Swedish Housing Policies
and Homelessness

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ABSTRACT

The housing market in Sweden today has submitted to the rules of commercial markets. The demand is rising while the supply is decreasing; pushing rents to go up. The interest in building apartment blocks is low due to high costs and low revenue. Prior to 1991 private actors were encouraged to enter the housing market through tax revenues and loan subventions and through Public-Private Partnerships the provision of housing, even for the most economically vulnerable citizens, was guaranteed. Housing policies designed to prevent homelessness and increase living standards for all citizens were introduced in 1945 and did not change significantly until 1991. State support became reduced; and the housing market adapted to New Public Management which resulted in increased rents and increasing numbers of eviction. Homelessness became a great concern for the municipalities, but since previous existing partnerships had been closed down due to policy changes providing housing became hard. A secondary housing market was created and placed the homeless under strict regulations and hard conditions. This thesis aims to show how housing policies in Sweden have developed since 1945 until 2013 through the study of homelessness, showing that little happened between 1945 and 1991. 1991 the State had withdrawn from the Swedish housing market; leaving the regulation to the free market of capitalism where economically vulnerable citizens no longer were accepted, causing a Secondary housing market to arise. The secondary housing market took over where the state previously acted as a mediator; assigning tenants to landlords for them to sign firsthand contracts. Through the Secondary housing market the State now became the middle hand of the contract carrying the financial risk.

**Keyword:** Housing Policies, Homelessness, Responsibility, New Public Management, Public-Private Partnership.
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1 INTRODUCTION

The Constitution of Sweden: Art. 2. Public power shall be exercised with respect for the equal worth of all and the liberty and dignity of the individual. The personal, economic and cultural welfare of the individual shall be fundamental aims of public activity. In particular, the public institutions shall secure the right to employment, housing and education, and shall promote social care and social security, as well as favorable conditions for good health. (Riksdagen, 2011)

In the constitution of Sweden it is stated that public institutions shall work to secure the right to housing. In every day speech housing is described as a social right. According to Swedish Law, municipalities are obligated to create opportunities so that everyone may have housing at a reasonable cost and in a safe environment (Socialdepartimentet, 2001). However, it is not possible to prosecute the municipalities for not providing housing to citizens in need. Despite the law in Sweden, during 2011, 34’000 citizens were considered either homeless or excluded from the regular housing market (Socialstyrelsen, 2012). Housing policies refers to government measures that are intended to control the housing market behavior in a desired direction and influence current housing conditions and housing supply. Housing is a basic need for individuals, and the actions, goals and measures of housing policies affects the individual as well as the economy and the welfare state. The welfare state and welfare policies prioritize social policies, but housing policies and social policies are interconnected in Sweden especially due to the Social Service Act\(^1\) that places a large responsibility on the municipalities to offer assistance to help individuals without housing.

The housing sector is of great importance for a country’s collective well-being, not only due to the need of living facilitates but as an actor at the labor market creating employments opportunities as well as housing possibilities for a moving labor force. In Sweden, the government has implemented measures to subsidize housing, encourage constructions of apartment blocks, regulate rent, working for integration and provide vulnerable groups with support. The housing market has throughout history been build on cooperation between public and private actors but in recent years the cooperation has reduced as private actors now see a great oppor-

\(^1\) Socialtjänstlagen
tunity for profit through building and lending housing which consequently increase price. Swedish housing policies, as I will discuss further in the historic overview (chapter two) used to work to keep prices down, but when housing policies fails homelessness occurs.

Homelessness in Sweden has long been considered individual fault and primarily a result of drug and/or alcohol problems. As a result homelessness has been regarded as a social problem, and a matter for social policies. During the last two decades Sweden has gone through several changes that have affected several areas of the welfare state. As society changed the stereotype of the homeless got challenged, people without a drinking, drug or mental illness problem, people who lost their jobs and where unable to pay the rent due to increasing prices and decreasing social benefits lost their homes and fell into the group homeless. An article presented in Metro\(^2\) in November 2012 shows that 997 people in Malmo\(^3\) are homeless and 70% of these do not have any social problems, they just can’t find a home due to the lack of affordable rental apartments available (Jimenez, 2012). The rough sleepers, people sleeping on the streets, represent 8% of the Swedish homeless, 49% in this group have a substance abuse problem and represent the stereotypical homeless who requires help from Social Services and are affected by change to social policies and welfare policies (Socialstyrelsen, 2012). A new group of homeless are now placed on the agenda, the individuals who cannot find a home, even without any social problems. This group is affected by housing policies.

With the changes happening today, as I see it, homelessness is the utter failure of the welfare system, individuals being unable to provide themselves with the basic need of shelter due to economic and not social factors created by changes in, not only housing policies, but changes in the general idea of how much influence the market shall have compared to the influence of the State. Listening to a political debate from 2012 regarding planning, housing provision, construction and consumer policy (Riksdagen, 2012) it occurred to me that all the parties in the Swedish Riksdag agrees that something is wrong with the Swedish housing policies. They agree that more affordable rental apartments must be built to reduce homelessness since the demand for housing is much higher than the supply but they cannot agree upon how to encourage private actors to build.

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\(^2\) A Swedish newspaper  
\(^3\) Sweden’s third largest city
The conditions to enter the housing market have become tougher. Social benefits such as sick leave or unemployment benefits are no longer counted as a reliable income which excludes people from the regular housing market. A higher demand for references and sustainable income has occurred which makes it hard for young people to enter the housing market and for people with unsecure employment to move. If you have debts or a previous eviction it is almost impossible to gain a firsthand housing contract.

A profit-seeking market has arisen where private landlords’ rents their apartments to the municipalities who then sublease them to Social Services clients costing society millions. The question I ask myself is; what is it in housing policies that has changed so that Sweden, a country that 50 years ago had as a national goal to make sure that everyone had a sound, spacious, well-designed and adequately equipped homes of good quality at a reasonable cost (Boverket, 2005) now have 34,000 individuals who are considered homeless and a goal just to provide everyone with a roof over their head?

1.1 PURPOSE

This thesis aims to look at the development of housing policies in Sweden from 1945 until today with emphasis on the years 1991-2011 with the purpose to show how changes in housing policies has affected the development of homelessness during that period of time. Homelessness in Sweden will be used as a case to exemplify the policy changes and show what consequences they may have on citizen’s lives. An historic overview may provide insight to what strategies used earlier with positive result, meaning decreasing homelessness and keeping the housing market in balance, that might be used again. The affect of a policy change is rarely visible immediately but demands a long term perspective which this thesis will present.

1991-2011 is issued as especially interesting because during this period of time the National Board of Health and Welfare conducted national surveys to map homelessness in Sweden and came up with national guidelines and goals to overcome homelessness. 1945-1991 is issued as a reasonable timeframe for historic overview because it was after the Second World War that housing policies were placed on the political agenda and became an independent political area of concern.

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4 Socialstyrelsen
Sweden is considered a Social Democratic welfare state in which citizens rely heavily on the State to care for individuals who are unable to care for themselves. As will be explained more thoroughly later in this thesis, a shift towards a Neoliberal welfare regime which used New Public Management (NPM) has begun to take place in Sweden. This thesis will use the study of homelessness to shed light upon which consequences the changes may have on citizens with small economical recourses and how the changes has affect the Swedish housing policies. Through document analysis, I will outline how the policies have changed. A shift in welfare management than affected the housing policies have meant an increase in marketization and privatization of rental apartments and with that followed higher demands on the tenants for current income and economic background. The reliance on the State’s provision has become insufficient regarding housing since social benefits are no longer counted as a suitable form of income in the housing market and very few municipalities own facilities to rent apartments to people relying on their help.

