentralized decisions by real estate owners (whether they were private or public). In Sweden many cities were formed during the Middle Ages and their spontaneous decentralized development can still be spotted, for instance in the old houses and alleys of Gamla stan (eng: The Old Town) in Stockholm (Lundevall, 2021 p. 29).

The price index in paper I in the present dissertation starts in 1726, which was a time when the empire had recently fallen, and Sweden was a small, poor, and militarily weakened country. However, during the 18th century, several reforms were launched that would enable future prosperity, the most important probably being the land privatization reform in 1757 and the freedom of press reform in 1766 which were followed by similar reforms in the 19th century – like freedom of trade for land in 1810 and general freedom of trade in 1864 (Andersson-Skog and Magnusson p. 58-60 & 67-74, 2014; Blücher, 2006; Jonsson 1997; Vegesack, 2003 p. 195).

After some decline in urbanism during the 18th and early 19th centuries, rapid urbanization characterized the Swedish industrialization era in the late 19th century (Söderberg et al., 1991). City development was then distinguished by on the one hand decentralized private property rights – with relatively light public regulation of privately owned buildings and real estate – and on the other hand, more expansion of public ownership – with more investment in large public places and infrastructure. Both these

aspects were seen in the first national building charter of Sweden after 1736[6], namely the 1874 building and fire charter. Together with the privatization and marketization of land through reforms in 1757, 1807, 1810 and 1829, the abolition of the guild system in 1846, and the general freedom of trade reform in 1864, the way was paved for Swedish capitalism, modernism, and industrialization. A deregulated bank and credit system in 1864 made it possible for both enterprises and households to invest in property and save money for future expenditure not least though Henrik Palmes Stockholms Inteckningsgaranti Aktiebolag (SIGAB) established in 1869 and which had a near monopoly of credits to real estate investors in the wake of the new bank law of 1886 (Lilja, 2004 p. 58; Perlinge, 2012 p. 82).

Kristina Lilja (2004) shows that the Swedish credit market gradually changed from being more privately organized to being more institutionalized during the 19th century and in particular its latter half. From 1820 to 1910 a wider range of options regarding savings and credits were offered to households, which could help them meet different needs in their life cycle. Lilja focus her study on the town of Falun in the north of Sweden but also shows that this was a trend over the whole of Sweden (Lilja, 2004 p.57-58). Furthermore, Perlinge (2012 p. 79-88) shows that the share of banks credits to the real estate investors between 1896-1908 in Stockholm (with quite a lot of volatility from year to year) became bigger than the other more private and personal creditors first in 1907 and 1908.

The building and fire charter of 1874 is also the first law examined in papers three and four in this dissertation. It was characterized by regulation of third-party externalities, like fire safety, but was otherwise characterized by a relatively strong freedom of disposal (Boverket 2019b). Furthermore, the charter was not legally binding. It was a proposal from government and/or the king, not a law decision from parliament (Blücher, 2006). In many ways, the 1874 legislation was in line with strong private property rights and regulation of third-party externalities together with large public "flagship" projects in the so called Lindhagen Plan: with public buildings, public parks, large boulevards, and squares. Odengatan, Sveavägen, Strandvägen and Birger Jarlsgatan in Stockholm are famous examples, which was designed largely by city planner Albert Lindhagen who found inspiration from French city planning in general and the French Bonapartian city planner

[6] Which was written in 1734 and launched in 1736.

Georges-Eugène Haussmann in particular. Just like Haussmann, Lindhagen proposed large boulevards and public parks and buildings and sewer infrastructure (although Stockholm did not have a functioning sewer infrastructure until later). The Lindhagen plan was formulated in 1866 but mainly implemented from 1874 and during the 1880s (Hall and Källström, 1999 p. 117 & 125). Although the 1874 charter is mentioned and partly examined in books and dissertations such as Sheiban (2002) Blücher (2006), Lundevall (2021), Mörner (1997 p.61-68), these studies do not conduct systematic examinations of the whole law document.

In 1907, the charter of 1874 was complemented with a legally binding law, and the first version of the municipal planning monopoly was passed. In 1931, the power of the municipal planning monopoly was enhanced, and reached a peak with the 1947 planning and building law (Blücher, 2006). This era in Sweden has been more researched from a city planning and housing perspective. Mats Deland (2001) examines the city governing in southern suburban Stockholm in the period 1900-1945 through the theoretical lens of "governmentality", hence "governing understood in the larger context of both a mentality and of techniques" (Deland, 2001 p. 24). In line with the results of paper III and IV (theme two) of this dissertation, Deland claims that the city before the period he studies was governed mainly through market forces (Deland, 2001 p. 25). Also in line with the results of paper III and IV (theme two) of this dissertation, he emphasizes that the municipality had limited power over city development during the beginning of the 20$^{th}$ century, but increased its power toward the middle of the 20$^{th}$ century (Deland, 2001 p. 23).

The late 19$^{th}$ century and early 20$^{th}$ century Stockholm have been studied by Eva Jacobsson (2000). She describes the rise of the public housing projects as well as housing cooperatives in the wake of industrialization, urbanization and modern capitalism in Sweden. According to Jacobsson, public housing and housing cooperatives provided ways for ordinary people to live in the city, without being excluded by market forces. The price index that is presented in this dissertation shows a stagnation in the prices from the early 20$^{th}$ century despite continued urbanization. Although Jacobsson's emphasis on public housing and housing cooperatives probably explains a great deal of the affordable housing that evolved during these times, this dissertation puts those more in relation to the planning and building laws that all actors, individuals, collectives, public as well as private actors, had to adapt to. Hence, whereas Jacobsson explains the rise of public housing and housing cooperatives, this dissertation explains the laws that enabled them (papers III and IV, theme

two) and the prices that followed them (papers I and II, theme one). The present dissertation fills a gap by examining prices and ownership of real estate and planning activity, which affect all city and housing development, including housing cooperatives. Furthermore, where Jacobsson's investigation end in 1940, paper V in this dissertation explains the formal and informal institutions that regulated housing cooperatives from the 1920 up until today. The housing cooperative movement that Jacobsson examines is an example of a broader trend during these times where more and more sectors of society were steered by cooperatives, which often began as social movements – including housing cooperatives and tenant movements. Charlotta Stern (1999) has examined the dynamics of social movements and especially their intra-competition in Sweden, with examples from this period including the social democratic party (which sprung from the labor movement), the Free church movement and the Temperance movement. Stern shows how the labor movement and the social democratic party were able to grow and spread in different sub-organizations though macro- and micro-networks across the nation, with agitators visiting many cities, towns and villages and diffuse through persuasion and imitation. These movements often evolved into the cooperatives which became a key aspect of the Swedish Model with, for instance, housing cooperatives, negotiated salaries between representatives of labor unions (often tied to the social democratic party) and the employer association as well as negotiated rents between representatives of tenant associations and the real estate owner associations.

The period 1947-2010 was characterized by fundamental institutional, technological, and cultural shifts in the Swedish and the world economy. The Swedish version of *welfare capitalism*, (also called the Swedish Model) was launched in the 1930s and coincided with considerable economic success in Sweden during the 1950s, 1960s and the early 1970s (Calmfors, 2015; Karlson, 2018; Lewin and Lindvall, 2015; Bergh, 2015; Sjögren, 2008). Relative to other Western countries, the Swedish welfare state often controlled larger domains of the economy. This system is sometimes called "the Swedish middle way", and was characterized by high taxes and a close cooperation between state and private industry in several sectors, merging socialist ideas into the capitalist order. An example is the planning and building sector, which became significantly more centralized and regulated during these times – this process is partly investigated in paper III and IV in this dissertation.

Compared with many other periods, the welfare capitalism period is extensively researched from many different perspectives. Hans Sjögren (2008) describes the

birth of the Swedish Model in relation to two types of modern capitalism namely: German Cooperative Capitalism and American Competitive Capitalism. German Cooperative Capitalism is a coalition between business and state, where cooperatives are able to act relatively independently of both market forces and the state authority. American Competitive Capitalism, on the other hand, is an individualistic entrepreneurial system with competition and innovation in the forefront. Sjögren describes the Swedish Model as a combination of German Cooperative Capitalism and American Competitive Capitalism. Several "founders" and "developers" of the Swedish Model were deeply influenced by the German and American versions of capitalism. Several of them had studied economics in both countries (Carlsson, 2002). Sjögren's distinction between German and American Capitalism in the Swedish Model has been important for paper V in the present dissertation, which deals with informal institutions of ownership in two different "sharing economies" in the Swedish housing sector namely, the housing cooperatives, which were founded in the late 19th century but gained significant influence in Swedish housing firstly during the 1920s, and the digital sharing economy, notably the Airbnb platform, which enables efficient distribution of rooms, apartments and houses for renting from 2008. Both these sharing economies were developed in times of housing shortages and increasing housing costs and played a significant role in moderating the obstacles that shortages and increasing prices created.

Welfare capitalism faced a crisis in Sweden, just like in the rest of the Western world during the 1970s, in the wake of the stagflation and the oil crisis (Lewin and Lindvall, 2015 p. 9; Nordin, 2019). According to Sjögren (2012 p. 46), state expenditure of total GDP rose from 31 to 62 percent from 1960 to 1980 in Sweden. A discontent with state expansion had emerged in certain business organizations following the end of World War II, not only regarding the government's share of GDP but also regarding what was seen as extensive regulation and a high tax level (Westerberg, 2020 p. 1-2). In Sweden, the controversy reached somewhat of a peak with the proposal of and resistance against the "Wage Earner Funds"[7] in the 1970s and 1980s, which caused a split in the cooperative welfare capitalism

[7] Wage earner funds was a fund system proposed by the Social Democrats (in an initiative of the Swedish Trade Union Confederation) in the late 1970s (and implemented in a modified version in the early 1980s) where employees were supposed to receive guaranteed ownership in the private companies they worked for.

policy that had been present for decades (Lewin and Lindvall, 2015 p. 8; Westerberg, 2020 p. 289-294).

Welfare capitalism was eventually reformed and reversed during the 1980s, 1990s and 2000s in what has been termed *the neoliberal era*. Several old monopolistic sectors like education, public transport, pharmacy distribution, finance[8], telecommunications and parts of the labor and housing market faced significant deregulation and privatization (Bergh, 2015; Karlson, 2018; Malm Lindberg and Ljunggren, 2014; Nordin, 2019; Westerberg, 2020). Examples of telecommunication and finance trading floor sectors are examined in paper VI in this dissertation. This paper also explores the role of cities in both the structural transformation of the economy during the digital era, and in relation to the geographical whereabouts of the digital platform economy companies' headquarters and the customer base of these companies. Recent research regarding the institutional change during the structural transformation from the 1970s and onwards includes that of Nils Karlson (2018). He describes the practical implementation of institutional change from a welfare capitalism to a more liberal system in Sweden and Australia from a macro perspective. Describing and analyzing the practical implementation of strategies for institutional change is his main contribution. Paper VI of this dissertation describes a similar process, but on the sector level of telecommunication and finance trading floors. Several studies have emphasized the advantage of incumbents in these environments due to regulatory capture (cf. Carleheden, 1999; Epstein, 1980; Mokyr, 1994; Potts et al., 2016). However, both paper number VI in this dissertation and Karlson (2018) examine deregulation processes where regulatory capture has been avoided. Whereas Karlson (2018) focuses on three different political techniques that he concludes are crucial for liberal reforms to happen – namely Kuhnian techniques, which concerns narrative telling, Popperian techniques, which concerns arguments backed by scientific evidence, and Machiavellian techniques, which concerns political power tactics and out-maneuvering of opponents – paper VI in this dissertation focuses on the strategies and activities of the institutional entrepreneurs in separate sectors who are usually engaged in market activity. These strategies and activities have been coded in the framework of Oliver, Holzinger (2008) as either proactive, defensive, anticipatory, or reactive. Paper VI also explores the non-

[8] Sweden was the first country in the world to de-monopolize and allow private competition in its stock exchange.

market activity of preceding institutional change, as well as the digital entrepreneurship and digital platform economy that evolved in its wake, and the role large cities have in all these aspects. This paper hence complement Karlsson (2018), and fills a gap, by exploring deregulation, structural and institutional change in more detail on the sectors level. Furthermore, as Eriksson et al., (2019) suggest, there has to be a favorable environment for institutional change on many levels of society. By applying the theoretical framework of Geels (2004), Eriksson et al., (2019) suggests that three levels of society have to be in favor of institutional change for regulatory capture to be avoided, namely the niche level, meaning the company level, the sociotechnical regime, meaning the sector level, and the landscape level, meaning the overall society. During the 1970s, 80s and 90s, when telecommunication and finance trading floors were in the process of deregulation and de-monopolization, all these levels were worked upon by institutional entrepreneurs. This was especially the case for the entrant[9] Comvik, who dismantled the telecommunication monopoly of the incumbent[10] Televerket by engaging in proactive activities and strategies on all these levels simultaneously.

