



Urbanistica n. 124

May-August 2004

Distribution by www.planum.net

Dino Borri Towards a new political reform and social and environmental welfare

Franco Migliorini **Problems, policies, and research**
Pan-European Corridor V

Umberto Janin Rivolin Towards a European territorial government system?

Mariolina Besio Looking at the design of living
Experiences and representations of design for living
Daniele Virgilio Suburbs: from zenith overlook to eye-level view

Projects and implementation

edited by Göran Cars, Abdul Khakee

Göran Cars, Abdul Khakee

Jerker Söderlind

Interview of August E. Røsnes,

by Christian Hofstad

Petter Næss, Arvid Strand

Ole Michael Jensen

Interview with Tuija Hilding-Rydevik,

by Maria Håkansson

Interview with Christer Bengs,

by Mia Geijer

The Nordic urban planning

Urban planning in the aftermath of the Nordic welfare state model

Urban challenges in Sweden

Urban planning Nordic style. Implications of public involvement

From Rio to Johannesburg. Environmental concerns, neoliberal climate change and planning in the Nordic countries

Environmental planning in a Nordic context: the case of the Hedebygade Block, Copenhagen

Environmental issues and debate

Integrated conservation in the age of modernism: mission impossible?

Francesco Domenico Moccia **Profiles and practices**
Resisting strategic planning

Lino Sinibaldi Notes on Drawn Architecture

Francesco Fazio **Methods and tools**
Archaeology and urban planning

Maria J. Figueroa Public participation and environmental integration in transport decision-making

Received books

Urban planning in the aftermath of the Nordic welfare state model

Göran Cars, Abdul Khakee

The visions of the modern welfare state as formulated in the aftermath of Second World War included a comprehensive approach to urban planning in order to implement various welfare reforms. The article presents the current situation and the likely developments concerning welfare and urban planning.

The rise and fall of the Nordic welfare model

The welfare models developed in the North-West of Europe after the World War II showed significant differences compared to those adopted by other European countries. The more comprehensive welfare systems introduced in the Nordic countries have three components in common: an educational system designed to meet the skills required to enter the Fordist labour market; a social insurance system designed to support workers through periods of unemployment, illness and old age; a housing system designed to ensure that the population was well housed (Allen, Cars 2000).

The welfare systems created were closely interrelated with the economic system for production. The welfare system should guarantee the availability of a workforce skilled to meet the demands of the Fordist economy, as improved effectiveness in production was the key to increasing incomes and improving welfare and housing conditions. This linking of the welfare and economic system was generally considered successful. Economic development was rapid and the advancements in welfare, both in terms of

private consumption and public services, were notable (Cars, Johansson 2002).

However, in the aftermath of the oil crisis in the 1970s the situation changed. The balance and interaction between the welfare system and the economic system was disturbed. The welfare model, which was successively built up, was questioned and challenged from a variety of perspectives. It became a real question whether or not the welfare system was effective in meeting the most urgent needs. Policies and programmes in place were not sufficiently shaped to cope with the new problems that had emerged. In the past, social problems emerged from issues such as overcrowding and substandard conditions characteristic of poverty. Although these factors still existed, they were now often exacerbated by other conditions, e.g. stigmatisation, social tensions and social exclusion (Alterman, Cars 1991). In the Nordic countries the 1970s and 1980s brought about societal developments that made it necessary to rethink established housing and welfare policies. Issues such as standards and space of flats were no longer the primary focus; rather problems that called for attention were increased stigmatisation and exclusion of neighbourhoods. As the economy of the Nordic countries has successively developed from 'mature Fordism' to 'post-Fordism' these problems have exaggerated. The long run unemployment numbers have gradually risen to levels that were unthinkable during the heydays of Fordism. The growth of the service sector has been associated with increasing demand for flexible labour, that is, labour which is

willing to work e.g. casually, part time, on contract basis, on temporary contracts, at home.