The demand on the individual to care for themselves has increased and responsibility has shifted from the State towards the individual. This thesis will consider how the responsibility, both for providing the citizens with a temporary solution and finding a permanent home is divided between the State, the municipalities and NGOs. NPM has opened the door to allow new actors into the market previously controlled by the government and Public-Private Partnerships (PPP) has now become a common component at the Swedish housing provision. PPPs are a necessary part of the care for the homeless as a secondary housing market based on PPP has been created in order for the municipalities to fulfill their obligation towards its citizens by renting apartments from a profit-seeking company to lend it to citizens who are considered unreliable in the regular housing market. This thesis aims to understand which role different actors has had causing changes to housing policies affecting homelessness in Sweden.

1.2 RESEARCH QUESTIONS

The thesis will look upon changes in housing policies in the time frame 1945-2013 to try to answer the following questions:

- How has the responsibility and possibility of the State to help individuals in need of housing assistance changed throughout the given time frame?
What role have Public-Private-Partnerships played in provision of housing to socially and economically disadvantaged groups?

How have the changes in housing policies effected the development of homelessness in Sweden?

1.3 LIMITATIONS

Housing policies in Sweden are concerned with all housing, for those that rent housing and those that own their own housing. This thesis will use homelessness as a case to show how changes in housing policies effect the most vulnerable in society. Individuals that own their own homes are not affected by the changes in the same way as people who rent their homes. The thesis will therefore only include rentals and throughout the thesis, when talking about housing it will refer to housing available for renting, not buying.

The changes to housing policies are to a great extent connected to taxations and laws regarding taxations. In this thesis, I will only present the laws and changes in laws directly connected to the topic and no deeper analysis will be made concerning taxation.

There are two groups in Sweden that are increasing their presence in the surveys regarding homelessness, females and immigrants. Research about homelessness in Sweden during the last couple of years has put emphasis on the increase of homeless females. When the first international surveys were conducted in 1993 only 10% of the homeless were female (Socialstyrelsen, 1994), compared to 2011, the number had increased to 21% (Socialstyrelsen, 2012). I will in this thesis acknowledge the changes but since my interest lies in general policies changes no greater emphasis will be put on female exclusively. One of the alarming figures of the surveys is the increasing numbers of foreign individuals that are becoming homeless in Sweden. Many of them are waiting for a permit to stay or have just receive a residence permit but are having difficulties being accepted on the housing market. Even if this is a group of individuals that has increased the most among the homeless (Socialstyrelsen 2011) this thesis will not place any greater emphasis on this group due to the fact that this group is affected by immigration policies to a higher extent than they are affected by the housing policies.
1.4 OUTLINE

The thesis consists of seven chapters and their subheadings. You have already started reading the first chapter which presented the introduction, purpose, research questions and limitations of the thesis as well as a definition of homelessness in Sweden today. The second chapter, the background, is divided in two parts. Part one presents the background of Swedish housing policies and part two presents the development of homelessness in Sweden. Chapter three present the four different theories I choose to use for my analysis. In chapter four the methods used to conduct the thesis is presented. Chapter five is the thesis’ analysis which like chapter two consists of two parts. Part one analyses the general changes in housing policy from 1945 until 2013. Part two aims to show the consequences these changes have had on homelessness. In chapter six the answers to my research questions will be presented and in the final chapter a discussion regarding my findings connected to my research questions will take place.

1.5 DEFINITION OF HOMELESSNESS IN SWEDEN

Homelessness is a concept with several different definitions internationally. The following section will therefore give a short presentation of how homelessness is defined by the government in Sweden today. In Sweden homelessness is not considered an attribute of a person but a situation someone belongs to. The Swedish definition of homelessness consists of five situations.

Situation one is people living outdoors, in tents, trailer parks, at a shelter, hotel, hostel or at an emergency accommodation. Situation two is people admitted to a treatment- or a criminal institution that will be released within three months without having a housing arrangement or is staying at the institution because of the lack of housing arrangement. Situation three is people living in a municipality arranged accommodation because they do not have access to the regular housing market. The accommodation is subjected to regulatory and / or specific conditions or rules. Situation four is people who are living temporary without contract with friends or family or has a temporary (less than three months) live-in or second hand contract with a private individual. And situation five is children or youths (18 or younger) that for various reasons live under “homelessness conditions” outside the family, which means they are in a gray area between the family and the social care system.

The surveys conducted by the National Board of Health and Welfare are only counting individuals that are Swedish citizens or has a residential permit.
The discussion regarding Public-Private Partnership will mainly concern people belonging to situation three; meanwhile discussions regarding general changes in housing policies concern all five situations.

1.6 PREVIOUS RESEARCH

Housing policies and homelessness is a concern for many different scientific fields and often demands interaction between several disciplines. This thesis is placed within sociology but will use research from sociology, social work and political science to show how policies on a macro level affect the individual on a micro level. The focus upon housing as a social right contributes with a new perspective on the matter of housing policies and homelessness, connecting the three disciplines to one another.

Research within social work is most often directed to rough sleepers, where Hans Swärd, professor in Social Work has been prominent and has published several reports concerning rough sleepers and poverty. Ingrid Sahlin, also a professor in Social Work, presented her dissertation 1996, *På gränsen till bostad* ("On the brink of housing"), in Social welfare where she looked into several of the aspects that this thesis is concerned with namely; the development of the secondary housing market and how the responsibility of deviant citizens has shifted (Sahlin 1996). 1990 a study in Sociology was published by professor Sten-Åke Stenberg, *Vräkt ur folkhemmet* ("Evicted from the people’s home"). The study gives an historic overview of how eviction has been occurring during the 1900’s to look in to the social situation of people facing eviction and analyze social processes that may lead to eviction. Within the discipline of sociology a dissertation regarding the policy of homelessness was published 2005 by Cecilia Löfstrand, *Hemlöshetens Politik* ("Homelessness policies"). Löfstrand views two different shelters to how the responsibility of the homeless has shifted between the state and municipalities and how homelessness has gone from being a multi-policy concern to being a problem simply for social policy and Social Services (Löfstand 2005).

In the field of political science Bo Bengtsson has published several reports regarding housing policies, contributing to this thesis is *Varför så olika? Nordisk bostadspolitik i jämförande historisk ljus*, ("Why so different Nordic Housing Policy in Comparative Historical Perspective") (2006), where he uses path-dependency as one explanation of the development within
the Nordic countries. Also The Swedish National Board of Housing, Building and Planning\(^5\) published a historic overview 2007, covering 130 years of Swedish housing policy history.

## 2 BACKGROUND

This chapter is divided into two parts. Part one has the purpose to provide you as a reader with a historic overview of how housing policies have developed in Sweden since 1945. Part two has the purpose to present how homelessness has developed and increased in Sweden from 1991 to 2013

### 2.1 A HISTORIC OVERVIEW OF SWEDISH HOUSING POLICY

The first attempt to agree upon national housing policies was in 1903 to decrease emigration. The foundation for the role of municipal housing companies were laid as the first loans and rent subsidies to affordable rental housing for vulnerable individuals and families were introduced (Bengtsson, 2006a). After the Second World War the municipalities took a greater responsibility to rebuild the housing market. They left the view of social housing and focused on Public housing companies\(^6\) as part of the new governmental welfare program (SOU 2008:38). The majority of Public housing companies existing today started during 1940-1950 with the goal of producing enough housing to stabilize the housing market. Responsibility was divided between the State and municipalities. The State was responsible for funding requirements and planning and building legislation while the municipalities took responsibility for the planning and execution (Birgersson, 2008). The states responsibility at the housing market is not, and has never been, to provide all citizens with housing but to give directions and control to the housing market so it may stay in balance and uphold a fare and equal housing market (Bengtsson, 2006a)

The Swedish National Board for Housing\(^7\) was created in 1948 which 1988 became The Swedish National Board of Housing, Building and Planning (NBHBP) as part of the ongoing changes that would peak in 1991. Until 1991 the NBHBP belong to a department of its own, The Ministry of Housing\(^8\), but after the 1991 election, it was considered unnecessary to have a

\(^{5}\) Boverket  
\(^{6}\) Allmännyttiga Bostadsbolag  
\(^{7}\) Bostadsstyrelsen  
\(^{8}\) Bostadsutskottet
department only for housing (Boverket 2007). The NBHBP became a central government authority administered by the Ministry of Health and Social Affairs\(^9\) and the Ministry of Housing was closed. The NBHBP is responsible for planning the use of land, water and natural resources, town and country planning, building construction and management of the built environment as well administration of related public subsidies. It also deals with the development of the housing market and living conditions (Boverket, 2012).