However, as shown in papers III and IV of this dissertation, a sector which has been very consistent in its regulatory character during both welfare capitalism and neoliberal era is the planning and building sector of land and real estate in Sweden. This provides a contrast to what the research about the neoliberal era shows with its profound examples of deregulation and de-monopolization. Many of the 20th century path-making policies such as municipal planning monopoly, which were introduced in 1907, are still intact. The general character and fundamental claims for the planning and building law and its predecessors have largely been the same since 1947. From 1947 to 2010, planning and building laws and their predecessor have changed marginally, both in relation to other sectors and sub-sectors and in relation to the evolution of planning and building laws earlier in history. This regulatory trend is shown in papers III and IV in the present dissertation and is partly in line with Karlbo et al. (2012). The latter study goes even further and claims that "…the foundation for the Swedish planning and permit system is in principle unchanged since the 1931 City Planning Act" (Kalbro et al., 2012 abstract). The reason the present dissertation considers the 1947 planning and building act as a threshold is that the level of

[9] "Entrant" means: new actor in a market or a sector.
[10] "Incumbent" means: establisched actor on a market or a sector

detailed regulation increased significantly then and, most importantly, the *ratio hierarchy*[11] between private, public and both private/public regulation has been the same since 1947. However, the *ratio hierarchy* of the different formulations of the regulation in the general category, specific category, and middle category, has been the same since 1931. The examination of law formulation takes place in paper four and is explained in section 3.2 and 2.4 in this overview chapter.

Kalbro et al. (2012) argue for a change in the planning and building law so that it corresponds more with the practical reality of today's city planning. This would reduce inertia and increase the rule of law in the planning and building process, they claim. Paper III in the present dissertation discusses whether an update of the planning and building laws that is more in line with today's economic and social reality is desirable. Paper III also examines if a law structure that is in line with the overall economic context has or has not been present at some time during the examined period. The difference between paper III and Kalbro et al., (2012) is that paper III quantifies all the law issues in the planning and building laws and its predecessors over a long period to analyze the scope and patterns of regulating private and public interests. The method of Kalbro et al., (2012) is more about comparing selected fundamentals in the law documents as well as comparing them with practical planning projects. Also, paper IV of the present dissertation examines the linguistic law formulation of the Planning and Building Law during the same period, 1874-2010 (the 2010 law is still in place today). Paper IV investigates whether the law formulations have been more diffuse and general over time in relation to being more specific and clearer. Paper IV also examines whether the law has been more extensive and covered larger areas and more detailed aspects of the planning and building activity.

Andreas Strömgren (2007) examines the values and norms characterizing the planning and building practice from 1945-2005. His conclusion is that even though many different planning norms – including norms based on decentralization like "planning as communication", "planning libertarianism" and "planning postmodernism" – were present during this period the implementations were dominated by centrality and rationality norms and changed very little since at least the 1960s. This can be related to the finding of papers IIi and IV in this dissertation, which concludes that the foundations of the planning and

[11] The concept "Ratio hierarchy" is used to indicate that the category "both private/public" is always the largest and that the category "private" is always the middle and the category "public" is always the smallest.

building law have changed very little since at least 1947. This also puts the relation between formal and informal institutions in an interesting light since there seem to have been attempts to change the informal institutors in city planning. However, this seems to have had no significant impact on the formal institutions of the planning and building laws. Strömgren's examination hence suggests inertia in the process of informal institutions going from merely ideas and norms to becoming formal institutions. This partly goes against Oliver Williamson's influential theory that informal intuitions change slower than formal ones (Williamson, 2000). Williamson's theory is presented in more detail in the theory section of the present overview chapter.

The inertia in the transition from ideas to practical implementation of reforms is also shown by Lakomaa (2008) in his examination of communalization of the school system and elderly care in Sweden during the early 1990s. Both these reforms had been at the idea stage for several decades before they were implemented. In line with Lakomaa´s result, papers III and IV in the present dissertation show that municipalities took a larger share of the power of city planning with the 1987 Planning and building law, whereas the ideas for these (relatively small) reforms had been presented (and partly been implemented) decades before. It is worth emphasizing that the 1987 municipality power primarily came at the expense of the state power. One could argue that the municipality had stronger power in relation to private actors during the 1970s than after 1987. However, a few years later, in 1990, the state increased its power over the municipality again after the municipal veto against state storing of nuclear waste (and later infrastructure projects and hydropower plants) was abandoned (Blücher, 2006). This was also something that had been suggested decades before.

While several sub-sectors of the planning and building activity, like public housing, building subsidy and housing price controls were reformed (deregulated) during the period 1947-2010, the planning and building law has largely remained the same (Jörnmark, 2007, 2005; Kalbro et al., 2012).The prices and rents of housing cooperatives[12] were deregulated in 1968 (Boverket, 2007). Rental housing remained regulated from 1942 onwards but under a negotiated "use value" system[13] from 1968[14] (Jörnmark, 2005).

[12] "Bostadsrätt" in Swedish.
[13] "Bruksvärdessystem" in Swedish.
[14] The reform was made in stages 1968, 1972 and 1975 (Jörnmark, 2005).

Jörnmark, (2007, 2005) claims that after the housing cooperative system reformed from regulated prices and rents to a free market system in 1970, they steadily began to take an increased market share over rental housing. Furthermore, the deregulation of the credit market in 1985 increased demand at the same time as supply was restricted by the planning and building law, rent control and absence of public housing projects. This, together with the structural change of the economy at large, might have contributed to the rising real estate prices that took place in the 1990s onwards, which is analyzed in papers I and II in the present dissertation.

Hedin et al., (2012) claim that housing policies were deregulated or abandoned during 1986-2001 – an example they present is the radically decreased public funding for housing projects during the 1990s. The authors also claim that economic segregation in Stockholm, Gothenburg, and Malmö was a consequence of this – although no evidence of causality is presented. They conclude that housing in Sweden went through a neoliberalization during this period and continues to do so today as well. Although certain aspects of housing have been deregulated, the present dissertation shows that it is partly an overstatement that housing policy *as a whole* has been "neoliberalized". The reason for this is primarily the increasing regulation from the planning and building law, which is shown in papers III and IV of this dissertation. Hedin et al. (2012) do not mention the planning and building law or the planning monopoly in their paper. This makes their argument weaker since the planning and building law and the planning monopoly is so important for housing. Furthermore, it is problematic that they do not take into account the price-controlled rental housing sector in their analysis. Rent control, together with critique of the planning monopoly and the inertia of the planning and building law, are the major issues that are emphasized in the research that criticizes housing policy and city development for still being too regulated, in Sweden and internationally. Andersson and Söderberg, (2012) Arnott (1995) Bentzel et al. (1963) Glaeser, (1996) Glaeser and Luttmer, (1997) Kopsch, (2019) Lindbeck, (2016) Lindbeck and Blomquist, (1972) all advocate some sort of abandonment or rearrangement of the price control on rental housing. Regarding institutions in general, and planning and building law in particular, the research on the Swedish sector is more sparse, but includes Anas et al., (1991) Cars et al., (2013) Lind and Lundström (2011; 2007) and the previously mentioned Kalbro et al. (2012). The international literature is vaster and includes Glaeser and Ward, (2009; Herkenhoff et al., (2018); Hsieh and Moretti, (2019) and Levine,

(1999), showing links between land use regulation and economic slowdown. Except for briefly mentioning Anderson (1990) and Meyerson et al. (1990) – as part of explaining the neoliberal proponents of a deregulated housing policy during the 1980s and 90s – none of this kind of literature is mentioned in Hedin et al., (2012)

In the present dissertation the combination of examining long-term development from a more quantitative and overreaching perspective with certain in-depth qualitative case studies fills a methodological gap in research about real estate and the city planning sector. This gap is partly recognized by Gurran and Bramley, (2017 p. 98)Research on other aspects of the economy has applied a combination of longitudinal and cross-sectional data. For instance Marcus Box (2005) examines what determines the survival of firms over long period of time during the 20th century using a vast amount of longitudinal data and cross-sectional data. Just as in research on the real estate and the city planning sector today, this approach filled a gap in business research then. Box concludes that environmental (real economic) and structural conditions (firm age and size) play a crucial role, more so than for instance personal traits and family succession. According to Box (2005 p. 201 & 204f), emphasis on environmental, structural conditions complements research that puts the emphasis on institutional factors, individual/entrepreneurial factors and "real historical" factors. Even though the importance of institutions is evident in my examination, I also complement these explanations with something that might resemble individual/entrepreneurial explanations and real historical factors.

### 3.1 Synthesis, research gap and research questions

To sum up, while numerous studies (cf: Florida et al., 2017; Glaeser, 2011 p. 1-15; Helsley and Strange, 2004; Kotkin, 2005 p. XXIf; Wheeler, 2001; Pipes, 1999 p. 109, 111; Pirenne 1946 p. 131f; Hogue 1966 p. 107) indicate that property markets, property rights and entrepreneurship have been crucial in urban history, there is still a lack research that systematically examines these factors over a long period of time using vast amount of longitudinal data.

The present dissertation fills that gap since it provides long run price index and long run institutional data as well as contextual case studies that provide deeper knowledge

of how entrepreneurship in urban environment have affected markets and institutions under different conditions. The lack of previous research about different planning settings under different conditions is also something that city planning researchers Gurran and Bramley (2017 p.98) point out.

This dissertation bring new knowledge and complement previous research on housing price indexes (cf: Bohlin, 2014; Edvinsson et al., 2014; Knoll et al., 2017) by extending the time frame and show how previous pattern can be seen in new light going further back. This dissertation also brings new knowledge on real estate institutions by quantifying the relationship between regulation of private and regulation of public ownership. This fills a gap in previous research on these matters with tend to be covering shorter time periods and apply a more case oriented qualitative method (cf: Kalbro et al., 2012; Sheiban, 2002; Strömgren et al., 2007). Also it complements previous research on formulations of laws regulating whole societies (cf: Jarrick and Wallenberg Bondesson, 2018, 2011) by providing result on the relation between general and specific type of formulations of the laws regulating public and private ownership in a specific sector. Furthermore this dissertation brings new knowledge on how intuitional change, informal institutions, and entrepreneurship are relate to urban environments which both complements (e.g. Florida et al., 2016; Isenberg, 2011) and deviates from previous research on these matter (cf: Carleheden, 1999; Epstein, 1980; Mokyr, 1994; Potts et al., 2016).

The present dissertation also puts these aspects in relation to each other and hence provide knowledge on property markets, property rights and entrepreneurship in urban environments. The overall research questions for the present dissertation are: how have *property markets*, *property rights* and *entrepreneurship in urban environments* evolved 1726-2018 and how are they related to each other?

