Can planning combat segregation and strengthen social sustainability?

Within Nordic cities, residential segregation is high on the agenda and a hotly debated topic, often discussed alongside concerns relating to socioeconomic inequality, welfare provision, immigration, and integration. Social sustainability is another recurrent ‘buzzword’, but what does it actually mean and imply in practice? This policy brief presents Nordic perspectives on segregated cities and planning for social sustainability.

Urban segregation refers, most commonly, to the separation of social groups at the residential level of an urban area. The term can also be used to indicate social separation in workplaces, public spaces, schools or service provision. Most often, segregation is assumed to be problematic (and understood as a symptom of wider injustices), and the study of segregation often focuses on the challenges experienced by those living in concentrated poverty, violence, and/or poor quality housing.

Segregation also presents a challenge to Nordic values of egalitarianism and justice, challenging planners with a complex issue of how to navigate the different needs and desires of an increasingly diverse and dynamic population. To ignore segregation is to ignore a critical indicator and a driver of social exclusion. Understanding why segregation occurs and how to respond to it is critical for the future of Nordic cities, where changing demographics and rising socioeconomic inequality pose new challenges.

All of the Nordic countries, despite differing housing, planning, and migration policies, share many of the same urban segregation patterns and concerns in the bigger cities. A core-periphery segregation pattern (high-income groups clustered in the city centre, low-income groups clustered in particular suburbs) is evident in Stockholm, Oslo, and Helsinki. Copenhagen displays a somewhat different pattern, as there are also central districts with high levels of relative poverty. Thus far, very little research on segregation in Reykjavik has been done. However, there are studies indicating that ethnic residential segregation in Reykjavik has increased since 2000. Helsinki and Oslo municipalities display the most extreme levels of income segregation, as residents in the high-income areas earn twice as much as residents in the low-income areas.

However, Stockholm has by far the highest levels of ethnic segregation, as minorities (foreign background) are strongly concentrated in low-income suburbs, while native-born white residents are concentrated in the city centre and high-income suburbs. It is however important to emphasize that it is actually the wealthiest districts that can be considered to be the most segregated. They are the most homogeneous, as they have a significant concentration of high-income, native-born white Swedes.
Various studies have shown that many wealthy Nordic residents actively avoid residing in areas that are economically poorer or more ethnically diverse.

On that note, urban districts with a lower average income are often ethnically diverse, as they are populated by people from a wide variety of national backgrounds. These groups also frequently face discrimination on both the job and housing markets that can make them less mobile and unable to make the same types of choices as residents with more resources. Add to this an exaggerated, negatively stigmatizing public discourse, such as the discussion on ‘ghettos’ in Denmark, and it is clear that social mix and sustainability in Nordic cities is a major challenge.

The role of housing policy

Housing policy matters greatly in segregation patterns and integration measures. Is there social housing? What is the role and status of rental housing? Are the only possibilities to rent or buy, or are there other options? Research indicates that housing policy in Sweden, Denmark, Norway, and (to a lesser extent) Finland has contributed to segregation in each country. There is both a shortage of, in particular, affordable housing in Stockholm, Oslo and Copenhagen and a ‘market segmentation’ effect that concentrates certain socio-economic groups in particular types of housing. This means that middle- and high-income groups often own their homes, while low-income groups are frequently unable to leave the rental market. In combination with the housing shortages and rising prices in many Nordic major cities, this creates a situation where it is extremely difficult for e.g. immigrants and/or students to find adequate and secure affordable housing.

Social housing – which is subsidized and primarily meant for low-income residents – also plays an important role in segregation patterns. When social housing is concentrated, as it frequently is in Copenhagen and Oslo, this can result in areas that are disproportionately poor or stigmatized. However, this is not to say that social housing is necessarily problematic. It can aid migrants and low-income residents who have no other housing options available and create a mix of income levels in residential areas, like in Helsinki. Problems occur mainly when there is not enough social housing in proportion with the general market (as in Oslo) or when social housing also implies a lower standard of housing quality. In combination, these issues can result in overcrowding, long waiting lists, and high concentrations of relative poverty. It should also be noted that, despite Sweden’s lack of social housing, Stockholm is experiencing many of the same patterns of segregation and neighbourhood stigmatization that Oslo and Copenhagen are.

Many current housing development strategies in Nordic capital cities focus on creating ‘attractive’, private, high-value dwellings. There is comparatively
little development of public or social housing. In Stockholm, for instance, the share of both municipally-owned public and rental housing more generally, has shrunk significantly over the past decade. In combination, these developments run a high risk of promoting gentrification. Gentrification occurs when poorer residents are displaced and move out of formerly working-class or low-income areas because of increasing rental prices or land value. Gentrification is problematic because making areas wealthier or more ‘desirable’ does not necessarily improve the lives of existing residents in the neighbourhood. Instead, low-income groups or minorities are often pressured to move into even poorer areas.

Figure 2: Districts in Copenhagen Municipality, coloured on a gradient from light red (lowest-income) to dark red (highest-income). Frederiksberg municipality is not included. Source: Open data Copenhagen, Copenhagen Municipality

Policy responses

How do planners respond to segregation? What are the common ‘social sustainability’ approaches being used?