The Million project\(^10\) started in 1965 to solve the lack of housing in Sweden and to meet the goal of providing; *sound, spacious, well-designed and adequately equipped homes of good quality at a reasonable cost* (Bengtsson, 2006b). 1.4 million homes were built between 1965 and 1975 and vacancies occurred partly due to the increase of available housing. Further, the liberalization of the homeowner market through changes to taxation encouraged the middle class to invest in private homes and Public housing companies to adopt market based strategies (Boverket 2007).

Between 1975 and 1991 the housing politics in Sweden experienced relative stability. The Ministry of Housing\(^11\) was in charge of housing policies, planning and land policies, construction matters, surveying and other matters relating to housing. State subsidies encouraged private companies to keep building rental housing and the rent level of Public housing was used as a standard level the private property owners had to adapt to. Discussions regarding withdrawal of the state’s role for financing the housing market started in 1980’s and small changes were made in the 1980’s and in 1991 after the election when the Moderate Party formed a coalition government major changes affecting the housing market occurred (Boverket 2007, Bengtsson, 2006). The government criticized the Ministry of Housing for its strict state control and involvement in housing policies. The changes that occurred after the 1991 election have had a strong influence on the housing policies which exist today. The government believed that the housing market should be adapted to the economic market and without major state interventions. Loans and taxations that previously benefited Public housing were gradually modified so that private and Public housing companies had the same terms. The decision to remove tax subsidies during the Swedish recession in 1991 had the direct consequence of increasing costs for property owners and therefore increasing rent for households. The subsi-

\(^9\) Socialdepartementet
\(^10\) Miljonprogrammet
\(^11\) Bostadsdepartementet
dies were abolished based on the argument that they had given rise to a too large production of housing and government spending that is now demanding cutbacks.

In 2006 the report SOU 2008:38, is presented; outlining how Public housing shall no longer have control the levels of rent, as this is against the EU’s rules on competition. Instead they propose that rent shall be determent depending on the home’s utility value. The greater the demand is, the more the rent is permitted to increase. A long queue for available apartments may increase rent with a maximum 5 percent each year and rent may decrease with a maximum 5 percent if demand is low. The change was suggested to be an incentive to shorten the queue and facilitate moving as well as increasing the power of the market (SOU 2008:38).

The diagram shows the numbers of homes that was build between 1940-2009. The peek between 1965-1975 is due to the Million project and a clear decrease is shown after the removal of tax subventions 1991 (Wellhagen, 2012)

2.2 THE DEVELOPMENT OF HOMELESSNESS

In 1960, the housing policy goal was presented as: the entire population should be access’s sound, spacious, well-designed and adequately equipped homes of good quality at a reasonable cost (Swärd & Stadsmission, 2010). 40 years later the goal concerning the same subject is presented in four parts:

- Everyone shall be guaranteed a roof over their head and offered help based on their individual needs.
- The number of men and women at institutions that are being dismissed without somewhere to live shall decrease.
- Entry to the regular housing market shall be facilitated
The numbers of evictions shall decrease and no children shall be evicted (Socialstyrelsen, 2011).

Until 1991, the State subsidized the building of low cost rental apartment which encourages private actors to build and rent out their apartments instead of selling them. The removal of State’s subsidies was followed by a direct effect for homelessness; rents went up and major increases of eviction were seen in 1992. The eviction taking place even with a surplus of apartments, contradicting what Stenberg (1990) points out in his research; with a surplus of apartments the eviction rates normally decreases. The following year, 1993, the first survey conducted by the National Board of Health and Welfare showed that 10,000 individuals were considered homeless, 1000 of them lived in rough sleeping, while 40,000 rental apartments were available (Socialdepartimentet, 2001). The general opinion during this time was that the main reason for a person becoming homeless is due to personal reasons, such as drinking problems, economic problems or other social deviations (Socialstyrelsen, 1994).

In 1996 a housing policy commission was created and stressed that in order to secure and meet the housing policy’s goals the municipalities needs to make a larger effort, particularly in the most disadvantaged neighborhoods. The housing policy commission also points out the importance of municipalities taking responsibility regarding people who are homeless or at the risk of eviction which they believe has to be done in cooperation of housing policies and social policies (SOU, 2001:95)

In 1997 the rules for housing benefits were changed; childless households over the age of 28 are no longer entitled to housing benefits and the size of maximum benefit eligibility living space was limited, the limits for highest and lowest rent became stricter, the level of income of cohabiting parents was lowered and a new system for means testing was put in place. The changes were made alongside rising rents. Between 1990 and 1998 the average rent increased by 40 percent and went from about 17-18 percent of single household’s disposable income to 30 percent of the disposable income. (Socialdepartimentet, 2001, p. 56).

The next survey from the National Board of Health and Welfare was conducted in May 1999; counting 8400 homeless individuals, 1000 sleeping rough. The survey showed an increase in homelessness compared to 1993, which was due to a stricter definition of homelessness and that less than 50 percent of the Swedish municipalities had a plan for how to handle homelessness. The general view was that homelessness was a problem in itself, not directly con-
nected to any specific problem area. However, several municipalities noticed that economically weak households were having trouble accessing firsthand contracts; private landlords were restricted and there were higher demands for applicants’ financial situation and economic background (ibid).

In 2000, two thirds of the Swedish municipalities had a working arrangement with Public housing to present available apartments to especially weak households (otherwise at the risk of becoming homeless) but, only one fifth had an arrangement with private landlords (ibid).

In 2001 the Committee for Homelessness was created to investigate why Swedes became homeless; unemployment, household economies, general social benefit levels, housing policies, design of substance abuse care and conditions for social benefits were pointed out as contributing reasons (SOU 2001:95, Socialdepartimentet, 2001). To come to terms with the increasing homelessness and evictions a proposal was made to change the restrictions of housing benefits so that single citizens over the age of 28 may receive housing benefits, this proposal was denied (Socialdepartimentet, 2001). The government decided on new investment grants to stimulate the building of small or middle sized rental apartments in areas with a lack of housing. These apartments were to be distributed by municipal housing agencies (ibid).

In 2002, the National Board of Health and Welfare was given the task from the government to conduct a national strategy for handling homelessness. Involved in this project were; the National Board of Health and Welfare, the NBHBP, the Enforcement Service, Criminal Care and Sweden’s municipalities and county.