## 4. Overview of data and methods

The papers of this dissertation are based on an extensive amount of data. In papers I and II, 22169 transactions and 7915 building permit acts have been collected, organized, and analyzed by the authors. For papers III and IV, 3462 law issues from 1383 sections in six different law documents have been collected, coded, and analyzed by me. For paper V,

every word from five different state official investigations[15] – in total 1547 pages – has been processed through topic modeling machine learning providing patterns of common phrases. For paper VI, information on the geographical whereabouts of headquarters and target markets of 89 companies active in the digital platform economy has been collected by Andrea Geissinger and Christofer Laurell. Also, 4829 posts in social media regarding the platform/sharing economy have been gathered by Andrea Geissinger and Christofer Laurell. About 8000 dispersed qualitative documents – including management minutes, government decisions, media coverage etc. – regarding the process of de-monopolization of telecommunication and the finance trading floor sector in the 1970s, 80s and 90s have been gathered, coded, and analyzed by me. In addition, 20 qualitative interviews have been conducted with key actors in the deregulation process of the Swedish finance trading floor; these interviews have been conducted by Rasmus Nykvist.

### 4.1. Data on real estate prices

For papers I and II, 22169 transactions from real estate sales between 1726 and 1875 have been collected. Additionally, 7915 building permit acts from 1713 to 1874 have been gathered digitally through a web scraping method. The price data from the transactions have been collected the traditional way by manually writing down every sale in Excel sheets from old books with protocols of legal sales[16] (see photo 1) from Stockholm's magistrate court[17] these protocols are available in the physical archive of Stockholm City Archive.[18] These handwritten protocols provide information on:

1. The name and location of the traded real estate.
2. The occupation and social rank of the seller and buyer.
3. The price.
4. What date the sale was registered.
5. Whether the ground was "free" or "unfree". Free ground meant that the land on which the building stood belonged to the owner and was hence included in the price. Unfree

[15] In Swedish: Statens offentliga utredningar, often abbreviated SOU
[16] In Swedish: Lagfartsprotokoll
[17] In Swedish: Rådhusrätten
[18] In Swedish: Stockholms stadsarkiv.

ground meant that the land on which the building stood belonged to the public authorities of the city.

6. Finally, the protocols include information on what number the bid had; if it was a first, second or third bid. To have a first, second and third bid was a custom from the Middle Ages where relatives of the seller of a real estate had pre-emption to the real estate. If a relative had not placed a bid before the third bid of another bidder the sale went to the person who left the third bid, whether he or she was a relative or not. During the period 1726 to 1875, the relatives did not have this pre-emption anymore and the custom of three bids was hence just that, a custom. However, the third bid was the final one and hence the only one used in the price index of papers one and two. The data on the transactions have then been linked to an existing price index from Edvinsson et al., (2014) and from Statistics Sweden.[19] Taken together, this data has enabled a price index of real estate in Stockholm from 1726 to 2018.

A shortcoming of these kinds of sources is that they do not contain any information about the quality or the size of the building and real estate. To somehow handle this problem we follow the assumption of Eitrheim and Erlandsen, (2005) that the depreciation effect equals the renovation effect, i.e., that quality is constant over time. This assumption can be questioned. Furthermore, there is a challenge to handling the quality differences between different houses in the same city due to the changes that houses experience though the urban and contextual quality of the houses' geographical surroundings. However, in paper I we have managed to control for some quality since we use building permits to quantify all real estate that has been further developed or reconstructed.

Two methods are used to construct the index: the so-called Sales Price Appraisals Ratio method (abbreviated, SPAR method) and the so-called Repeated Sales method (abbreviated, RS method). The SPAR method has the advantage of not requiring more than one sale to be calculated (Eurostat, 2013). The RS method compares at least two sales of the same real estate over time and does not need information on taxation values. This method, which was originally developed by Bailey et al., (1963), is often complemented by taking the squared residuals from the initial regression and regressing them on intercepts between the sales. The result is used to provide weights in a Weighted Least Squares

[19] Swedish: Statistiska centralbyrån, abbreviated SCB

regression. This method was developed by Case and Shiller (1987) and is called the Weighted Repeat Sales method (WRS). Paper I in this dissertation applies the RS and WRS methods. For paper II in this dissertation, SPAR is the main method although WRS is used for a robustness test. We also control with building permits in paper I. In total, 7915 building permit acts from 1713 to 1874 have been gathered and these give some estimation of the timing of quality changes during these times. The properties that have been received building permits are then excluded from the index to avoid comparing properties with different quality. However, a more precise estimation of quality changes throughout history would be valuable and is a possible task for future research.

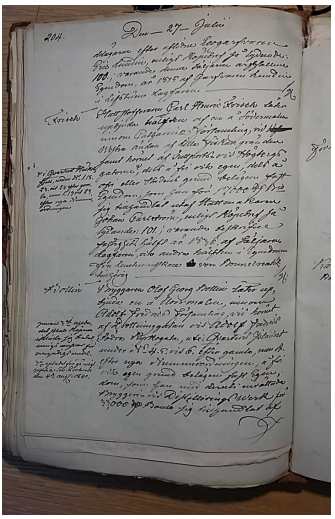

Photo 1 protocols books of legal sales ('Lagfartsprotokoll')

### 4.2. Data on building and planning regulations

In papers three and four, sections of the Swedish planning and building laws and its predecessors from 1874 to 2010 have been collected and analyzed issue by issue[20]. This has resulted in a data set of 3462 law issues from 1383 law sections. These are the most important laws regulating public and private ownership interests in city planning and

[20] A law issue is a more fine-grained part of a law section which distinguishes different parts that are regulated in the section.

building activity in Sweden. They have different scopes during various periods. The following table shows the differences.

Table 1 (taken from paper three in this dissertation)

Legislation document and number of sections and issues.

1907 *complement* 1874. 1931 *replaces* 1874 and 1907. 1947 *replaces* 1931. 1987 *replaces* 1947 and 2010 *replaces* 1987.

| **Year** | **Name of legislation** | **Number of issues** |
|---|---|---|
| 1874 | Building and Fire Charter (Boverket 2019b) | 157 issues in 70 sections |
| 1907 | City Plan and Real Estate Division (Boverket 2019c) | 74 issues in 41 sections |
| 1931 | City Plan Law plus Building Charter (Boverket 2019d) | 439 issues in 218 sections |
| 1947 | Building Charter and Building Law (Boverket 2019e) | 861 issues in 351 sections |
| 1987 | Planning and Building Law (1987:10) (Boverket 2019g) | 866 issues 279 sections |
| 2010 | Planning and Building Law (2010:900) (Boverket 2019i) | 1078 issues 424 sections |

Sum: 3462 issues in 1383 sections

Even though there are several other law documents that are relevant for city planning and building activity – like the Land Code and the Environmental Code[21] – it is still the planning and building law and its predecessors that have the most importance, particularly when it comes to regulating public and private property interests. However, the planning and building laws represents a *written* legal framework and not necessarily a hundred per cent accurate practical *implementation* of rules in planning and building activity. This is also pointed out by Karlbro et al. (2012 p. 1).

In paper III in the present dissertation, the law text is coded as either:

[21] "Jordabalken" and "miljöbalken" in Swedish.

- regulating private property interests, which concern private property and/or the allocation of it between consenting first and second parties in a market transaction with no or minor third-party externalities and/or transactions cost or,
- regulating public property interests, which concern public property and/or transactions that affect a third party through major externalities and/or transaction costs, or
- regulating both private and public property interests.

While paper III codes the target of the law issues, paper IV codes the *formulations* of the issues. The formulations are coded as either general, specific or middle This categorization is inspired by the coding framework of Jarrick and Wallenberg Bondesson (2018, 2011). The category of "general" is the broadest version of law formulation and can be interpreted in many different ways. An example is:

> "When planning and in matters concerning building permits or advance notices in accordance with this act, land may be used for development only if the land, from a public point of view, is suitable for the purpose."
> Planning and building law (PBL) 2010 chapter 2, section 4, issue 1 (the only issue in this section) (author´s translation)

This section can be interpreted in many different ways. It is about the broadest possible issues regarding this law, hence "planning and building" in "accordance with this act". It states that the development can only take place if the land is "suitable for the purpose from a general point of view" which is a statement that can be interpreted in numerous ways. The category of "specific" is the most detailed version of law formulation and can be interpreted in very few ways. An example is:

> "City plans must mark and indicate the boundaries for areas, designated for different purposes, included in the plan, namely:
> building blocks, streets, squares, parks, and other public places as well as

> special areas, such as railway and other special traffic areas, protection or safety areas for certain facilities, port areas, sports areas, cemeteries and water areas.
> Building law 1947, Chapter two, section 25, issue 1 (author´s translation)

This section is very specific concerning what the regulation is about and what areas it is regulating. It specifically states the kind of areas that need to be marked and indicated by boundaries. The formulation category of "middle" is in between a general and specific formulation. An example is:

> "A building plot that has once been determined to its boundaries should not, without special reasons, be split into smaller parts or be reduced by relocating land from it to another plot"
> 1874 building charter, chapter 3, section 19, issue 1 (author´s translation)

This is 'middle' because it has both general and specific parts. It is specific in the sense that it states that plots that have been determined to their limits should not be split or reduced. However, the term "without special reasons" is very general since it is not specified what "special reasons" are.

The coding in the present dissertation is of course dependent on individual judgment. The evolution of language in general and legal texts in particular throughout the investigated period can potentially cause misinterpretation of these texts by a present-day researcher. Being transparent, consistent, and aware of the historical context and the written language style during these times hopefully diminishes these risks.

### 4.3. Big data on entrepreneurship and sharing economy

The recent decades have seen somewhat of a revolution in the handling, mapping, and analysis of large amounts of data. What sometimes are called "big data" and "digital humanities" refer to the use of digital tools and digital archives in collecting and analyzing,

not only quantitative data, but also qualitative data (Chen et al., 2012; Gandomi and Haider, 2015; Nicholson 2013). This dissertation has made use of these possibilities.

Paper V has used five different digitalized Swedish Government Official Investigations (these investigations is in Swedish abbreviated: SOU) that aim to provide an objective and/or normative knowledge base for future decisions taken by politicians regarding possible law and policy changes. In total, 1547 pages of government investigations – one from 1928, one from 1969, one from 1986 and two from 2017 – have been used for identifying ownership norms in Swedish communal housing policy. One of the co-authors of paper five, Andrea Geissinger, has used a so called "topic model"- method where an algorithm has searched though these five official investigations and detect words, sentences, and concepts and compare their frequency over time. We then map out these findings and put them into the context of structural and institutional change in general and sharing and market practices and institutions in collective housing and Airbnb, in particular.

Thereby, this paper has shown how different words, sentences and concepts have been used over time, which indicates to what extent different norms have been present in these investigations over time. This method enables mapping and quantification of informal institutions, and their comparison with formal institutions and historical contexts. While this data potentially represents the norm of state investigations, it does not necessarily represent the norm of society at large. One could also argue that less common words, sentences, and paragraphs could reflect norms in a considerable way, as well. However, a more likely assumption is that the more a type of word, sentence, or paragraph is used, the more it indicates the norm of the state investigation.

In paper VI, information on the geographical headquarters and target markets for 89 companies active in the digital platform/sharing economy has been gathered as well as 4829 social media posts on the perception of the Swedish sharing economy. Also, 20 interviews have been conducted with key actors regarding the de-monopolization of the Swedish finance trading floor. This data has been collected by the other co-authors of the paper.

For paper VI, around 8000 qualitative documents have been identified, coded, linked, and organized through a linguistic search function in the relational database of Filemaker, by me solely. This data is about the institutional battles between the incumbent Televerket and entrant Comvik in the Swedish telecommunication sector during the 1970s,

80s and 90s, and includes management minutes, board of directors' documents, media coverage, letter correspondence, government SOU (government official investigations), official government decisions, research reports, etc.

One of my contributions in paper VI is that I use an incident coding method to spot the activity and strategies of Televerket and Comvik in their institutional battles during the 1970s, 80s, and 90s. At the time, Comvik wanted to be a player in the market on the same terms as Televerket and hence abolish Televerket´s monopoly. The incident coding method is inspired by Oliver and Holzinger (2008) and classifies strategies and practices as either proactive, defensive, anticipatory, or reactive, where:

- "Proactive" refers to strategies and activities that take the initiative to change institutional setting.
- "Defensive" refers to strategies and activities that try to counteract the opponent's proactive strategy.
- "Anticipatory" refers to strategies and activities that try to foresee changes in institutions and technology, or the broader economy, and prepare for these.
- "Reactive" refers to strategies and activities that react to institutional changes that have taken place.