**Area-based initiatives** focus on the local environment and see the solution to segregation within local service provision, the quality of the built environment, and everyday life. Segregated and/or relatively poor areas are often considered ‘bad’ neighbourhoods that must be brought up to speed with the rest of the city.

‘Goruddalsatsingen’ is one such initiative, organized by Oslo’s municipal government and the Norwegian state to improve the environment and living conditions in the Grorud valley, a part of the Oslo region. The main ambitions are formulated as sustainable urban development, visible environmental renovation, better life quality, accessibility and overall better living conditions in the Grorud valley.

<table>
<thead>
<tr>
<th>Oslo</th>
<th>Median income/year (EUR)</th>
<th>Registered unemployment rate</th>
<th>Share of population with foreign background</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grorud</td>
<td>36,500</td>
<td>4.8%</td>
<td>47.4%</td>
</tr>
<tr>
<td>Stovner</td>
<td>37,000</td>
<td>4.7%</td>
<td>52.8%</td>
</tr>
<tr>
<td>Municipal average</td>
<td>48,000</td>
<td>2.7%</td>
<td>30.3%</td>
</tr>
<tr>
<td>Ullern</td>
<td>68,300</td>
<td>1.6%</td>
<td>17.6%</td>
</tr>
<tr>
<td>Vestre Aker</td>
<td>72,800</td>
<td>1.9%</td>
<td>17.0%</td>
</tr>
</tbody>
</table>

Table 3: District level data on a selection of districts in Oslo in relation to average (2013). Source: Oslo municipality

<table>
<thead>
<tr>
<th>Helsinki</th>
<th>Average income/year (EUR)</th>
<th>Unemployment rate</th>
<th>Share of population with foreign background</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jakomäki</td>
<td>17,289</td>
<td>18.4%</td>
<td>24.2%</td>
</tr>
<tr>
<td>Mellunkylä</td>
<td>19,910</td>
<td>15.1%</td>
<td>21.6%</td>
</tr>
<tr>
<td>Municipal average</td>
<td>27,897</td>
<td>10.1%</td>
<td>12.9%</td>
</tr>
<tr>
<td>Ullanlinna</td>
<td>43,926</td>
<td>6.6%</td>
<td>9.7%</td>
</tr>
<tr>
<td>Kulosaari</td>
<td>44,921</td>
<td>7.0%</td>
<td>8.1%</td>
</tr>
</tbody>
</table>

How can policymakers reduce segregation?

Although social sustainability risks becoming a vague ‘buzzword’ or a justification for gentrification, it still has the potential to be a central and important concept within urban and regional development. Social sustainability can point to highly debated aspects of spatial development such as segregation, housing tenure forms, spatial justice, and citizen participation.

**Learning from each other:** Nordic capital cities have similar patterns of segregation and face shared problems related to integration and labour market or housing market segmentation. Sharing experiences, lessons learned and successful policies would be beneficial for all involved.

**Housing is key:** A lack of affordable housing is one of the main obstacles to residential integration in Nordic cities, as well as a lack of different options regarding tenure forms.

**Spatial justice:** Although urban planning cannot directly reduce socio-economic differences, physical planning measures can contribute to ensuring spatial justice in cities in the form of equal access to basic services and infrastructure.

**Social sustainability is not gentrification:** It is central to ensure that planning for social sustainability does not become planning for gentrification.

**A whole city-perspective:** To make deprived areas of the Nordic capitals more prosperous and sustainable, it is best to act at the city (or city-regional) level, looking at the labour market, housing stock, and demographics as they sit in the region as a whole.

**Who is segregated and who is segregating?** The actions and lifestyles of all urban residents have an effect on segregation. Segregation is not only a concern for those in the ‘problem areas’ but for all residents.

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**Commissions and think tanks** are less associated with ground-level projects, instead working to spread knowledge, engage key persons, facilitate public participation, and influence new proposals. Government-affiliated commissions frequently frame anti-segregation measures in broad reform agendas, and the think tanks often take a positive, and perhaps also more marketable, angle on the issue to inspire cooperation.

Examples of this are the social commissions in the cities of Malmö, Göteborg and Stockholm. There, social injustices and segregation are approached more broadly. In 2010 the Social sustainability commission in Malmö was appointed. It was a politically independent commission assigned to, in three years, analyse the growing disparities in health among Malmö’s inhabitants, and to propose strategies to reduce differences. As a consequence of this background, the focus is on equal access to healthy environments, medical care, and information about healthy lifestyles alongside more overarching ambitions regarding political participation, administration, and governance.

**Social mix policies** see the separation of socioeconomic groups as the most direct challenge to social sustainability. It is, from this perspective, beneficial for the city as a whole if different social groups have the possibility to interact in everyday life. These policies thus aim to achieve neighbourhoods that are diverse economically and socially, usually by mixing housing tenures.

In Finland, and particularly in Helsinki, there has been a practice of social mix policy including e.g. a yearly goal of 20% state-supported rental housing. This makes Helsinki unique within the Nordic region. It could potentially provide an example for other Nordic cities facing a shortage of rental/low-cost housing.

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