By 2004, the lack of available housing increased and for the first time since 1991 there were more municipalities with a lack of housing than municipalities with a surplus (Fastighetsvärdren, 2004)

The next survey conducted by the National Board of Health and Welfare was in 2005; the survey had a broader definition of homelessness, which caused the numbers to increase significantly from the 1999 survey. 17.800 homeless individuals where counted in the 2005 survey, 20 percent of them categorized as homeless due to a lack of available apartments and 38 per-

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12 Hemlöshetskommitén
13 Kronofogden
14 Kriminalvården
15 107 municipalities had a lack of available housing were as 98 had a surplus
cent of the Swedish municipalities reported a housing shortage at that time. 900 of the home-
less individuals were considered rough sleepers and 2,100 slept at emergency shelters. A
comparison of the number of homeless individuals based on the definition from 1999 showed
an increase of 30-40 percent from 1999-2005. The general view at this point was that home-
lessness came from a combination of personal problems, such as; drinking, drugs and debts as
well as structural problems including; a lack of apartments, unemployment, low social insu-
rance and high levels of rents (Socialstyrelsen, 2008, p. 67).

In 2007 a national strategy towards reducing homelessness was introduce to meet the four
national goals presented in the beginning of this chapter, funding for projects working to-
wards fulfilling those goals was distributed. At that time 11,000 apartments were so called
“trainee apartments” leased by Social Services and subleased to otherwise homeless individu-
als. These housing solutions makes up a large part of the secondary housing market and are
planned to become firsthand contracts after a certain amount of time. It remains rare that this
transition actually happens due to hard regulations and demands from the housing market.
Seven out of ten municipalities had developed these kinds of secondary arrangements in 2007
(Ibid).

In 2010, the general view of homelessness changed again and homelessness was now viewed
as a situation that a person lives in for a certain amount of time during life. Lack of housing
was considered the main problem when it came to homelessness, other problems such as ad-
diction or debt were secondary, even if one may think the opposite when looking at what was
being done for the homeless (Swärd & Stadsmission, 2010). If the homeless individual drink
or do drugs they, according to Löfstand (2005), only receives help if they admit to having an
abuse problem even if the individual claims that the drugs or alcohol is not the reason for the
homelessness.

In 2011, the latest survey conducted by the National Board of Health and Welfare was con-
ducted with a wider definition of homelessness than the 2005 survey. The 2011 survey count-
ed 34,000 homeless individuals including 240 categorized as rough sleepers.

The general view in 2011 was that a major group of people are excluded from the regular
housing market and the problem remains as both personal and structural. Homelessness was
considered both a social policy matter and a housing policy matter.
<table>
<thead>
<tr>
<th>Year</th>
<th>Number of homeless</th>
<th>Individuals in rough sleeping</th>
<th>General view of homelessness as a problem</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>10000</td>
<td>1000</td>
<td>Homelessness is an personal problem, a concern for social policy</td>
</tr>
<tr>
<td>1999</td>
<td>8400</td>
<td>1000</td>
<td>Homelessness is considered a problem itself, not belonging to any specific policy</td>
</tr>
<tr>
<td>2005</td>
<td>17800</td>
<td>900</td>
<td>Homelessness is a problem for both social and housing policy.</td>
</tr>
<tr>
<td>2011</td>
<td>34000</td>
<td>240</td>
<td>Homelessness is a problem caused by lack of available housing. A consider for housing policies.</td>
</tr>
</tbody>
</table>

Summary of the National surveys conducted by the National Board of Health and Welfare

3 THEORETICAL FRAMEWORK

In order to understand the changes in the Swedish welfare state, especially the changes to housing policies, it is necessary to first understand what a welfare state is and which actors provide welfare services. The purpose of the following chapter is to shed light on the theories describing welfare states, and the changes that the Swedish welfare state is facing.

3.1 WELFARE REGIMES

Sweden belongs to what Esping-Andersen (1990) describe as the Social Democratic welfare regime, also known as the Scandinavian welfare regime.

According to Esping-Andersen, the Social Democratic welfare state is characterized by the idea that everyone is equal and that the state should promote equality to the highest standard and not for the minimal need. The state is considered an authority looking out for the social needs of all its citizens (Ibid). The Social Democratic welfare state can also be explained as a political movement, an ideology and a practice, that works within capitalistic societies for equality through the endorsement of welfare state strategies (Ibid). Esping-Andersen developed his welfare regime theory based on three factors; the level of decommodification, the level of social stratification and the level of the private-public mix that provides welfare. Sweden, similar to other Social Democratic regimes, has a high level of decommodification where the citizens have the choice to freely leave the labor market while maintaining a livelihood through benefits, for example through parental benefits. The allowance for high decommodification levels are offered through universalistic programs where the state is the main provider and little room is left for the market (Kennett, 2001). Within this terminology,
services provided by welfare state benefits are a matter of state obligations, rather than a last resort (Fenger & Henman, 2006). Sweden is characterized by low levels of social stratification as the state takes a small role in maintaining or breaking down the classification of people into groups based on shared socio-economic conditions, social, political or ideological dimensions. Historically, Sweden is a country without clear boundaries between classes. The poorest are helped by the state to maintain a worthy livelihood financed through taxation which reduces class differences and makes them less visible. Esping-Andersen’s last defining term; private-public mix is the merging of the roles of the state, private actors, the family and the voluntary sector within the welfare regime (Bambra, 2007).

3.2 NEW PUBLIC MANAGEMENT

There have been several discussions regarding Esping-Andersen’s classification of welfare regimes. During the last decade debates regarding changes that merge the different regimes closer to each other have started to take place. A change towards an European Welfare model is on that agenda and driven by the increasing influence of New Public Management (NPM). In Sweden, welfare development can be described by using the term path-dependency, which means that the government doesn’t change a strategy while it works. NPM has despite this gain a greater influence and is leading Sweden into new paths (Fenger, 2006). Fenger and Henman (2006) focus on four dimensions of change affecting welfare states; demographic change, globalization, labor market change and finally political and social changes (Fenger & Henman, 2006).

*Demographic changes* consist of three main developments that increase the demand for social benefits; an aging population, the increase of single households and the increase of women participating in the labor market. These three groups have the potential to increases the demand for social benefits.

*Globalization* has two main effects on the welfare state; the Global integration of financial markets that has put higher demands on national competitiveness, causing the government to demonstrate low deficits and inflation. And the development of transnational and global corporations allows for the transfer of labor. Thru this development production may move to a country with lower wages and less social security which contributes to a lack of available jobs as well as reduced tax revenue as financial capital becomes easier to move.
Labor market changes consist of two main factors that affect the welfare state; firstly, technological development which has taken away several low skilled jobs from the labor market and secondly, a shortening of working years since people start to work later in life and retire earlier. These two factors contribute to higher unemployment, a smaller workforce and consequently the reduction of tax revenue.

Political and social changes are made up of three factors; firstly, changing attitudes towards the welfare state as Social Democrats gradually are influenced by right winged political parties to support welfare retrenchment. Secondly, welfare is first and foremost build on solidarity but as the individualistic attitude in societies increases the concept and importance of solidarity becomes eroded. The third factor is the increasing influences of multinational organizations for example the EU and the World Bank (WB).

NPM developed in the 1980’s and is used as a label for a wide variety of reforms in the public sector. NPM is firstly used to describe the reduction of difference between the public and private sector. Secondly NPM describes the shift of focus towards an outcome perspective with emphasis on result. NPM also involves a change of values away from universality, equality, security and resilience, instead towards an emphasis on efficiency and individualism. (Fenger & Henman, 2006). Welfare policies today is influenced and shaped by supranational agencies such as the European Union, United Nation, International Monetary Fund (IMF) and The Organisation for Economic Co-operation and Development (OECD) (Kennett, 2001). According to Hood (Almqist, 2006) NMP’s founding idea is that public organization should be goal orientated with a focus on output rather than input. Public organizations should accept that activities traditionally preformed by the state should be taken over by private organizations so that these activities may benefit from competition. The state is also expected to benefit from increased flexibility that allows outsourcing as a way of controlling cost (Almqist, 2006).