This method is applied by reading and analyzing every document in the digital archive of Televerket that has to do with the institutional battles between Televerket and Comvik.

As with all data there are shortcomings. Regarding the data on Comvik and Televerket the origins are from Televerket since Comvik does not have an accessible archive. This might potentially leave out some relevant documents. However, since the topic concerns the relationship between Televerket and Comvik, it is likely that the archive of Televerket includes most of the relevant documents. Also, the data is organized by using key words like "Comvik" for mapping out the relevant documents in a vast digital archive. There could of course be relevant documents that have been missed by not typing in a certain key word, but the key words used should have identified most of the relevant documents.

## 5. Overview of theories

Every paper in this dissertation applies institutional theory to various degrees. The vastness of the theoretical discussion will differ profoundly between the different papers and themes.

Theme one (paper I and II) concerns the reconstruction of a price index, which is characterized by relatively little theoretical discussion. It contains more discussion on the data and methods sections, although we analyze how institutions impact the growth and decline of real estate prices. Theme two (paper III and IV) embodies more theoretical discussions, since it involves interpreting empirical findings through a specific theoretical lens. Theme number three (paper V and VI) also contains a significant amount of theoretical discussions.

### 5.1 Theories concerning the development of real estate prices

Papers I and II in this dissertation are mainly about constructing, presenting, and analyzing a price index of Stockholm real estate from 1726 to 2020. Constructing a long price index for real estate is encumbered with some theoretical problems. First, one needs to handle the fact that most real estate changes significantly in material quality over such a long time. As has been mentioned in the data section, there are no exact data on these changes in our index.

Paper II applies a theoretical assumption, which also is applied by Eitrheim and Erlandsen (2005), that the depreciation effect of a real estate equals the renovation effect over time. This assumption can be questioned. It would certainly be plausible that the quality goes up over time considering the technically and sanitary improvements that have taken place over time. Furthermore, the quality of real estate is not only determined by the technical, sanitary, and material condition of the house itself; it is also dependent on the environment the house is surrounded by. Over time the same real estate can go from being placed in the poor outskirts of a small town of let's say 5000 people, to being considered a hip upper middle-class center 500 years later in a city then with a million inhabitants. Furthermore, it is very hard to know how much of the "bad"/low quality real estate got sold in proportion to the "good"/high quality real estate. An index based on sales might show a misleading value for the whole city since there, for instance, might be a tendency for people to keep "good"/high quality houses and sell "bad"/low quality ones. A more philosophical take on these problems might be that the quality over time is irrelevant from a consumer perspective since people in a certain era cannot compare the quality of their real estate with the quality increases that might take place in the future (and if enough time has passed by,

not even with history). What matters is the cost of having a place to live or a place to work or a place for amusement and recreation in a city, no matter how much the quality of these places has changed over time.

Furthermore, different institutional settings probably have a significant effect on real estate prices. For instance, in times of sudden liberalization of the economy there tends to be a short-term increase in prices. Examples of this happening are the freedom of trade reform and credit deregulation of 1864 and the credit deregulation of 1985. However, whether this is primarily due to the liberalization or structural change that increases popularity for big cities is not clear, but an Interrelationship seems to exist. This hypothesis is strengthened when we look at the prices during times of hard regulation during the early and middle parts of the 20th century, where credit regulation and price controls in both rental and housing cooperatives were present. During these times, prices stagnated even though the population increased. A modification of this theory might be needed when we look at the period after World War II where the inner-city population decreased in favor of suburbs; however, the population of Stockholm County still increased during these times.

### 5.2 Theories of property rights and formal institutions

One can claim that there are two main perspectives for analyzing economic history. One is the materialist perspective focusing on natural resources, capital, labor etc.; the other is the institutional perspective focusing on laws, customs, norms etc. Except for papers I and II, this dissertation mostly focuses on institutions.

Institutional theory is naturally a huge field with a variety of subfields and schools of thought attached to it. Even though institutions have been analyzed for centuries, the modern institutional approach stems from the American Institutionalism of Torstein Veblen in the early 20th century. One of its most influential versions in economics and economic history is the so-called New Institutional Economics (from now on abbreviated NIE), which is important for papers III, IV, V and VI in this dissertation.

### 5.2.1 New Institutional Economics, property rights and markets

A common practice in NIE is to separate formal and informal institutions. Formal institutions are enforced by official authorities – like laws, legislations, constitutions, charters, regulations, statutes etc. Informal institutions are the implicit ones – like customs, culture, norms, codes of conduct etc. This dissertation presents and analyzes formal institutions primarily in papers III and IV, and both formal and informal institutions in papers V and VI.

The roots of NIE can be traced back to Ronald Coase and his classic paper *The Nature of the Firm* (1937) as well as his paper *The Problem of Social Cost* (1960). However, the *term* NIE was coined in the 1970s by Oliver Williamson (2000) and significant works with NIE perspectives includes Douglass North (1991, 1990, 1981) Douglass North and Robert Thomas (1973), Elinor Ostrom ( 2005, 1990)[22] Barry Weingast (1993, 2008), Armen Achlan ( 1965) Harold Demsetz (1974) Armen Alchian and Harold Demsetz, (1972, 1973), Daron Acemoglu and James Robinson (2012, 2006) and Avner Grief (2006).

Property rights was a fundamental theme in Ronald Coase's work, and it is primarily this part of his research that inspired the NIE perspective. What particularly interested Coase was the issue of transaction cost and externalities in market economies and what the role of property rights was in these matters. The main question he examined in *The Nature of the Firm* (Coase, 1937) was that if the market was superior in allocating resources efficiently, why did market actors organize themselves in the small scale planned economy units we call firms? The answer according to Coase was that markets involved transaction costs which tended to become too high if the production, distribution, and selling did not include the centralized command organization that firms represented. Coase's (1960) conclusion was that clear property rights would put a cost on negative externalities and thus diminish them or compensate for them. Government confiscation of such property would on the contrary lead to more negative externalities since no clear owner could oppose these matters efficiently. This also required a free market system between these property owners to handle the cost of externalities and transactions. This was later termed "The

[22] Williamson, Ostrom and North eventually became Nobel laureates.

Coase Theorem"[23], and contributed to Coase being awarded the 1991 Nobel Prize in economics[24].

Coase's theories of transaction cost are relevant for the study of the city planning and building activity since city planning and building activity include several potential transaction costs. Also, city planning and building activity naturally include a great deal of externalities both for the public and for other property owners. Coase's solution for the transaction cost problem was not a central public authority deciding which activity (and thus externalities) was to be allowed according to a public plan, but implementations of clear property rights and costs on the externalities that property rights produced.

The distinction between public and private ownership in the Coase theorem is, however, not static. The problem is exemplified in the definitions of private property rights, which usually entail the right to use the property, to exclude others from using the property, to transfer the property and to the value of the property (Ekbäck 2009). In real estate markets, as well as in many other markets, these rights have been subject to extensive regulations and restrictions. The right to use the property the way the owner finds suitable as long as it does not affect a third party has been, and still is, subject to for instance zoning laws and esthetic regulations in buildings and city areas. The right to exclude others from using property is restricted in the Right of Public Access law[25] in Sweden. In the sphere of real estate, the right to transfer the property has been and still is subject to price controls in rental housing. Also, the right to the value of the property is restricted through taxes and sometimes in the land leasing law.[26] Hence the private property rights are seldom complete but are often restricted in one way or another. Some sectors, like the market for computers, have very few restrictions on private property rights. Other sectors, like real estate, have relatively strong restrictions on property rights. What these might entail differs at various points in time. Paper III investigates this in detail – the aim of paper III is to investigate how the ratio of public property rights regulation versus private property regulation evolved in the planning and building law during the period 1874-2010 in Sweden.

[23] The name "Coase Theorem" was labeled by Coase colleague George Stigler as a name for Coase's arguments on these matters.
[24] 'Nobel Prize in Economics' is the informal term, the formal term is 'Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel'.
[25] "Allemansrätten" in Swedish.
[26] Land leasing law is a system where the public authorities own the land but lease it out to private actors who have almost the same rights to the land as if they owned it, except that they cannot realize the value of the land if they sell the land leasing right.

The same ambiguity of definition comes with the word "market'". One can distinguish between "market" and "free market". All markets are not necessarily free since people can be forced to take part in them, forced to accept a certain regulation that is not in their or their trade partner's interest, or they can be forced to accept a certain price set by others than the first or second parties in the transaction. One could, of course, claim that these are not real markets since they are not based to free agreements by free and consenting market actors. However, since we usually speak of a labor *market* and a housing *market* even though these markets have "unfree" private property aspects (like rent control, minimum wage, and restrictions from evictions and terminations) the distinction between "markets" and "free markets" is reasonable.

The concept of free markets in this dissertation is characterized by the following prerequisites:

- private property rights (right of disposal, right of value, right to exclude others)
- free price setting by the market actors (first and second parts)
- free entry and exit to the market for producers, distributors, and consumers
- regulation at the behest of a third party (usually the state or municipality authority) only if the transaction or ownership and disposal affects the third party

The scale from unfree to free market is, just like the scale of property rights, very complex and multifaceted. For example, some restrictions like the Right of Public Access law[27] might not be so problematic to free markets and property rights even though they violate some principles of these. A detained plan for the neighborhood where you live might be problematic or benign depending on what plan the authorities have etc. A price control on, for instance, rent might have additional effects on a market, whereas restrictions on certified construction methods might not. Most markets probably lie between the totally free market and totally restricted market.

### 5.2.2 Law formulation

Jarrick and Wallenberg Bondesson (2018, 2011) call for a more systematic empirical approach in the field of human sciences. They lead by example by providing a systematic

[27] In Swedish "allemansrätten".

coding of the law formulation of constitutions covering 4000 years of constitutional history. Their approach is to define laws as either general, middle, or specific in form. The category of "general" is the most diffuse and ambiguous formulation (an example is "you shall not steal"). The category of "middle" is a slightly more defined formulation (an example is "robbery is illegal"). The category of "specific" is a fairly precise formulation which does not leave much room for interpretation (an example is: "if one leaves a chattel on another man's real estate for more than 48 hours without permission from the real estate owner this chattel becomes the property of the real estate owner")[28]. Paper IV uses this theoretical definition and method for coding the planning and building law (same data as in paper III).

Jarrick and Wallenberg Bondesson (2011 p. 185f & 197) find this kind of systematic coding of a relatively delimited law material, that the present dissertation involves, as particularly valuable and relevant for future research[29]. They have found that the more advanced a society becomes, the more general the law formulation tends to be. The aim of paper IV is to investigate whether this trend is observable at a sector or market level as well. The reason why this is interesting and relevant is that general laws tend to become more difficult to interpret than specific ones, and often require more time and effort for generating a predictable law practice. This is naturally a transaction cost. The ambiguity and complexity of laws regulating markets display a paradox, since clarity and predictability are important for functioning markets (C Rose, 1994).

### 5.2.3 Theories of entrepreneurship, sharing economy and informal institutions

In papers V and VI, entrepreneurship, the sharing economy and informal institutions are examined. Paper V shows that the institutional frameworks that handle platforms such as Airbnb are characterized by certain informal institutions that have a relatively long history. We compare these with the norm of another "sharing economy", namely the "cooperative housing" [30] system and its break-through in the 1930s. By following the evolution of norms in both the digital sharing economy and the old analog sharing economy over time this paper is

[28] The examples are made up by author.
[29] This paper is delimited to Stockholm planning and building law between 1874 and 2010 whereas Jarrick and Wallenberg Bondesson's material spans societal constitutions over 4000 years in different areas around the world.
[30] Swe: bostadsrätt

able to show that the sharing ideal was soon replaced by classical individualistic market ideals. In paper V in this dissertation, Oliver Williamson's (2000) theory of the time cycles of formal and informal institutions form a theoretical basis for understanding the long-lived sharing norm in the communal housing system in Sweden. Williamson's idea was that informal institutions, like norms, exist much longer, around 100-1000 years, than formal institutions, which have a life span of around 10-100 years (Williamson, 2000). The evolution of sharing norms in the Swedish corporate housing sector largely followed the time cycle of informal and formal institutions presented in Williamson (2000).

