

Nordic Geographers Meeting, Copenhagen, 24–27 June, 2024

New Forms of Urban Political Economies and Ecologies

Abstracts

1. “When your landlord is your labour union: Building cooperatives, labour unions, and transformations in the Finnish ‘social’ rental sector”

Presenter: *Daisy Charlesworth, Lund University*

Co-authors: *Mika Hyötyläinen, Uppsala University, and Johanna Lilius, Aalto University*

In 1969, the Finnish labour unions and so-called 'progressive' consumer cooperative movement established a new building cooperative with the Finnish name Valtakunnallinen vuokratalo-osuuskunta, or WO for short. Its purpose was to provide non-profit rental housing to its working-class members. On the back of significant state housing subsidies, over the following decades WO grew into one of the largest providers of social rental housing in Finland. Since the late 1990s however, WO has undergone significant changes and departed from its original non-profit ethos. Today, WO is known as Kojamo, a listed company on the Nasdaq Helsinki stock exchange since 2018. Kojamo is Finland's largest private housing investment company and owner of residential properties. Many of the properties in its portfolio are old, WO non-profit rental units that have been transferred to the private market. Interestingly, local labour unions are still some of Kojamo's biggest shareholders, alongside pensions companies and global investors. Through a qualitative document study supplemented with expert interviews, this paper addresses the call for papers by first, investigating the case of Kojamo as an example of the privatization of social rental housing units and their change into financial assets traded on global financial markets. And second, through highlighting the changing nature and roles of labour unions in such processes, this paper provides new perspectives on the intersecting social and financial rationalities of labour and housing struggles within the context of a financialised social housing sector.

2. “From the Balance Sheet to the Cash Flow: Maintaining Rental Housing as an Asset”

Presenter: *Jennie Gustafsson, Malmö University, Institute for Urban Research*

This paper opens up a dialogue between the literature on assetization and the work on the financialization of rental housing, particularly focusing on its manifestation in the form of apartment renovations in Sweden. Researchers have applied the concept of assetization to various asset categories, ranging from personal data (Birch et al., 2021) to farmland (Ouma, 2020). Housing researchers (e.g., Nethercote, 2023; Crosby, 2020) have identified how

assetization detaches dwellings from their material, social, and mundane meanings, embedding the real estate in expectations of prospective value which enables a present realization of value, in the form of rent extraction (Birch 2021) for the investor. Meanwhile, previous research has conceptualized renovations of rental apartments in Sweden as a process of displacement (e.g., Pull & Richard, 2021) and as a particular type of investment strategy undertaken by private landlords (Gustafsson, 2021). This paper departs from these two strands of literature and examines how apartment renovations exemplify a form of assetization. Drawing on the analytics proposed by Birch and Ward (2022), the paper examines how Sweden's rental housing market has undergone a process of *enclosure* in which private rental housing has become an investment asset. Subsequently, the paper presents two main arguments. First, following the mentioned conceptualization, the paper argues that this assetization has been maintained through *rent extraction* in the form of apartment renovations. Yet, through such apartment renovations and their links to increased asset values in the balance sheets, real estate investors are not only re-making property, but they are also, using the vocabulary of Birch (2020), re-making how rental housing functions as an asset. The second argument points out the limitations to this assetization process, proposing that assetization within the rental sector, following the rising cost of capital, most recently manifest in the adjustments of the cash flows through increasing rents, deepening the tensions between tenants and landlords. In turn, this paper elucidates how the assetization of rental housing in Sweden is grounded in two interlinked trajectories of the re-making of property and the re-making of the asset, consequently fueling a heightened tension in the tenant-landlord relationship.

3. "Non-profit housing actors innovating (in) the housing system?"