Globalization and the increased influence from supranational agencies are demonstrated by the OECD’s long concern with economic growth and push for its’ member states towards deregulation, privatization and flexibility where welfare that was seen as a burden, is now considered effective if provided by the state with limitations. The IMF considers welfare as a safety net for short term use (Kennett, 2001). As was show in the thesis’ background chapter EU pushes states to adapted laws and policies which encourage equal competition between private and public organizations.
By deliberately creating fractures and fissures, the language and ideology of ‘welfare’
is narrowed to benefits for the needy or socially excluded in place of collective universal systems to provide comprehensive health, education and Social Services available to all. (Whitfield, 2001).

3.3 PUBLIC PRIVATE PARTNERSHIP

Public Private Partnership can be described as contracts where services normally provided by the public get outsourced to a private, Non-Governmental actor. The private actor may be either a non-profit organization or a for-profit organization. To count as an official non-profit organization in Sweden the organization must qualify as an institution serving the public good (Lindström & Wijkström, 1997).

According to Fenger and Henman (2006) there are three P’s that can be used to describe changes in welfare reforms independent from regime type, Participants, Practices and Processes; participants and processes being the two affecting housing policies.

The largest change within the first P, participants is the changing role of NGOs. NGO’s have gone from voluntary based and care focused organizations to streamlined organizations which follow neo-liberal ways of thinking; specifically prioritization for results and business. Welfare service used to be about providing for the needy; with the changing role of NGO’s the focus has now turned to provide for the deserving. Welfare service provision is now more about who deserves to get help, people with issues difficult to address are pushed aside in favor of more “attractive” clients with better prospects.

“The deserving poor are those whose situation is beyond their control: the undeserving are those ‘who could make a living on their own, if they only tried or tried hard enough’” (Barns, 2006, p. 107)

Changes within the NGOs’ role have not been the same for different states. Within States which adopt neo-liberal ideas, NGOs generally become contract partners with the state. Contrastingly, within states with non-neoliberal regimes, the NGOs act as networking partners (Henman & Fenger, 2006).

Processes are about the changes in the level the different processes have impact on. The concept of the welfare state was originally connected to the nation state; however, it is argued that the responsibility of welfare has moved beyond the state borders. There has been a shift
from the nation state as a prime focus for all processes, substitution from both the international and the local level (Ibid).

PPP is a term that has been used since 1990, yet still there is no general or globalized model regarding how PPP shall be formed and work. The European Commission for PPP, states that;

“The range of structures used for PPPs varies widely: in some countries, the concept of a PPP equates only to a concession where the services provided under the concession are paid for by the public. In others, PPPs can include every type of outsourcing and joint venture between the public and private sectors” (Kappeler & Nemoz, 2010, p. 2).

Privately financed public services increased the power of private firm to in order to influence regulatory practices and economic policies as well as how public needs are met, financed and how the government delivers its services (Whitfield, 2001).

Today, non-profit organizations compete with profit-seeking organizations to deliver welfare, where the public is unable to. (Ramia, 2006). In Sweden, the relationship between the state and non-profit organizations are mainly characterized by cooperation, rather than competition. Despite a strong Social Democratic welfare state, with high social security, there has always been space for the non-profit sector. Not so much in delivering the actual services but as a pressure group to influence the government to provide the service really needed. In the delivery of some Social Services, for example institutional care for alcoholics and drug addicts, non-profit organizations have played a major role. In social and health services delivered by the municipalities, including care for the homeless or support for the elderly, the non-profit organizations cooperate with the municipalities and play a crucial part in the delivery of services. Due to ideological change and the move towards NMP, the Swedish government is increasingly open to greater involvement from non-profit organizations, as well as for-profit private actors at both national and local levels (Lindström & Wijkström, 1997).

3.4 CITIZENSHIP, SOCIAL RIGHTS AND RESPONSIBILITIES

Welfare and provision for the needy is often discussed as a social right for citizens. This thesis, which is about housing policies in Sweden, aims to addresses the fact that housing is considered a social right for all Swedish citizens, as the municipalities have an obligation by law
to help citizens who ask for help. But does this right come without responsibility or conditionality and what is included in the concept citizen?

Hetzler (1994) mentions that citizenship includes three elements; civilian, political and social. Within the civilian element lays the rights necessary for individual freedom, within the political element the freedom to participate in political processes and within the social element the opportunity to participate in society to the level of standard living. Social rights are used in Sweden as a way of reducing class differences that occurs due to differences in economic status so that every citizen can maintain an by society accepted level of living and take part in welfare services offered by the state. This is also brought up by Jordan (2006) who states that social rights are used to allow disadvantaged members to enter the mainstream and reverse the marginalization process. Help from Social Services should equalize the chances of the less fortunate citizens to gain social justice and remain social capital. As Sweden slowly moves toward more liberal welfare policies, toward NPM, the capitalistic market gets more control and the state’s incapability of providing for the most vulnerable at the housing market creates a major exclusion from mainstream social life that the state is unable to prevent in the existing care system. The NPM way of reasoning is of great advantage for people with material asset holdings but disadvantaged for those who haven’t (Jordan, 2006).

Social rights are built up on policies and may change and become restricted as the economy of the welfare state weakens (Hetzler, 1994). The Swedish social right to housing depends on the circumstances surrounding the housing market and the housing policies. If there is no housing available then the municipality is unable to provide housing despite the fact that they are obligated to fulfill the social rights of their citizens. During times of a strained national economy with high budget deficits, policies concerning social rights become more restricted. This is primarily the case within a national state, such as Sweden, which has enacted financial regulation forbidding a high state deficit over a financial cycle (ibid).

Dwyer (2000) discusses how social rights in Britain have been made conditionally connected to the welfare recipient’s behavior and increased responsibility. In order to be eligible for welfare and assistance from the state, certain demands have to be met by the citizens (Dwyer, 2000). Similar welfare conditionally policies already exists and are being further developed in Sweden. If the state were too withdrawn to provide only minimal welfare, two situations would occur; the choice of privately funded welfare would be limited to the upper class, meanwhile the lower class would have to rely on charity in order to get by. Welfare in both
situations would no longer be a social right, instead a commodity to be bought or charity given to those considered to be the deserving poor. Instead of openly cutting back on welfare provision, the state has set up conditions that the individual has to agree upon in order to be entitled to welfare benefits. This makes it possible for the state to maintain control over the recipients and to have the legitimate right to refuse them. In the case of housing provided by the state, conditionality makes it possible to evict clients who do not behave in accordance with the state’s wishes. In short, what Dwyer points out is; that the right to welfare is conditional and requires responsibility to meet certain demands which are placed on the individual receiving the aid. It is an encouragement for the welfare recipients to take control over his or her own situation so that the state may take a step back (ibid).

4 METHODS

The following chapter has the purpose to present and explain the methods used to gather and analyze data for the thesis. It consists of four parts. The first part presents the considerations I made in order to choose methods. The second part presents how I will use homelessness as a practical case to concretize the findings from the performed document analysis, which will be further discussed in the third part. The fourth part is a short reflection regarding the chosen methods.

4.1 CHOOSING METHODS

When choosing methods I asked myself, how can I see changes in welfare policies? How can one see a policy? Would it be possible to conduct interviews and ask people how the welfare policies had changed? It probably would be, I could get answers that told me about the changes for the individuals living in homeless conditions. Social workers could tell me how rules had changed and homeless individuals what their living arrangements looks like now in comparison to a couple of years ago. But conducting interviews would mean that the person being interviewed would tell their own story, present themselves and the changes affecting them from their viewpoint and from their time perspective. I am looking at the changes going back almost 70 years and what effect they have on the situation today. I also want to look at general changes applicable to all of Sweden, not a specific city or a specific group of people. A survey of that kind would be impossible to conduct given the timeframe for this thesis. Documents on the other hand can provide me with national information presenting facts and the existing
discourse as it was at that time without comparing it to present time. Therefore I have chosen to do a document analysis to seek answers to my research questions.