Thus, it can be concluded that the economic system in Europe has undergone substantial change over the last decades, and in many ways it functions in a significantly different way today. Keeping in mind the close relation between the economic and welfare systems, it is important to look at how the welfare system has responded to the changes in the economic system. Simply stated, studies indicate that the welfare system has been unable to respond adequately to changes in the economic system. Public financial constraints is an obvious explanation for this. Also noticeable is the inability to redesign social programmes to reflect the changing economic structure (Allen, Cars 2000). The effectiveness of welfare systems also has been criticized from a neo-conservative perspective in which the welfare state has proven itself to be bureaucratic and unresponsive to welfare needs. It is claimed that rather than solving the problems, the welfare state itself is a part of the problem. Further, criticism has been raised on the ground that the welfare system is based on formal arrangements from which the voluntary sector and residents have been excluded. Improved performance and effectiveness presupposes that more informal opportunities are opened up (Miller 1999). Similarly Sanderson (1999) argues that traditional perspectives on renewal process embody a 'technocratic' conception of decision-making that disempowers citizens. The short-comings of rehabilitation efforts triggered a debate on how

new effective approaches could be adopted. Thus, in the present debate the traditional welfare models are challenged from two perspectives. From a perspective of effectiveness, it is questioned whether the systems are capable of delivering services in an optimal manner. From the perspective of democracy, it is argued that present governance arrangements are exclusive to residents and informal actors, e.g. local organisations.

Parallel changes of the planning system

The emergence and the development of the Nordic welfare state model are closely linked to a parallel development of the planning system. A state-managed urban development policy with extensive public housing available to households of all categories was a key element of the Nordic model. But also, the planning system played an important role in improving education, medical care, recreational opportunities and other services, which were considered important ingredients of the welfare model. In order to minimize administrative costs, achieve a proper spatial allocation of collective consumption in every municipality and insure sufficient input of public concerns and preferences the Nordic welfare model exhibited considerable decentralization. Cities, towns and urban centres became the arena for planning and implementing a majority of the welfare services but under central control and financial support (Khakee 1994). Thus, an eminent presence of the welfare ideology pervaded nearly every walk of public life. Urban planning was no exception. A reference to the welfare state determined public interest pervaded local authorities' planning efforts

even where a substantial amount of pragmatism was required (e.g. Lex Norrmalm and the large scale renewal of central urban districts in Stockholm).

The emergence of the globalized economy and subsequent structural changes in society eroded the strong role of local urban planning. In the post-Fordist society the relation between territory and production is different than before. To an increasing extent companies have become foot-loose, i.e. they are not tied to a specific geographical location. At the same time fixed assets of companies have decreased in importance compared to human assets. The paradox is that in a world characterized by increased mobility and flexibility, the 'quality of place' is becoming increasingly important. The planning implications are obvious. The increased mobility of labour and economic activity means that competition between cities and regions is increasing. These regions are compelled to indulge in extensive space marketing and to develop a flexible 'host policy' to attract transnational companies (Healey et al. 1997). It is not at all unusual to find Nordic towns and cities advertising specific assets e.g. 'internet town', 'biotechnic town', 'conference town'. In perspective of these changes the role of planning has been reconsidered. Today we can see the development of new approaches to planning. These are based on the realization that the economic conditions for urban development have changed, that 'new' stakeholders claiming a role in the process have emerged, and that conflicts between economic, environmental and social objectives seem to become more and more frequent.

The shift from the provider state to an enabling state, the rise of network society and the neo-conservative trends has resulted in political as well as administrative fragmentation. Political fragmentation implies the devolution of power from the public authority to the business sector, civil society and public agencies at supernational and local levels. Administrative fragmentation is characterized by a rearrangement of public administration in order to enable market-like transactions, competition between public service agencies and partnerships with the private sector and voluntary organizations. In this context the concept of 'partnership' has become a catchword. Collaboration between different actors is not a new phenomenon in Nordic planning. However, currently emerging partnerships differ substantially from traditional collaboration in several aspects. One significant feature of partnerships is the mutual dependence. No single actor is capable to bring about change. Real change presupposes joint and coordinated action. Each partner contributes with resources and shares the responsibility for the decisions and their implementation. Bargaining, singular interest-based and marketled development has become common in Nordic urban planning. Thus since 1980s various forms of planning exist side by side: marketled solutions are dealt within the premises of bargaining planning, sustainable environmental management requires deliberative approach, increasing social exclusion relies on advocacy planning and other circumstances requiring various inputs of rational, incremental, social, strategic and radical

planning.