Presenter: *Ina Marie Christiansen, Norwegian Institute for Urban and Regional Research, Oslo Metropolitan University (NIBR, OsloMet)*

Compared to other national housing systems, non-profit actors in the Norwegian housing system have a marginal role in supplying housing. One type of non-profit actor is the so-called 'municipal housing foundation', which mostly builds and administers means-tested rental housing units on behalf of municipalities. These units are meant as temporary accommodation for 'disadvantaged on the housing market'. However, in the current landscape with housing unaffordability and inequality, and with municipalities developing new housing policies, some housing foundations are operating in ways that differ from the ways housing foundations have traditionally been operating. This paper is about two such housing foundations, in different cities, which have piloted new housing models. In this paper, I explore how the models differ from each other and with how they relate to the housing regime. Further, I explore the different roles the foundations take in the housing system by piloting these models, more specifically the foundations' motivations, type of ambitions and relationships to the municipality. While one foundation is still administered as a municipal tool and the model is in accordance with the housing regime, the other foundation operates more autonomously, and the model represents a break with the housing regime.

4. “Danish housing associations as the new urban entrepreneurs? Lessons from the redevelopment of Kildeparken”

Presenter: *Matthew Howells, Aalborg University*

Co-author: *Kristian Olesen, Aalborg University*

This article uses the case of Himmerland Housing association to understand how housing associations in Denmark are playing an increasingly entrepreneurial role in urban governance. We argue that, in the time following their hey-day in the mid-late 20th Century, Danish housing associations have largely become what might be characterized as 'managers', building and maintaining a housing stock. However, following changes to their legislation in 2010, conceptualized here as a neoliberalisation, avenues to a new role for housing associations have been opened. Using David Harvey's concept of urban entrepreneurialism as a point of departure, we first describe the changing conditions of existence for Danish housing associations. Following this, we use the case of Himmerland's redevelopment of the 'Kildeparken' neighbourhood to illustrate the potentially changing role of Danish housing associations from managers to urban entrepreneurs. This manifests both in organizational changes such as professionalization and collaboration models, as well as new types of planning/urban interventions. We conclude that an increasingly entrepreneurial role for housing associations is not a priori negative, and highlight the positive potential of this changing for fostering a progressive 'city-as-collective' corporation.

5. “Five Finlands: Segmenting climate attitudes to manage equitable decarbonisation of housing”

Presenter: *Joni Vainikka, University of Helsinki*

People grasp the climate crisis differently. Decarbonising our housing and household consumption requires taking stock of vulnerabilities, living standards, and attitudinal landscapes. Housing is a societal issue, yet for some factions, housing becomes an extension of values of owning outside of the logic of state planning. This paper builds on a latent class analysis of a survey on climate attitudes (n= 1446) that segmented Finnish residents as Engaged, Aware, Cautious, Unsure and Divergent. Understanding the spatialities and socioeconomic differences allows us to push for more effective policies to think through incentives to decarbonise housing. The results show a clear variation in education, mobility, and age, explaining the spectrum of attitudes. However, the most potent separation is conditioned by communal-individualist traits that are reflected in ideological stances. The paper also recognises that regardless of attitudes, households can decide to cut their consumption in ways that can be unattainable for those who are more anxious about the climate. Thus, in planning more just and sustainable future housing, three things, at least, need to be considered: 1) the attitudinal landscape for climate practices and policies, 2) the abilities of households to manage decarbonisation and 3) ways to balance regional disparities with socially equitable support.

6. “Debility in the Post-Welfare City: Surplus Populations, Surplus Capital, and Extractive Abandonment under the Danish ‘Ghetto Law’”

Presenter: *Lawrence D. Berg, University of British Columbia*

Co-author: *Morgan Berg, University of Victoria*

The so-called ‘Ghetto Law’ in Denmark has attracted a great deal of scholarly attention, with many analysts suggesting that it is some sort of exception to the norms of urban political economy in post-welfare Nordic cities. In this paper, we bring together abolitionist, autonomist, feminist, Marxist, critical race, and critical disability studies perspectives in a productive dialogue in order to develop a somewhat different understanding of the urban political economies and biopolitics at work in the current conjuncture. In this regard, rather than seeing the Ghetto Law as some kind of exception, we argue that the law is a response to the inevitable need for capitalism to manage crises. In other words, it is “capitalism saving capitalism from capitalism” (Wilson-Gilmore 2024) yet again. In this instance, the crises facing capital involve two kinds of surpluses that must be managed in order to allow for ‘value-in-motion’ to continue apace: surplus capital and surplus populations. We argue that the Ghetto law can be seen as a way to entrench forms of extractive abandonment that provide investment opportunities for surplus capital and carceral management of surplus populations in the urban political economies of post-welfare Danish cities.