4.2 HOMELESSNESS AS A CASE

Case studies have a key place in policy research (Keddie, 2006). This thesis is interested in how changes to welfare policies affect homelessness. Case studies are used as a way of highlighting impacts of change within a practical example, rather than discussing changes generally. Using homelessness as a case will, however, withdraw the possibility to come to any general conclusion regarding policy changes in Sweden, the results presented will be specific to the case of homelessness and I will not make any claim to present results applicable to welfare policies in general.

A case study provides the opportunity to use different qualitative methods to gain a greater insight to the case of choice. Since the aim of this thesis is not to test a theory but to use theories to analyze gathered data, a case study is an appropriate research design to use (Bennet, 2005). Case study design offers the opportunity to use several qualitative methods to get a full understanding of all aspects of the case, but as discussed previously, this thesis will focus only on official documents. Further research including interviews conducted with official representatives, social works, homeless individuals and representatives from a variety of municipalities would provide a greater understanding of the case homelessness.

4.3 DOCUMENT ANALYSIS

To answer my research questions and to gain knowledge about my case I need to have a thorough and in-depth insight into the documentation of housing policies concerning homeless during the specified time frame as well as document regarding general housing policies concerning the public. This is best achieved through an in-depth qualitative document analysis of a few documents.

The documents chosen for analysis were created outside the scope of this research and can provide rich information regarding welfare policies effect on homelessness. The historical information can lead to greater understanding of the situation of homelessness today. To limit potential bias in the presented sources, a wide enough variety of sources were evaluated to ensure a reliable research report. Many of the existing documents about homelessness and housing policies are irrelevant to my research purpose and overwhelming. I have therefore
limited my chosen documents to only official reports and have chosen to present other data in the second chapter of this thesis (Wharton, 2006).

What makes document analysis unique, compared to other methods, is the concept of “non-reactive”, meaning that researcher presence is not important to the result. In a document analysis the object of research is constant regardless of whether it is used for research or not. The reports exist independently, unlike an interview which only exists if the questions are asked (Bryman, 2001). Document analysis is a social research method, and is an important research tool in its own right.

4.3.1 SAMPLING


Four points have been taken into consideration when choosing a document: credibility, authenticity, representativeness and meaning of the document (Denscombe, 2009). The credibility is to be considered high, the reports are written on the behalf of the government by official representatives in order to present a result that may lead to governmental initiated changes. All documents are original documents, retrieved from the NBHW official webpage, SOU’s webpage and the reports from the NBHW 1997 and 1999 are published as books, obtainable at the university’s library. The reports are typical of their kind; they follow the same structures as other official reports written by the NBHW or SOU with a clear presentation of the conducted surveys results. As a reader, one cannot immediately see any hidden agendas or detect underlying meanings, they come across as clear and direct. Official documents are intended to be read as objective statements of fact, but they are themselves socially produced for a reason (Titscher, Meyer, Wodak, & Vetter, 2000). The surveys and reports written about
homelessness have been produced in response to the increased interest regarding the problem. Drivers for this interest will most likely be explained by analyzing the reports written about housing policies previous to 1991 which is the main reason of the reasons for choosing SOU 1967:1 and SOU 1945:63.

SOU is a government institution for publishing reports containing basic data relevant to the current issues in different committees in the Swedish parliament. These reports are then used for making political decisions (Riksdagen 2011). To conceptualize the development regarding the changes in housing policies, SOU has continuously received assignments from the government to evaluate and present how the housing market is progressing. SOU 2001:95 was the first report concerning homelessness alone. Previous reports evaluating housing policies were generally concerned with the housing market, production and distribution of housing. Three SOU reports from three different time periods will be analyzed in this thesis with the aim of shedding light upon how the housing policies have changed over the years. The four reports conducted by NBHW, which were also conducted by request from the government, are focused on homelessness and the development of homelessness.

There are two main reasons for the choice of reports from SOU. First, these reports are relevant indicators of the direction of contemporary Swedish housing policies. The purposes of the reports provide relevant information about the direction of Swedish administration, which creates the possibility to theorize the impact the report’s findings may have on homeless individual seen from a macro perspective. Second, SOU and NBHW are a distinctly delimited source of examples. This reinforces the thesis’ possibility to present a stringent and relevant analysis. The reports may create examples relevant outside an academic context rather than empirically prove the direction in Swedish policies.

Additionally, the four reports from the NBHW are chosen for their comprehensive mapping of homelessness in Sweden, including information about how many homeless there are, where they are, how they live and who they are. The reports also contain insight into the general perspective and attitudes towards homelessness. A limitation, however, is that there have only been four reports produced by the NBHW within the timeframe considered in this thesis.

The report from SOU (2001:95) is chosen since it is the first report presented by the Committee for homelessness and therefore believed to present a baseline data for the current situation, the historical development as well as the government’s interests in the matter. The older re-
ports from SOU are chosen since they provide an overview of how the housing policies were presented and discussed during that period of time. The focus of the reports gives indication of government priorities. The report from 1945 is concerned with the government’s role in solving the acute crisis on the housing market and creating a long term plan for housing policies in Sweden, whereas the report from 1967 is concerned with how housing shall be distributed during a time of great shortage of housing.

4.3.2 CONDUCTING THE ANALYSIS

A text does not consist of what could be called “neutral units”, but instead these are of importance to create. Units in a text are created in order to see the occurrence and characterization of variables. The units are then “coded” and put into a system of categories. More specifically, creating categories through coding of units in the document makes it easier to include information in a greater amount of text material in order to take out the most important parts related to the research question (Flick, 2008). The coding of text is, according to Flick (2008), a good way of reducing the material. The coding used in this thesis will be built upon themes in order to understand the current view. Since it is a historic overview the themes will be recurrently divided in four timeframes, before 1945, 1946-1967, 1968-1991 and 1992-2013. The following themes will be looked upon:

- General concerns about the housing market
- The role of the state in housing provision
- The individuals’ responsibility at the housing market
- The general view of homelessness
- The development of the secondary housing market

4.4 METHODOLOGICAL CONSIDERATIONS

This thesis will base its analysis and conclusions upon seven documents and although these documents are considered reliable and of great credibility they do not cover every aspect of the problem at hand. Reports written for the government are written with strict limitations to answer a given question. The report SOU 1967:1 for example is about Public housing assignment. Public housing assignment is a part of housing policies but it does not cover all housing policies during that period of time. It only discusses the particular case of Public housing assignment. Despite the efforts to find as versatile and ground covering document as possible
the limitations are of great importance (Bryman, 2008). The greatest limitation is the numbers of documents used for the analysis. To analyze changes with a timeframe of 68 years through only seven documents will mean that information will be missed and perhaps that other documents exists that would have given different results. This is a risk every researcher has to take. There is a lot of research done about homelessness. Most of it is within the discipline of social work or social health and is about who the homeless individuals are, how they live, what kinds of problems they have and what is being done for them. This thesis touches the last factor mention there; what is been done for them, but only connected to what is being done for them through housing policies. Since the interest of this thesis is to show how the most vulnerable in society get effected by changes in housing policies the individualistic problems will not be addressed to any greater extend. This reduces the source of information that may be used for the thesis and capture the research problem within the area of governmental published reports. And as being stated in the beginning of this chapter, further research about this subject will benefit from using additional methods such as interviews with governmental representatives, social workers and homeless individuals.