Paper VI shows how the physical environment of cities was important both for digital entrepreneurship and non-market and market activities. Contrary to claims that platform and sharing economies are not correlated with geography, we show that the customer base of these services was geographically concentrated in cities.

In the same paper, the institutional so-called non-market activity and strategy from incumbent and entrant actors in the deregulation process of the monopoly sectors. The concept of non-market activity refers to the strategy and practice market actors use for influencing the institutional framework of their sector. In relation to the processes of technological and institutional change, non-market activity has been crucial in the cases explored in paper VI. The paper identifies and analyzes this activity in a rich data set containing the non-market strategy and practice of the key entrant and key incumbent in the telecommunication sector and finance trading floor sector of Sweden during the 1970s, 80s and 90s. Through the theoretical framework of Oliver and Holzinger (2008), paper VI categorizes these strategies and activities as proactive, defensive, anticipatory or reactive. Whereas *proactive* refers to taking the initiative to implement institutional change, *defensive* means hindering the proactive initiative for institutional change, *reactive* refers to adopting or handling the effect of proactive initiative, and *anticipatory* refers to foreseeing and planning for presupposed institutional change in the future. Our results indicate the importance of incumbents using a proactive non-market strategy on all society levels to gain successful institutional change. This theoretical framework has been fruitful in explaining the different strategies of incumbents versus entrants.

## 6. Results, analysis, and discussion

This overview chapter ends by summing up the results from the themes, *property markets*, *property rights* and *entrepreneurship in urban environments*, one by one and presenting some overall concluding remarks.

### 6.1 Theme one, *property markets*

Theme one (paper I and II) concerns the evolution of prices of real estate in Stockholm during the period 1726-2018. One can see a relation of the price trend to the institutional changes that take place in Stockholm during the studied period. During the 18th century the law of 1734[31] replaced the old Magnus Eriksson city law which originated from the 14th century (complemented in 1617). An upturn in prices followed until around 1760, when a radical fall took place, which was followed by stagnation during the rest of the century (see paper I, figure 19). An increase in prices started in 1810 that would continue for several decades. The price increase during the 19th century is in line with population and urbanization increasing in the wake of the freedom of trade reform, credit deregulation and industrialization at the latter half of the 19th century. A significant break can be observed for the 20th century when economic growth and population continued to increase in Stockholm County, (although a population decline occurred in the *inner city* during some decades in the middle of the century) but prices remained stagnant. Finally, after the credit deregulation in 1985 and in the wake of the digital revolution, a different pattern can be discerned. Between 1993 and 2017 prices went up 370 percent which is disproportionately high in relation to the population increase which increased with about 50 percent.

This indicates a central importance of institutions. A further indication of this is that the demand side was deregulated in 1985 with the credit deregulation but the supply side of the planning and building law remained basically as regulated as before – hence demand expanded and supply remained restricted. The last time prices rose to a similar extent was at the end of the 19th century when prices went up 315%, also in the wake of a technological revolution and deregulation of the economy. However, a significant difference

[31] Which was not launched before 1736.

was a stronger population growth. This indicates a fundamentally different institutional framework of real estate and housing, which is examined in more detail in the next theme.

### 6.2 Theme two: *property rights*

Theme two (paper III and IV) concerns the evolution of formal institutions regulating property rights in city planning, real estate, and housing in Sweden from 1874 and 2010. Regarding the ratio between private, public and private/public[32] interest regulation as well as the qualitative substance of the laws, the conclusion is that the 1874 charter was primarily aimed at regulating third part externalities in a market. Prices and population correlated during this institutional setting from 1874 up to the first decade of the 20th century. In relation to the other legislation examined in this theme the 1874 legislation was probably most in line with the ideals of the NIE-theory regarding regulation of private and public ownership. The law issues were mostly about public matters like infrastructure and other public spaces in the city. Regulations of private property, was mostly represented by laws on externalities and neighbor relations, hence classical third part issues and transaction cost. Otherwise, private property was protected by the authorities but not further regulated.

In the 1907 law, which complemented the 1874 charter, radical changes were made. Land leasing reform, municipal planning monopoly and extended municipal expropriation rights were passed (Deland, 2015; Runesson, 1997) and the ratio regulating private property interest increases. All these qualitative changes are in place and developed during the rest of the period and from 1907 and onwards. The decline of real housing prices, in spite of population growth in the whole of Stockholm County, may be an indication of the effect of these institutional constraints. Private property is more regulated and steered by the public authorities from 1907 and onwards, which partly deviates from the ideals of NIE-theory.

The pattern of public versus private regulation and general versus specific regulation is volatile up until the 1930s and 1940s. Afterwards, the pattern is relatively stable up until today (see figure 1 in paper three and figures 1 and 2 in paper four in this dissertation). Therefore the period from 1874-1946 is called the ´dynamic period´ and the period from 1947-2010 is called the ´stagnant period´, in paper III.

[32] Private/public = both private and public in the same issue.

During the 1980s and 1990s a significant number of industries and sectors were privatized and deregulated. This trend only partly includes real estate and housing. Prices were deregulated for housing cooperatives and villas but regulated for rental apartments. Credit markets were deregulated (from 1985). From the early 1990s publicly funded housing building projects diminish radically. However, the planning and building law with its municipal planning monopoly remains largely the same as in 1947. As stated in theme one, this mix of deregulation on the demand side, causing increased loans to housing consumption, and regulation on the supply side, causing inertia in the building activity, might explain why prices increase disproportionally to population increase and economic growth 1993-2017.

Regarding the built environment, one can conclude that during 1874- 2018 the most important law regulating the real estate ownership in Sweden gradually evolves toward regulating more private and private/public issues in relation to public issues (see figures 1 and 2 in paper three and figures 1, 2, 3 and 4 in paper four). Especially from 1947 onwards, a significantly larger share of the law issues has been regulating both private/public issues. From 1947 private property interests is heavily regulated in planning and building activity far beyond the ideal of NIE-theory. At the same time, certain key sectors in Stockholm such as housing cooperatives, telecommunication, the stock exchange trading floor, and credit and finance business, experienced privatization and deregulation during the latter half of the 20$^{th}$ century. This is further examined in theme three below.

### 6.3 Theme three, *entrepreneurship in urban environments*

Papers V and VI represent the third theme of this dissertation, focusing on the entrepreneurial aspects of the urban economy. These two papers examine entrepreneurship of the digital sharing economy (also called the platform economy), the changing informal institutions in the analog and digital sharing economy, and the non-market (institutional) activity and strategy of incumbents and entrants in the early transition period of digitalization.

In paper V, the cycle of informal institutions is mapped in government investigations on the housing policy of the non-digital sharing economy of housing cooperatives and the digital sharing economy of the Airbnb platform. This paper concludes

that both non-digital housing cooperatives and digital housing sharing platforms went through initial phases of German Cooperative Capitalism norms, where sharing became driven by non-profit and collective solidarity norms. However, these spheres eventually ended up adopting American Competitive Capitalism norms, characterized by for-profit marketization of the sharing practice, and increasing importance of entrepreneurial traits. This is shown by the marketization of the housing collective form starting in 1969, after being price-controlled since the 1920s. It is also shown in the early digital housing platforms during the 2000s. For instance, the non-profit organization Couchsurfing gained popularity, but was eventually surpassed in popularity by the for-profit company Airbnb. The two examples of the sharing economy show similar trends both in formal and informal institutions with the current digital evolution of housing platforms resembling the non-digital historical evolution of housing cooperatives. These examples also demonstrate the significant difference in speed of these cycles, explained by the technological shift of digitalization. The non-digital sharing economy took almost half a century to change institutionally, whereas the digital sharing economy took about one decade. These results partly confirm and partly deviates from the NIE-theories of Oliver Williamson (2000) regarding the long-term development of informal and formal institutions. When it comes to the formal intuitions, it follows Williamson claim that institutions change within a time frame of 10 to 100 years. However, the informal norms of the digital sharing economy seem to have changed faster than Williamsson suggests. Williamsson suggest 100-1000 years whereas the changes in digital sharing norms changed within 10 years. Regarding the informal intuitions of housing cooperatives, it is closer to Williamsson since housing cooperatives have been around since the middle of the 19$^{th}$ century and norm in SOU started to change during the middle of the 20$^{th}$ century.

Paper VI takes a broader perspective on the sharing economy, the digital entrepreneurship that precedes and accompanies it, and the role of cities for facilitating these activities. The paper is built on three case studies, namely:

1. The institutional battles of Comvik and Televerket during the 1980s and 90s, leading up to the de-monopolization of the telecommunication sector.
2. The institutional and technological activity leading up to the de-monopolization of the financial trading floor sector in Sweden in the 1970s, 80s and 90s.

3. The geographical concentration in big cities of digital scale-ups and start-ups in Sweden and their geographical target markets, as well as the perception of the digital sharing economy in social media during the 2010s.

In all these cases, the crucial role of cities in general and Stockholm in particular is recognized. In cases 1 and 2 all the institutional activity and strategy was conducted in Stockholm and all the presentations, strategies, activities and decisions on these matters were conducted by business representatives, state officials and media in Stockholm. In case 3, there was a concentration of scale-ups and start-ups in Stockholm as well as very defined geographical target markets for these companies. All this indicates that geography plays a crucial role in both the institutional and commercial sphere of the economy despite, or maybe because of, the increasing possibility to communicate over large geographical areas enabled by modern digital technology.

## 7. Conclusion

The aim for this dissertation is to explore how *property markets*, *property rights* and *entrepreneurship in urban environments* have evolved between 1726-2018 and how they have been related to each other and to the urban environment in which they take place. In this dissertation a systematic coding and quantification of large amount of qualitative and quantitative data enabling the investigation of property markets, property rights and entrepreneurship through long-term urban evolution – from the premodern era through industrialization, welfare capitalism, neoliberalism and up till present time – is conducted.

The main conclusion of theme one, *property markets* (paper I and II), is that prices have risen significant during two periods, 1855–1887 (315 %) and 1993–2017 (370 %) while being relatively stagnant before and between these periods. These two periods of sharp price increases have been characterized by institutional deregulation, structural change and population increase while the period in between also have been characterized by structural changes and population increase – as well as times with significant economic growth – but where institutional deregulation have been absent. The “hockey-stick”-pattern, hence long stagnation followed by a short period of price increase, presented in earlier

research (cg Edvinsson et al., 2014; Knoll et al., 2017) is hence complemented with a second hockey stick.

The main conclusion of theme two, *property rights* (paper III and IV), is that between 1874-2010 regulation of private ownership interest have increased in relation to regulation of public ownership interest, while the category of both private/public ownership regulation have expanded significantly during the same time. These results complements, extends, nuances, and specifies the results of previous research (cg Kalbro et al., 2012; Sheiban, 2002; Strömgren et al., 2007) by quantifying the institutional development over long period of time – something that has not been done before. Regarding the *formulations* of the same regulations, which is examined in paper IV, the main conclusion is that the general and middle formulations have expanded the most in relation to the specific formulations during the same period. This might also have led to a certain inertia since general laws are harder to interpret and make predictable. This results on formulation in the laws regulating planning and building sector in Sweden complements the research of Jarrick and Wallenberg Bondesson, (2018 & 2011) who examine the formulations of laws covering whole societies during 4000 years.