7. “From Vulnerable Neighborhoods to Financial Imaginaries: The Case of Place-Based Social Impact Investing in Sweden”

Presenter: *Defne Kadioğlu, Malmö University, Institute for Urban Research*

In the wake of the 2008 global financial crisis a new ‘movement’ within the field of financial capitalism and the management of social inequalities has emerged: the promotion and growth of ‘social impact investing’ (SII) markets. SII refers to investments made with the intention to generate measurable social impact alongside financial return and has in practice generated a great variety of organizational and financial arrangements or ‘tools’ around the globe, such as social impact bonds (SIBs), social bonds and sustainability-linked loans. What unites these different arrangements is the belief that social returns can occur alongside financial returns. SII can thus, on the one hand be seen as a continuation of decades of privatization and deregulation in the organization and delivery of welfare services, while also signaling a reordering of the relation between the public and private sector: financial markets, rather than displacing the public sector, are here to be integrated into public service delivery through the reconstitution of social challenges as financial challenges and vice versa. As somewhat of an offshoot from green financing, this ‘movement’ is also evident in Sweden: there is a growing body of private, public and third sector actors advocating for, or facilitating, the growth of a Swedish SII market. One geographical target of SII -discursively and through already launched initiatives- are so-called ‘vulnerable neighborhoods (utsatta områden), i.e. neighborhoods that the police has classified as ‘at risk’ regarding the (potential) spread of criminal activity and typically characterized by a high

density of racialized populations. This paper discusses the complex geographies of SII in Sweden. Tracing the actors, discourses and practices of place-based SII, I seek to contribute to theoretical and empirical debates on this novel form of social policy financialization, its discursive and material geographies and the intersections between financial markets, territorial stigma, and race.

8. “Greening Urban Development with Debt: The Emergence of Green Financialised Urban Entrepreneurialism in Sweden”

Presenter: *Lina Olsson, Malmö University, Institute for Urban Research*

Co-author: *Özlem Çelik, University of Turku*

Funding the transition towards sustainable – so-called green – urban provision poses a major challenge for local and regional authorities worldwide. Shouldering this task, Swedish regions, municipalities, and municipal companies have taken a global front-runner position to expand the volume of green urban investments by accessing capital with Green Bonds. Today, 20 municipalities and regions are engaged in Green Bond financing amounting to a total debt of SEK 134 billion (€ 1.173 billion) (Kommuninvest, 2023). Notably, over 40% of the outstanding loans from the municipal-owned bank, Kommuninvest – the holder of 59% of Sweden's total municipal debt – comprise Green Bonds. Examining the green municipal indebtedness in Sweden through secondary document analysis of selected municipalities, this paper contributes to the emerging critical scholarship on green financialisation of urban environments and infrastructures at the local level. Drawing from three theoretical frameworks: capital switching, urbanisation of capital, and financialisation, it investigates the phenomenon of green municipal indebtedness in terms of:

- 1) how it furthers the penetration of finance capital into the production of urban space,
- 2) how the enabling conditions for the indebtedness are created by long-term neoliberal policy and austerity, including underinvestment in the municipal sector,
- 3) to what extent it creates new financial risks and pressures for the municipal sector, and
- 4) what are the possible sustainability outputs, economically and socially.

By delving into these aspects, our argument posits that the green municipal indebtedness reflects the emergence of a form of *green financialized urban entrepreneurialism*.