5 ANÁLISIS

The analysis is divided into two parts. The first part consists of three subchapters analyzing Swedish housing policies from 1945 until 2013 looking into the general concerns about the housing market during different time periods, highlighting the years where major changes occurred. It also views the role of the state in housing provision as well as the responsibility of individuals in the housing market throughout the timeframe. Each subchapter will cover the four time periods presented in chapter 4.3.2. The second part consists of two subchapters and considers how homelessness has been manifested, viewed and explained throughout the same period of time, with an emphasis on the last 20 years.

5.1 ANÁLISIS PARTE UNA; POLÍTICAS MUNICIPALES

5.1.1 CONCERNS GENERAL EN EL MERCADO INMOBILIARIO

The Swedish housing policies started to develop in 1945 after the Second World War. The economy was strained and housing constructions had been reduced to a minimum, resulting in a shortage of housing and the need for a national strategy to rebuild a stable housing market (SOU, 1945:63). An increase to the standard of housing had begun before the war, which be-
came a problem as citizens could no longer afford the modern apartments. The increase in standard meant both reducing crowded living so that no more than two people had to sleep in the same room, and no one had to sleep in the kitchen, as well as installing heating and bathrooms in every apartment. The state had a vision to improve living standard for everyone, but the effects of war included an unstable economy as well as limited and expensive materials. The high expense of material forced private property owners to charge high rent to pay their own costs. This crisis in the housing market forced the state to intervene and introduce control measures through housing policies and take control over the situation of the housing market. The Swedish government was, at this time, run by a Social Democratic party which disapproved of the free market, instead promoted decommodification and a low level of stratification. To insure a low level of stratification within housing; tax reductions, loans subventions and housing benefits became common. The state had to rely on private property owners to build housing and several steps was taken to reduce their costs including; loans with low interest rates, reduced taxations and municipality owned land was leased without cost to private actors building apartment blocks. These privileges were given to all property owners, regardless of the type of housing built, with the exception of luxury apartments. These incentives ensured that housing was being built, but also that the apartments were leased at reasonable cost, so that everyone would be able to afford housing, the state once again taking the responsibility to provide for all citizens. To ensure that every citizen would be able to keep paying their rent and no being forced to move to an area with low standard apartments, therefore maintain social stratification even as rent increased, housing benefits were presented for families with children (ibid).

During the 1940’s, when urbanization began in Sweden citizens increasingly moved closer to cities for employment. The government saw it as an important step to intensify local housing policies and increase the responsibility of the municipalities and local authorities to solve the shortage of housing, caused by both the immigration and the aforementioned reasons. Approximately 40-50,000 apartments were required built in the cities to meet the increased need of housing (ibid). SOU 1945:63 was concerned with two major issues; firstly, a way for the State to solve the shortage of housing and secondly the improvement of existing housing standard.

A major priority for the state in 1945 was the need of a long term housing plan for the housing market. SOU 1945:63 presented concern for how the housing market would develop during
the next twenty years. One concern was how the labor market would be affected when the shortage of housing was removed. The report predicted that by 1960 the housing market would be in full balance and need for building houses would be greatly reduced, leaving construction workers unemployed. This illustrates the way that different policies worked together at this time. Housing policies were closely connected to labor policies, as well as family policies and social policies. Families with more than three children were common and the reduction of crowded living was high on the agenda to improve people’s lives based on common agreement across different policies areas regarding what a lowest standard of housing should be. Single households were quite uncommon and the SOU 1945:63 predicted that it would not be necessary to build one bedroom apartments. This prediction from 1945 was incorrect, the economy did not stabilize as fast as predicted, construction went slower and the population increased faster than predicted, especially due to increased immigration (SOU, 1967:1)

By the time SOU 1967:1 was written, most municipalities still had a major housing shortages and the municipalities’ main concern was the distribution of both existing and newly built apartments. The main reason at this time for the importance of a working and flexible housing market was to accomplice the moving labor market. The shortage of available housing was preventing people from accepting jobs and promotions in other municipalities since they were unable to find accommodation, which were seen as very negative from a state perspective.

5.1.1.1 A SOCIAL DEMOCRATIC IDEOLOGY

A strong Social Democratic view existed in 1967 and was highly visible within the housing market where the State through the municipalities had a major influence on citizen’s accommodation. Municipal housing agencies\(^\text{16}\) had been created to help distribute housing to people who were unable to find housing on their own. Not only individuals with social problems came to the municipalities for help, everyone who wished to find a rental apartment turned to them. A proposal was made to make it an obligation for private landlords to enter into an agreement with municipalities and allow the municipality to distribute all their available apartments to individuals and families presented by the municipal housing agencies. The distribution would be made primarily according to need testing and time spent in the agencies’ queue. Apartments would then be distributed based on the need and wishes of the applicant. It was concluded that making the proposed agreement an obligation would go against The Con-

\(^{16}\) Kommunal bostadsförmedling
tracts Act\textsuperscript{17}, since the agreement would take away the possibility to freely enter contracts between applicants and private landlords. It would also demand a great amount of resources from the municipalities, make moving between municipalities harder and reduce the right of the citizen to chose where he/she wishes to live. The benefit of the proposal was that an obligation to distribute housing would decrease the gap between groups in society with different economic and social resources securing a low level of social stratification. Despite the fact that the agreements remain voluntary almost 70 percent of all housing was distributed through the municipal housing agencies (ibid).

In 1967 NPM did not exist in Sweden. The country had a strong Social Democratic ideology where the state was seen as the main provider of welfare and housing provision was seen as a part of the welfare system. Providing housing and increasing the general standard of housing was seen as state’s responsibility as a way of preventing and reducing poverty (SOU 1967:1). In SOU 1967:1 it was stated that the queue for the municipality housing agency was too long for it to be possible to present all applicants with housing. The main task for the municipal housing agency was then considered to be to provide apartments for the most vulnerable in society, the homeless. Homelessness was defined as someone who did not rent or own an accommodation of their own. Homelessness could also be families forced to live separately because of the inability to find suitable housing for the whole family. Many of the applicants with low income or many children to provide for could not accept offers of apartments in new construction, instead sought apartments which were less modern and less expensive. The municipal housing agency did to some extent accommodate such requests by setting aside the temporal order of priority and refer a resourceful applicant who held an apartment in the older facilities, to a newly constructed apartment and refer the homeless applicant to the resourceful applicant’s old apartment. In SOU 1967:1 this was pointed out as the main way of reducing homelessness and a task the municipal housing agency should prioritize and develop.

\textbf{5.1.1.2 A HOUSING MARKET IN BALANCE}

The timeframe of the prediction from 1945 to remove the shortage of housing until 1960 was a bit too optimistic. It took until 1975 before a balance in the housing market was achieved thanks to the Million Project, and apartments were available in almost every city. Homelessness was reduced to a minimum, but the new apartments were cheaply and quickly construct-

\textsuperscript{17} Avtalslagen 1915:218
ed, and became stigmatized as “slum areas” where poor people lived, this going against the Swedish active policies to promote quality housing to everyone (Bengtsson, 2006b). The housing market in Sweden could still be used as a textbook example for Esping-Andersen’s theoretical framework of the Social Democratic welfare state. Means testing as a requirement for gaining housing assistance was at a minimum and the welfare policies were directed to provide everyone with increasing standard of welfare, which included raising the minimum level of living standard (Socialstyrelsen, 1994). However, from 1991 the welfare state of Sweden, especially housing policies, drastically changed as the Moderate Party was elected. Welfare increasingly became tied to work and employments benefits. These were still provided by the state but unemployment benefits and social insurance require that the individual had a job and most of the time that they belonged to a labor union (ibid). This made it hard for people without a job to provide for themselves and to pay rent, especially with the increase in rent during the 1990’s.