The main conclusions of theme three (paper V and VI) are that informal institutions in the housing sharing economy have gone from a community-based norms to more market-oriented norms in two examples from different eras: the housing cooperation during the middle of the 20$^{th}$ century and the digital housing sharing platform in the 2010s. This is shown in paper V. Furthermore, paper VI in theme three shows that both institutional entrepreneurship and markets in the digital economy are concentrated to big cities like Stockholm despite the growing ability to meet and trade though the internet. It also shows that entrants can win over incumbents in the institutional sphere and avoid regulatory capture when using the right strategy and that cities probably offers the field conditions for this. These results partly deviates from previous research that shows that regulatory capture from incumbents hinders institutional change (cf: Carleheden, 1999; Epstein, 1980; Mokyr, 1994; Potts et al., 2016).

This dissertation also shows that these three themes – hence *property markets, property rights and entrepreneurship in urban environments* – affect each other and are of central importance for how urban development evolve. The price level of theme one may be explained by the regulatory pattern of theme two where the first price increase is parallel

with a institutional framework that sets markets relatively free – population and prices correlate in Stockholm during this time. During the period of price stagnation in between, institutions were much more rigid and affect private property more. However, this regulatory pattern do not end during the second price increase 1993-2017. The combination of credit deregulation in 1985 – where the demand side of the real estate was deregulated – and the continuation of the relatively strict planning and building regulation – where the supply side of real estate are still regulated – may explain that the price increase was much higher than the population increase during 1993-2017.

These periods of sharp price increase have also been characterized by a significant amount of entrepreneurial activity and institutional change in the urban environments. A few of them are exemplified in theme three (paper V and VI) in this dissertation which to a large extent takes place during the second period of sharp increase of real estate prices, hence 1993-2017. The supply and demand of the digital platform economy, as well as the institutional change that enabled it, was and still are concentrated to big cities.

To sum up, the main answer to the overall research question is that property markets, property rights and entrepreneurship have evolved very much in line with each other in the urban environment of Stockholm. A key conclusion is that institutions played a significant role for the prices of real estate and for entrepreneurship in cities and that cities were the main environments for these activities. The institutional framework can probably be used to steer the urban economy to a large extent regardless of other factors – for good and bad. Porperty rights, hence how the city was owned, was, and still are, crucial for property markets and entrepreneurship in Stockholm.

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**Summary in Swedish**

**Inledning**

Denna avhandling studerar tre teman som ofta lyfts fram som centrala för det vi kallar urbanitet, nämligen: marknader, äganderätter och entreprenörskap. Dessa teman studeras utifrån ett långsiktigt perspektiv med en geografisk utgångspunkt, Stockholm. Syftet är att förstå hur marknader, äganderätter och entreprenörskap i Stockholm utvecklats under lång tid och hur de har förhållit sig till varandra och till urbaniteten. Mer konkret studeras:

1) marknadspriser för fastigheter i Stockholm mellan 1726 och 2020,
2) privat och offentligt ägande av fastigheter i Stockholm mellan 1874 och 2010
3) Entreprenörskap, institutionell förändring och informella institutioner i Stockholm mellan 1920-talet och 2010-talet.

Med hjälp av stora mängder kvantitativa och kvalitativa data som processats med traditionella och digitala metoder har ny kunskap om dessa fenomen – som utgör städernas livskraft – kunnat blottläggas. Med hjälp av institutionell teori analyseras dessa fenomen och dess relationer till varandra och i relation till den urbanitet där de utspelar sig. Dessutom diskuteras vilka konsekvenser institutionell styrning och påverkan av dessa fenomen kan få för urbaniteten och ekonomin i stort.

I denna sammanfattning kommer först en kort historik och tidigare forskning presenteras, därefter redovisas källmaterial, metod, och avhandlingen teoretiska ramverk, sedan följer en sammanfattning av artiklarna, därefter resultaten, sist presenteras några slutsatser.

**Historisk bakgrund och tidigare forskning i förhållande till föreliggande avhandling**

Städer har grundats av många olika skäl. Ibland har skälen varit militärstrategiska, ibland religiösa, ibland kulturella, ibland politiska, och ibland kommersiella. Ofta har det varit en kombination av dessa skäl. Oavsett vilket eller vilka skäl som legat till grund för en viss stads grundande så har städernas ”bränsle” det som gett dem dess näring och livskraft, oftast varit av ekonomisk art. *Marknader, äganderätter och entreprenörskap* (med tillhörande arbetsdelning) är tre ekonomiska aspekter som ofta lyfts fram som centrala för städernas

upprätthållande och livskraft (jämför Florida et al., 2017; Glaeser, 2011 p. 1-15; Helsley and Strange, 2004; Kotkin, 2005 p. XXIf; Wheeler, 2001). Dessa aspekter undersöks i denna avhandling. Historien och den tidigare forskningen om dessa fenomen utgör ett stort material/ är diger/utgörs av en rik flora. Dock innehar den av olika skäl stora kunskapsluckor som föreliggande avhandling avser att fylla. Nedan presenteras denna historia och tidigare forskning i relation till föreliggande avhandling.

Historikern Richard Pipes (1999 s. 107-111 & 130-133) menar att den västerländska äganderätten stammar från det antika Grekland. Den engelska civilrätten (”common law”), som anses vara den första lagen som möjliggör ägande för breda folklager har präglats mycket av antik lag och främst romersk rätt, enligt Pipes. Det är också den engelska civilrätten som möjliggjorde det moderna medborgarskapet i europeiska medeltida städer enligt Pipes. Invånarna i dessa städer fick medborgarskap som innebar utökade rättigheter. “Stadtluft macht frei nach jahr und tag” (“Stadsluft gör mig fri efter ett år och en dag”) är ett tyskt talesätt som avser detta system där trälarna kunde bli fria om de upprätthöll sig I en stad i minst ett år och en dag. (Pipes, 1999 p. 109). Trots att befolkningen på den svenska landsbygden var mer självägande rådde olika lagar i städerna jämfört med landsbygden även i Sverige. Dock var urbaniseringen i Sverige relativt blygsam ännu vid år 1726 vilket är det första år som undersöks i denna avhandling. Priserna för fastigheter i Stockholm ligger relativt stabilt mellan 1726-1810 då ingen större inflyttning äger rum under denna period. Från 1810 och upp till 1855 ökar priserna långsamt i samklang med en viss urbaniseringsökning för att sedan öka markant mellan 1855-1887 då även en stark urbanisering äger rum (se figur 13 och 16 i artikel 1 i denna avhandling). Denna långa stagnation med en kortare uppgång utgör vad som i artikel II i denna avhandling kallas för ”hockey stick-pattern”. Denna hockeyklubba-form återkommer senare i samma index. Den senare hockeyklubban utgörs av en stagnation under större delen av 1900-talet med en kraftiguppgång mellan 1993-2017. Denna senare hockeyklubba-form påvisas också i tidigare forskning om såväl fastighetspriser i Stockholm som internationella fastighetspriser (jämför Edvinsson et al., 2014; Knoll et al., 2017). Det är Knoll et al (2017) som myntade begreppet ”hockey-stick pattern” i sin undersökning av 14 städers fastighetsprisnivåer under 1870 och 2012. I och med artikel I och II i denna avhandling, som går tillbaka till 1818 respektive 1726, påvisas alltså ytterligare en ”hockey-klubba-form” i prisindexet.

År 1874, mitt under pågående urbanisering med tillhörande prisstegring på fastigheter i Stockholm, utkommer den första nationella plan- och bygglagstiftningen sedan 1736. Detta lagdokument analyseras i artikel III och IV i denna avhandling tillsammans med plan- och bygglagar från år 1907, 1931, 1947, 1987 och 2010. Bidraget i dessa artiklar i förhållande till tidigare forskning är att paragraferna och regleringsanspråken kodas en och en i tre kategorier: reglerande privata ägarintressen, offentliga ägarintressen eller både ock. Detta skapar en systematik och kontinuitet som saknas i tidigare forskning om dessa fenomen (jämför Kalbro et al., 2012; Sheiban, 2002; Strömgren et al., 2007)). Denna indelning av privat, offentligt och både ock utgår från indelningen av dessa ägandeintressen som ofta förekommer i nyinstitutionell forkning. Samma lagstiftning kodas också i tre kategorier utifrån hur de är formulerade: generellt, specifikt eller på medelvis. Denna indelning är inspirerad av Jarrick och Bondessons undersökning av lagformuleringar i hela samhällen över en period på 4000 år. En mer avgränsad undersökning via detta system efterfrågas också av dessa författare och mig veterligen är föreliggande avhandling den första som använder detta system på plan- och byggsektorn.

1874 år plan- och bygglag fokuserar mest på att reglera offentliga ägarintressen. När privata ägarintressen i regleras i denna lag så gäller det nästan uteslutande externaliteter (dvs effekter som drabbar tredje part). Med 1907 års plan- och bygglag ändras detta. Kommunala planmonopolet och tomträtten gör att det offentliga får mer makt även över privata ägandeintressen. Denna princip fortsätter och utökas i och med 1931 års lagstiftning. Under denna period börjar även olika kollektiva boendeformer såsom bostadsrätten bli allt vanligare. Och framför allt börjar även ett offentligt bostadsbyggande att ta fart.

I och med 1947 års lagstiftning utökas det kommunala planmonopolet och de efterföljande plan och bygglagstiftningarna 1987 och 2010 förändras relativt lite i förhållande till perioden innan. I artikel III benämns därför perioden 1947-2010 som ”the stagnant period”. Artikel III och IV bidrag i förhållande till tidigare forskning är att lagsstiftningen kvantifieras och jämförs systematiskt under hela perioden vilket inte gjorts tidigare. Resultaten både komplimenterar och nyanserar tidigare forskning genom att visa hur lagstiftningen utvecklats över tid. Från 1993-2017 kommer nästa stora fastighetsprisstegring som både följer på och sammanfaller med perioden för tema 3, entreprenörskap, i denna avhandling. Det praktiska utförandet av de macro-institutionella

reformer som ledde till avreglering av stora delar av ekonomin under 1980-talet i Sverige undersökt av Karlson (2018). Artikel VI kompletterar denna undersökning genom att visa hur detta gick till praktiskt i två enskilda sektorer, börshandels- och telekommunikationssektorn. I artikel VI visas även hur dessa processer är centrerade till städer och hur den delningsekonomi som delvis kan härledas ur denna institutionella omvandling också centreras till städer, trots att den digitala kommunikationen rent tekniskt möjliggör ett utspridande av aktörerna. I artikel V visas också hur delningsekonomins principer varit framträdande även innan digitaliseringen. Med exempel från bostadsdelningsekonomi visas och hur olika kooperativa normer ersatts av mer kommersiella normer över tid i både den icke-digitala och den digitala delningsekonomin med bostadsrätten under 1900-talet som exempel i den icke-digitala delningsekonomin och platformerna Couthsurfing och Air-BnB som exempel i den digitala delningsekonomin.

**Källmaterial och metod**

Denna avhandling använder sig av ett rikt källmaterial av både kvalitativa och kvantitativa data. Denna har sedan processats genom traditionella och digitala metoder. Nedan presenteras detta källmaterial mer utförligt utefter de teman som avhandlingen utgör.

**Tema 1, marknadspriser för fastigheter:**

När det gäller marknadspriser för fastigheter i Stockholm mellan 1726 och 2018 har nya data samlats in för perioden 1726-1875 för att sedan sammanlänkas med data från tidigare forskningspublikationer samt med data från statistiska centralbyrån. Utöver denna prisdata har även data om taxeringsvärden av fastigheter mellan xxx och xxx samlats in. Likaså har data om till- och ombyggnation samlats in. Vad dessa data innefattar, vilken funktion de har samt vilka metoder som använts för att processa dem presenteras mer ingående nedan.