Current trends in urban development and planning

One of the major spatial changes follows the reduction and transformation of collective consumption. Schools, youth recreation centres, post offices, social welfare centres have been closed and this space is increasingly occupied by all sorts of sundry activities e.g. beauty parlours, dog nurseries and internet cafes. Space in and around what were formerly centres of collective use have been privatized and only those who can afford have access to these spaces (Khakee 2003).

Many residential neighbourhoods and housing districts have undergone substantial changes. The divide between the well-to-do and poorer residential areas has increased. This may not be apparent in all areas but under the façade of reasonably wellkept exterior there are many signs of social and physical dereliction in the poorer districts. This is especially visible highrise apartment estates from the 1960s and 1970s. The Nordic countries nowhere have the type of gated communities found in the US cities and increasingly so in the western European cities but exclusionary forces gather strength as the welfare state declines.

The emergence of property-led urban regeneration is also a conspicuous phenomenon in Scandinavian cities. Such regeneration often in the attractive areas in large cities and towns or in adjacency to cultural centres is often for the high-income households. Old inhabitants are evicted or compelled to purchase at exorbitant price apartments and flats as rental

occupancy is replaced by owning occupancy. Many of the regenerated areas are former industrial or harbour sites and their transformation to posh residential areas are a far cry to the welfare state inspired public housing available to all households regardless of income. Strip development, often devoted to commercial centres, science parks, conference centres and other post-modern activities is yet another characteristic of the post-welfare development in the Scandinavian cities. Specific groups in the society mainly use these earmarked areas and their exclusionary impact is quite significant. In his inaugural speech as the leader of the Social Democratic Party the present prime minister of Sweden launched the idea that Sweden should be a forbearer of an innovative ecological society to meet the challenges of sustainable development and redress the current global ecological crisis just as it was a forbearer of the Nordic welfare model. All local authorities in all Nordic countries have been required to prepare local Agenda 21 and propose tentative proposals for the reduction of air, earth and water pollutants, recycling of household and industrial waste as well as new education to reduce consumerism in the society. The idea of combining welfare and ecological perspectives in planning has been difficult especially as the former are on retreat. Moreover the global economic requirements have constrained the fulfilment of any farreaching changes towards a Nordic model in ecological planning.

Concluding remarks

The Nordic countries developed strong welfare models and despite the fact

that these models have been questioned and challenged in the 1990s, Nordic cities and towns still live on the assets that were built up during the heydays of the welfare state. Nationally and locally the Nordic societies find themselves at crossroad. As part of the new globalized world there are no prerequisites to go back to previous state of conditions. At the same time recent developments show that neoliberal approaches do not provide solutions to the challenges posed by ecological sustainability, social exclusion, migration from low income countries and transnational corporations demands for infrastructural and other investments. Urban planning shall have a 'new' role, more proactive, more collaborative and more economic, physical and social sustainability-oriented.

Systems. Working Paper 42, Department of Town and Country Planning, Università di Newcastle upon Tyne.

- (2003), "Den post-socialdemokratiska staden är här (The post-Social Democratic City is here)", *Plan* vol. 57, n. 1, pp. 40-43.

Miller C. (1999), "Partners in regeneration", *Policy and Politics* vol. 27, n. 3.

Sanderson I. (1999), "Partners in regeneration", *Policy and Politics* vol. 27, n. 3.

Bibliography

Alterman R., Cars G. (1991), *Neighbourhood Regeneration. An international Evaluation*, Mansell, Londra.

Allen J., Cars G. (2000), *The tangled web: Neighbourhood governance in a Post-Fordist era*, paper presented to the ENHR conference, Gavle, Svezia.

Cars G., Johansson M. (2002), "Social exclusion in Post-Fordist Sweden", in Snickars F., Olerup B., Persson L.O., *Reshaping Regional Planning. A Northern Perspective*, Ashgate, Aldershot.

Healey P., Khakee A., Motte A., Needham B. (1997), *Making Strategic Spatial Plans Innovation in Europe*, Ucl Press, Londra.

Khakee A. (1994), "Tendencies in development plan-making in Sweden", in Healey P., *Trends in Development Plan-making in European Planning*