Vid stadsarkivet i Stockholm har jag och mina kollegor Rodney Edvinsson, Gustav Ingman och Emelie Carlsson samlat in uppgifter om försäljningar av fastigheter i Stockholm från 1726 och 1875. Sammanlagt har uppgifter från 22 169 försäljningar samlats in. Detta material är hämtat från rådhusrättens handlingar, så kallade lagfartsprotokoll, och innefattar:

1. Försäljningspris (dvs marknadspris) för fastigheten.
2. Namnet på fastigheten och adressen där fastigheten ligger.
3. Namn, yrke och social status för köpare och säljare.
4. Vilket datum försäljningen ägde rum och vilket datum den registrerades
5. Huruvida grunden som fastigheten är byggd på var fri eller ofri. Fri grund (som är det vanliga under denna tid) innebär att marken ägs av fastighetsägaren. Ofri grund innebär att marken ägs av staden.
6. Huruvida det är första, andra eller tredje budet som föregått priset. Detta är en gammal sed från medeltiden då släktningar till säljaren hade förtur att köpa fastigheten. De hade fram till tredje budet på sig att lägga ett bud som antingen var lika stort eller större än det föregående för att vinna budgivningen. Tredje budet var det sista och definitivt giltiga. Det är även detta bud som vi uteslutande har använt för denna prisserie.

Utöver dessa handlingar har även data om tillstånd för på- och ombyggnationer av fastigheterna samlats in för att kunna avgöra huruvida kvalitetsförändringar ägt rum eller ej. Denna data utgör 7915 bygglov. Prisuppgifterna har sedan processats genom två olika metoder för långa prisserier. Dessa är de såkallade ”Repeaded Sales”-metoden (RS) och ”Sales Price Appraisals Ratio”- metoden (SPAR).

**Tema 2, äganderätter till fastigheter och marken i staden**

När det gäller att kartlägga privat offentligt ägande av fastigheter 1874 till 2010 har plan och bygglagen och dess föregångare använts. Dessa lagar är de som främst reglerar privat och offentligt ägande av fastigheter i Sverige. Alla regleringsanspråk (eng ”issues”) i alla paragrafer i lagtexterna från 1874, 1907, 1931, 1947, 1987 och 2010 har kodats som antingen reglerande privat, offentligt eller både privat och offentligt ägande. Totalt har 3462 regleringsanspråk i 1383 paragrafer kodats enligt detta system.

Utöver detta har samma material kodats utefter vilken formuleringsform de innefattat. Mer precist, huruvida regleringsanspråken skrivits i generella mångtydiga formuleringar eller i specifika entydiga formuleringar eller i en medelvariant av dessa. Detta för att kunna avgöra hur relationen mellan å ena sidan generell och diffus lagstiftning och å andra sidan specifik och tydlig lagstiftningen utvecklats sig över tid.

**Tema 3, entreprenörskap, informella institutioner och institutionell förändring i städer.**
Medan materialet för tema 1 och 2 insamlats och processats med traditionella metoder har materialet för tema 3 samlats in med och processats genom digitala metoder (även kallat Digital Humanities och Big Data). För artikel 5 i avhandlingen har fem stycken statliga utredningar om bostadspolitik använts – en från 1927, en från 1969, en från 1986 och två från 2017. Dessa utredningar har processats genom en digital så kallad ”topic mapping”-metod för att snabbt kunna kartlägga vilka ord och formuleringar som är de vanligaste och hur de förändrar sig över tid. Genom denna metod kan en fingervisning skönjas om hur olika informella institutioner (normer, värderingar etc.) utvecklats över tid. Antagandet är att ju vanligare ett ord eller en formulering är desto mer indikerar den vilka informella institutioner som varit förhärskande i dessa utredningar.

I artikel 6 består det källmaterialet av cirka 8000 kvalitativa dokument rörande det institutionella entreprenörskapet som föranledde avregleringen av telekommunikations- och börshandelssektorn i Sverige. Dessa dokument består bland annat av mötesprotokoll, korrespondens, domstolsbeslut och material från massmedia. Utöver dessa 8000 dokument består materialet också av transkriberingar av 20 stycken intervjuer med centrala aktörer från denna tid. Vidare innehåller materialet information om den digitala ekonomin under 2010-talet i form av geografiska plats för 89 ledande aktörers huvudkontor samt det geografiska området som deras kunder befinner sig i. Utöver detta inkluderar materialet även av 4829 poster i sociala medier som ger en inblick i hur företag inom delningsekonomin uppfattas av personer på sociala medier.

**Teori**

För det mesta antas att priser och marknader förutsätter någon form av privat och/eller offentliga äganderätter, som i sin tur påverkas av entreprenörskap och institutionell förändring. I föreliggande avhandling analyseras dessa teman utefter nyinstitutionell teori (eng: New Institutional Economics). Denna ekonomiska teoriinriktning fokuserar mycket på det privata ägandets positiva roll i marknadstransaktioner, men också på de transaktionskostnader och externaliteter som hämmar dessa marknader. Då städer inte bara är centra för marknader, äganderätter och entreprenörskap utan också ger upphov till

externaliteter och ibland medför onödiga transaktionskostnader, så blir det naturligt att analysera dessa processer utefter nyinstitutionella linjer.

En föregångare inom den nyinstitutionella teorin var Ronald Coase (1910-2013). Coase intresserade sig just för ägande, marknader, transaktionskostnader och externaliteter. I artikeln ”The Nature of the Firm” från 1927 frågar han sig varför företag finns. Marknaden anses ju vara överlägsen den centralstyrda ordningen, så varför organiserar sig marknadsaktörer i företag som ju är en sorts frivilliga planekonomier. Svaret är att marknader innehåller transaktionskostnader som hanteras mer effektivt genom centralstyrda beslut i företag än via decentraliserade marknader. I sin artikel ”The Problem of Social Cost” från 1960 argumenterar Coase för att privata äganderätter löser problemet med externaliteter sålänge transaktionskostnaderna inte är för höga. Detta argument utvecklar han i det såkallade ”Coase-teoremet” som bidrog till att han förärades Sveriges Riksbanks pris i ekonomisk vetenskap till Alfred Nobels minne 1991. Under 1970-talet utvecklades Coase tankar av bland annat Oliver Williamsson som även myntade begreppet nyinstitutionell ekonomi. Framträdande bidrag i denna tradition har även gjorts av bland andra Ellinor Ostrom, Douglass North, Harold Demsetz, Armen Alchian, Barry Weingast, Daron Acemoglu och James Robinsson.

**Sammanfattning av artiklarna**

**Artikel I: A Real Estate Price Index for Stockholm, 1726-2020**
In press *Historical Monetary and Financial Statistics for Sweden Volyme 3*, Riksbanken Ekerlids förlag

I denna artikel som är samförfattade med Rodney Edvinsson, Gustav Ingman och Emelie Carlsson presenteras ett prisindex för fastigheter i Stockholm mellan 1726-2020. Vilket är ett av de längsta fastighetsprisindexen som finns. Huvudbidraget i denna artikel är insamlande av data och konstruerande av prisindex för perioden 1726-1818. Detta index sammanfogas sedan med indexet i artikel 2 i denna avhandling. Från 1726 till 1818 har information från 11 269 transaktioner inhämtats och använts för indexet. För att kontrollera för kvalitativa förändringar i fastigheterna har 7 915 bygglovslagar från 1713 till 1874 använts. Metoden Repeaded Sales (RS) har använts för att konstruera indexet.

Resultaten visar på viss volatilitet på kort sikt och en uppgång fram till 1760 då ett betydande prisfall äger rum. Sammantaget visar dock perioden 1726 till 1818 på stagnerande priser. En svag ökning tar dock vid från 1810 vilken fortsätter i flera decennier med en skarpare uppgång från 1855 som beskrivs utförligare i artikel II.

**Artikel II: A Real Estate Price Index for Stockholm, Sweden 1818– 2018: Putting the Last Decades Housing Price Boom in a Historical Perspective**

Publicerad 2021 i Scandinavian Economic History Review, 69:1, 83-101,
DOI: 10.1080/03585522.2020.1759681

Artikel II är skriven tillsammans med Rodney Edvinsson och Gustav Ingman och den presenterar ett fastighetsprisindex för Stockholm 1818 till 2018. Huvudbidraget är insamlande av nya data och konstruerande av ett nytt prisindex för perioden 1818-1874 som vi sedan sammanfogar med ett tidigare publicerat index som täcker perioden 1875-2012 samt data från Statistiska centralbyrån som täcker perioden 2012-2018. Omkring 10 900 försäljningar har samlats in från perioden 1818-1875 och analyserats med hjälp av den såkallade Sales Price Appraisal Ratio- metoden (SPAR). Detta visar att det så kallade ”hockeyklubba-mönstret” – det vill säga en lång stagnation mellan 1875 till 1993 och sedan en kraftig uppgång 1993 till 2012, och som visats i tidigare studier av Stockholm i Edvinsson et al., (2014), och även internationellt i Knoll et al (2017) – kompletteras av ytterligare en kraftig uppgång 1855–1887. Två hockeyklubbor syns alltså i det utökade indexet. Detta sätter den senaste uppgången i fastighetspriserna från 1993-2017 (370 % real ökning) i perspektiv eftersom en liknande uppgång ägde rum mellan 1855 och 1887 (315 % ökning). Båda uppgångarna kom i spåren av strukturförändringar, avregleringar och ökad urbanisering. En betydande skillnad är dock att uppgången under 1800-talet sammanföll med en kraftig befolkningstillväxt, medan befolkningen under uppgången 1993 till 2018 inte närmelsevis ökade lika mycket, relativt sett.

**Artikel III Whom the city regulates – regulation of private and public interest in Stockholm 1874-2020**

Conference paper *The Thirteenth European Historical Economics Society Conference Paris School of Economics* 30 August 2019

I den tredje artikeln, som är egenförfattad, utforskas i nyinstitutionell anda i vilken grad privat och offentligt ägande har reglerats i Sveriges plan- och bygglagstiftning från 1874 till 2010. Alla regeringsanspråk (eng: ”law issues”) i alla paragrafer i alla versioner av denna lag kodas som antingen reglerade privata eller offentliga eller både privata och offentliga angelägenheter. Med kategorin privat avses frågor som reglerar verksamhet som inte berör tredje part i någon väsentlig grad. Kategorin offentlig hänvisar till frågor som berör tredje part i väsentlig grad. Kategorin privat/offentlig både ock

Resultatet visar att perioden från 1874 till 1946 kännetecknas av en klassisk reglering av tredje parts-intressen på en annars fri marknad, medan perioden 1947 till 2010 kännetecknas av en offentlig styrning av en hel sektor – den förra perioden benämns som ”den dynamiska perioden”, eftersom antalet regleringar av privata och offentliga intressen skiftar från lagstiftning till lagstiftning, och den senaste som ”den stagnerande perioden”, eftersom antalet anspråk som reglerar privata och offentliga ägarintressen är relativt konstant mellan de olika lagstiftningarna . Dessa resultat beskriver en stor del av den institutionella kontext som fastighetsprisserien i artikel I och II befinner sig i. Den långa uppgången i fastighetspriserna från 1855 till 1887 hade en radikalt annorlunda institutionellt ramverk än den andra uppgången 1993-2018. Under den första uppgången var lagarna som reglerade fastigheter relativt sparsamma och nästan helt inriktade på externaliteter och allmän egendom, dvs tredje parts-intressen. Under denna tid korrelerande befolkningsökningen relativt väl med prisökningen. Under 1993-2018 var det institutionella ramverket radikalt annorlunda med omfattande reglering av både privat och offentlig egendom dvs alla parter. Prisökningen ökande betydligt mer i förhållande till befolkningsökningen. Båda uppgångarna föregicks av flera avregleringar, som handelsfrihetsreformen 1864 och kreditavregleringen 1985 samt en strukturell omvandling av ekonomin.

**Artikel IV: How the city is regulated – general and specific regulation in Stockholm 1874-2020**

Conference paper *The Thirteenth European Historical Economics Society Conference Paris School of Economics* 30 August 2019

Artikel IV, som är egenförfattad, utforskar formuleringarna i plan- och bygglagen och dess föregångare i Sverige från 1874 till 2020. Regleringsanspråken är kodade som formulerade ”general”, ”specific” eller ”middle”. Kategorin ”general” definieras som den mest diffusa, breda och tvetydiga lagformuleringen som ofta kräver professionell tolkningspraxis. Kategorin "specific" är relativt tydlig och kan bara tolkas på ett eller ett fåtal sätt. Kategorien "middle" ligger mitt emellan dessa kategorier.
Denna metod är ursprungligen utvecklad av Arne Jarrick och Maria Wallenberg Bondesson i deras undersökning av lagformuleringar från 4000 år av civilisationshistoria. Deras granskning tyder på att unga icke-komplexa samhällen har en hög andel specifika lagformuleringar och att lagarna tenderar att bli mer generella ju mer komplext och utvecklat ett samhälle blir.

Syftet med artikel IV är att undersöka om denna trend även gäller för lagar som reglerar en specifik sektor, i detta fall plan- och byggsektorn i Sverige i allmänhet och Stockholm i synnerhet. 1874 kan denna sektor ses som ung eller i alla fall som i en omvandlingsfas, eftersom den första nationella planerings- och byggstadgan antogs och Sverige stod på gränsen till industrialisering, liberalisering och ökad urbanisering. Utvecklingen av lagformuleringen i en specifik sektor är relevant eftersom den kan indikera tröghet och osäkerhet på en marknad. Uppsatsen tillför också en viktig dimension i förhållande till prisindexet i artikel I och II i denna avhandling som påverkas av lagstiftningen omfattning och utformning. Artikeln utgör också ett viktigt komplement till artikel III som undersöker förhållandet mellan regering av offentliga och privata ägandeintressen, alltså *vad* lagarna reglerar, medan artikel IV undersöker *hur* lagarna reglerar dessa frågor.

**Artikel V: “Own it” or “Share it” – The Historical Role of Community Norms and Sharing Ideas in the Transformation of the Swedish Housing Market**

Publicerad 2022 i Technological Change and Industrial Transformation Long, Vicky & Holmén, Magnus (red.) Abingdon, Oxon: Routledge

I artikel V, som är författad tillsammans med Andrea Geissinger och Rasmus Nykvist, utforskas ägande- och delningsnormer på bostadsmarknaden under en period av cirka 100 år. Mer specifik undersöks digital delnings- och plattformsekonomi för bostäder, framför allt Air BnB, med den över 100 år gamla delningsekonomin som bostadsrätten i Sverige utgör. Genom att använda en så kallad ”topic-mapping”-metod på ett statliga utredningar kartläggs vanliga ord och formuleringar ger en fingervisning om vilka normer som utredningarna präglas av. Vi drar slutsatsen att medan de formella institutionerna tenderar att förändras i takt med en föränderlig ekonomi, tenderar de informella institutionerna att vara mer trögrörliga. Vi kunde också upptäcka normer i linje med såkallad "tysk kooperativ kapitalism" i bostadsrätten genomslag på 1920-talet, men som så småningom blev mer och mer präglade av normer i linje med "amerikansk konkurrenskapitalism". Samma utveckling kunde observeras i skapandet av en digital delningsplattform som distribuerar bostäder där den tidiga plattformen ”Couchsurfing” – som gjorde det möjligt för människor att bo gratis på varandra under perioder – präglades av ”tysk kooperativa kapitalism”, medan den senare plattformen Air-BnB – vars modell var att folk betalade hyra för att bo på varandras ställen under perioder – tog så småningom över marknaden med normer mer i linje med ”amerikansk konkurrenskapitalism”. Den systematiska upptäckten av dessa så kallade informella institutioner (normer, värderingar etc.) kompletterar delvis den systematiska kodningen av formella institutioner (lagar, stadgar) i artikel III och IV men också den entreprenöriella, geografiska och urbana aspekten av delningsekonomin, som undersöks i artikel VI.

**Artikel VI*: Digital entrepreneurship and field conditions for institutional change– Investigating the enabling role of cities.***

*Publicerad 2019 i Technological Forecasting and Social Change Vol. 146, p. 877-886*

https://www.sciencedirect.com/science/article/pii/S0040162517316992

Artikel VI, som är skriven tillsammans med Andrea Geissinger, Christofer Laurell, Christian Sandström och Rasmus Nykvist, utforskar städernas roll för digitalt entreprenörskap och institutionell förändring. En stor mängd kvalitativa data från telekommunikation, finanshandel och delningsekonomin i Stockholm analyseras.

När det gäller den digitala delningsekonomin presenterar vi empiriska bevis på hur bolag och kunder i delningsekonomin ofta är geografiskt koncentrerade till städer, trots att delningsekonomin är digital och därmed möjliggör geografisk spridning.

När det gäller institutionell förändring tyder resultatet på att proaktiv strategi och institutionellt entreprenörskap gentemot en mängd resursstarka grupper på olika nivåer i samhället – inklusive politiker, tjänstemän, akademiker, näringsliv, media – behövs för att lyckas med institutionell förändring. Vi drar slutsatsen att städer minskar transaktionskostnader och erbjuder de ekonomiska, tekniska och institutionella möjligheter som behövs för att undvika så kallad ”regulatory capture”.

Som helhet tyder resultaten på att geografi och städer spelar en nyckelroll för entreprenörskap i plattformsekonomin och institutionella förändringar i digitaliseringens spår. Denna artikel undersöker således hur institutioner och marknader – som även undersökts i de tidigare uppsatserna – påverkas av entreprenörskap i städer.

**Resultat**

Resultaten från tema 1 visar på två stora fastighetsprisökningar i Stockholm, en under perioden 1855-1887 och en under perioden 1993-2017. Dessa perioder har även präglats av strukturell omvandling och en stor befolkningsökning – mellan 1855 och 1887 var befolkningsökningen och prisökningen proportionella till varandra, mellan 1993-2017 ökade priserna nästan fyra gånger mer än befolkningen. Tiden före, 1726-1855 visar en viss stagnation och en viss ökningar av priser i linje med befolkningsökningen i Stockholm. Under större delen av tiden emellan dessa uppgångar råder dock stagnation i priserna trots befolkningsökning, strukturell omvandling och ekonomisk tillväxt. När detta jämförs med

resultaten från lagtexterna i tema 2 uppstår vissa mönster som kan förklara varför resultaten från prisindexet ser ut som de gör i tema 1. Förordningen 1874 följer nämligen mycket av de principer som av den nyinstitutioella teorin anses vara värdefulla för effektiva marknader – det är främst offentliga ägarintressen som regleras och när privata intressen regleras så är det främst externaliteter (det vill säga effekter som drabbar tredje part) som regleras. Marknaden är alltså relativt fri och detta kan förklara varför priserna följer befolkningsökningen relativt väl under denna period fram till åtminstone 1907 då förordningen kompletteras med en lag innehållande fler regleringar av privata ägarintressen.

Under tiden då 1907, 1931 och 1947 (som gäller fram till 1987) års plan- och bygglag gäller bryts korrelationen mellan fastighetspriser och befolkningsökning i Stockholm. Befolkningen fortsätter att öka men priserna stagnerar, likaså är tillväxten hög och den strukturella omvandlingen återkommande – framför allt under decennierna efter andra världskriget. Anledningen till de stagnerade fastighetspriserna kan vara den omfattande reglering av både privata och offentliga ägarintressen och den starka ökning av antalet områden som regleras i stadsbyggande (artikel III) liksom den mer generella och omfattande form som lagstiftningen utvecklar (artikel IV). Under denna period utökas det kommunala planmonopolet till att gälla i stort sett all mark, bebyggd som obebyggd. Tillsammans med vissa prisregleringar på bostäder och det omfattande offentliga byggandet bidrar detta förmodligen till de stagnerande fastighetspriserna under större delen av 1900-talet.

Perioden 1874-1946 kallas i arikel III ”den dynamiska perioden” pga. av den stora skillnaden mellan andelen privata och offentliga, liksom generella och specifika, lagregleringar mellan de olika årens lagtexter. Perioden 1947-2010 kallas ”den stagnerande perioden” i samma artikel. Eftersom antalet regleringsanspråk liksom fördelningen mellan privata kontra offentliga och generella kontra specifika regleringar håller sig relativt stabila över tid. Trots denna relativt hårda reglering sker en kraftig fastighetsprisökning 1993-2017. Dessutom är prisökning fyra gånger högre än befolkningsökningen – tillskillnad från den förra prisökningen 1855-1887 då priserna och befolkningsökningen var ungefär lika stora. Ett skäl till detta kan vara att kreditavregleringen 1985 i praktiken gjorde att *efterfrågan* avreglerades medan *utbudet* fortfarande reglerades lika hårt i plan och bygglagen (dessutom stryptes utbudet ytterligare iochmed att det offentliga byggandet i stort utsträckning upphörde på grund av politiska beslut på 1990-talet).

Under perioden 1980 och fram till idag sker en institutionell och strukturell omvandling av ekonomin i Sverige och internationellt som kommer till uttryck i Stockholm. Detta undersökt i tema 3 i föreliggande avhandling. Resultaten pekar på en central roll för större städer som Stockholm i både det institutionella förändringsarbetet under 1980-talet liksom i det entreprenörskap som den digitala delningsekonomin präglats av under 2010-talet. Genom de låga transaktionskostnader som kännetecknar städer ökar chanserna för såkallade ”entrants” att undvika de inlåsningseffekter och ”regulatory capture” som ”incumbents” annars kan ta till för att hålla tillbaka avregleringsförsök som inte ligger i deras intresse. Tvärtemot vad mycket tidigare forskning visat visar artikel VI i denna avhandling att entrants Comvik genom en proaktiv kampanj riktad mot policymakare, politiker, media och opinion lyckades avskaffa det monopol som Televerket haft på teletjänster i över 100 år. Under samma tid lyckades ”entrant” Optionsmäklarna göra detsamma med ”incumbent” och monopolisten Stockholmsbörsen. Denna artikel visar också att den digitala delningsekonomi som delvis blivit en konsekvens av avregleringarna på 1980-talet är mycket koncentrerade till städer både vad gäller entreprenörskap, produktion och konsumtion. Detta trots att digitaliseringen rent tekniskt möjliggör kommunikation, produktion och konsumtion utanför tätbefolkade områden. Genom att göra en jämförelse med en tidigare icke-digital delningsekonomi, nämligen bostadsrätten, visar artikel V att informella institutioner utvecklats från mer kooporatiskiska ideella och icke-vinstdrivande normer till mer individuella konkurrensfokuserade och vinstdrivande normer under såväl bostadsrätten under 1900-talet som den digitala delningsekonomin i form av Couchsufing och Air-BnB under 2010-talet. Båda dessa innovativa delningsekonomier har uppkommit som ett svar på en ineffektiv bostads- och fastighetsmarknad som delvis kan härledas till dess institutioner.

**Slutsatser**

Denna avhandling undersöker tre teman som anses vara centrala för urbanitet och ekonomisk tillväxt nämligen: marknader, äganderätter och entreprenörskap i urbana miljöer. Hur dessa fenomen har utvecklats i Stockholm under den sammanlagda perioden 1726-2020 är ämnet för denna avhandling. Resultaten indikerar att reglering av äganderätter har en central roll för både fastighetspriser och entreprenörskap i urbana miljöer. Vidare visar avhandlingen att institutionell omvandling och entreprenörskap i den digitala delningsekonomin är centrerat till stora städer, trots av internet rent tekniskt möjliggör

geografisk utspridning av marknader och institutionell påverkan. Det stora bidraget är att systematiskt och med en stor mängd kvalitativa och kvantitativa data visa på samband mellan institutionell utveckling och prisutveckling liksom på hur institutionell påverkan och tillkomsten av den digitala delningsekonomin – som delvis uppkommit som en följd av lyckat institutionell påverkan – centreras till städer under långa perioder. Utöver detta visas hur informella institutioner utvecklats likartat på bostadsmarknaden under icke-digital liksom under digital delningsekonomi. Förhållandet mellan prisnivå och institutioner liksom städernas betydelse för ekonomin och entreprenörskap kartläggs systematiskt genom att följa stora mängder data som beskriver en lång tidsperiod. Mönster över tid blir tydliga och dessa bekräftar, kompletterar, nyanserar och ibland motsäger tidigare forskning om marknader, äganderätter och entreprenörskap i städer – det vill säga om hur städer blivit ägda.