5.1.1.3 PRIVATIZATION

Privatization of welfare services begun in 1991, based on the idea that privatization would streamline the former public services and create positive economic results for both the private and public sector (Socialstyrelsen, 1994). This was the first time that changes towards NPM became visible in the Swedish housing market. The removal of tax subsidies and loan subventions for building rental apartment had a direct consequence on the rent, as presented in the background. A significant rise in rent price at the same time that Sweden was in a major depression with high rates of unemployment caused a daunting increase in numbers of evictions. The previous Social Democratic ideology, with a low level of stratification and the idea that everyone should be provided, started to decline and the benefits that allowed for decommodification, became means tested and restricted. Housing benefits still existed, but the hardening economy and the increase of individual responsibility contributed to the increase of homelessness and the increased awareness of homelessness in Sweden (ibid).
5.1.2 THE ROLE OF THE STATE IN HOUSING PROVISION

5.1.2.1 CREATING LONG TERM HOUSING POLICIES

After the war, politicians concluded that a national long term plan was necessary for the creation of a stable and functioning housing market. 44 million SEK was directed by the state in 1945 to improve country side housing (SOU 1945:63, p 389). According to the new policy regarding overcrowded living, a family with one or two children, should live in a two bedroom apartment. The difference in rent between an old one bedroom apartment and a new two bedroom apartment was a 76 percent increase. Moving from an old one bedroom apartment to a modern one bedroom apartment would mean a 100 percent increase in rent. Most families without children would be able to pay the rent for a modern apartment large enough to follow the policy and not live in overcrowded conditions. Only 30 percent of families with one to three children would be able to do so, and very few families with more than three children (ibid, p 347). It was to insure that the new policy concerning housing standards was followed that housing benefits to families with children was introduced.

Housing policies during this time developed alongside other welfare policies as a way of addressing poverty. Homelessness was seen as extreme poverty that should not exist in Sweden. Housing benefits directed to families was one part of reducing poverty, although it was pointed out in SOU 1945:63 that housing benefits should not be considered a new way to manage poverty, since poverty was a quest for social policies. Housing benefits, however, were reducing absolute poverty since maintaining a home is of great importance. The housing benefits were only directed towards families with children with emphasis that they should not be means tested (ibid). Assessments were conducted to see which groups in society needed housing benefits, and the benefits then became general for the entire group, not based on individual means testing, staying true to the Social Democratic ideology.

The priority in 1945 was to create national housing policies for long term solutions. Housing benefits should not be seen as an emergency solution since maintaining housing is a long term need and it cannot be expected for a family to drastically increase their income. Due to the loan subventions and tax reductions, the state and municipalities absorbed most of the risk from the property owners which shows two things; the first is the general idea that the state is responsible for providing housing (as a part of the welfare system) to all its citizens. Second it

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18 The equivalent with today’s monetary value would be about 3,3 billion
shows that in 1945 arrangements were made between private and public actors to provide welfare to the citizens. The private property owners became networking partners with the public, which can be seen as an early development of PPPs (Fenger, 2006). Instead of building by themselves, which would have demanded a great amount of resources, the state chose to outsource the responsibility of building houses to private companies. Through the subventions the state carried the economic risk of construction to endorse the provision of both housing and labor through construction companies.

The long term plan presented in SOU 1945:63 was to create a stable housing market that in the future would be regulated by market norms ensuring that prices are set based on the cost of producing the house, and supply and demand. This could not happen until the housing market was in balance and until then the state had to maintain the responsibility to provide for all citizens according to the Social Democratic ideology (Pierson, 2011).

5.1.2.2 50 YEARS OF STABILITY

From 1946 until 1991, the Swedish housing market followed the same path, which Bengtsson (2008) showed. Management of the housing market was part of the welfare management and could be described by the term path-dependency, the government did not change a strategy if it worked (Fenger, 2006) and the same strategy was used for about 50 years. When the housing shortage was solved by the Million Project and the liberalization of the homeowner market, the state took a step back and placed the responsibility of housing assignment on the municipalities (SOU 1967:1). The development and growth of the cities had caused the municipalities to take on additional control and responsibility for city planning, choosing where and what kind of houses should be built. This gave them a legal opportunity to disapprove a loan application as a way of controlling which companies that were allowed to build housing. Property owners who agreed to let the municipality housing agency distribute their apartments were given privileges and were rarely denied. The existing cooperation between the public and private actors showed early signs of creating PPP within the Social Democratic regime. As Fenger and Henman (2008) brings up participation of the private actors in the welfare services is one crucial part of PPPs. Providing housing in 1967 was part of the welfare services and the private property owners became networking partners with the state. To lease an apartment to individuals with uncertain economic resource came with financial risk that was placed on the property owner.
2.7 million apartments existed in Sweden in 1960, two million of them belonged to the private sector, 0.3 million to cooperatives and 0.4 million to the public (SOU 1967:1, p 110). This gives the impression that the private sector had advantages over the public sector and could allow the market and equal competition determine the conditions for rental price, but that was not the case. 80 percent of the private landlords had voluntary agreements with the municipality to offer at least half of their available housing to the municipal housing agency’s clients, adapting rent levels to production costs which were still decreased thanks to state subsidies. The responsibility to evaluate the applicant’s financial credibility and need for housing belonged to the municipal housing agency and the private property owner was most often provided with multiple choices of applicants that were proven credible. A political structure created upon both political and civil society’s ideology was clearly visible and once again a strong Social Democratic ideology shown (Fenger, 2006). The ideology of solidarity had a strong influence on the development of housing policies, both in terms of the public and the private view.

Esping-Andersen developed his theories regarding welfare regimes during this time and the housing market had all the factors marking it as a Social Democratic welfare regime (Pierson, 2011). Housing policies worked towards low level of stratification; this through tax reductions and loan subventions used to improve all housing as well as providing housing benefits to make sure everyone could afford quality housing. It worked towards high level of decommodification, also through housing benefits allowing mothers with several children to stay at home. The only factor that differs was that the housing market was built up by a high level of public-private contracts, however these were voluntary allowing the public to remain in control. The Union for private real estate\(^{19}\) was working in close cooperation with the municipalities to make sure agreements were followed and residents seeking to exchange apartments were given the possibility to do so without interference, as long as the new resident were economically credible (SOU, 1967:1).

Having the municipality assigning housing to the citizens through evaluation of the needs of the citizens resulted in a greater efficiency of housing market utilization (ibid). People were assigned housing according to their need, so that large families did not have to live in over-

\(^{19}\) Fastighetsägarförbundet
crowded conditions while singles were living in large apartments. The Million Program attributed to producing sufficient housing availability at suitable costs.

5.1.2.3 DEPRESSION, ELECTION AND NEW POLICIES

In 1991, the Moderate party won the state election and formed a coalition government with three other center-right parties and removed the Social Democratic party from power for the first time since 1982. As presented in the background, this led to major structural changes in the Swedish welfare system and what was viewed as the responsibility of the state.

1991 was a year of the greatest depression in Sweden since 1930 (SOU 2001:95). The state economy was strained and spending reductions needed to be made. Tax reductions and loan subsidies to private property owners were abolished based on the argument that they had given rise to an excessive production of housing and government spending that now demanded cutbacks. The Moderate Party believed that the housing market should be adapted to the economic market and exist without state interventions. Loans and taxations that previously benefited Public housing were gradually modified so that private and Public housing companies had the same terms. The tax reductions which were used to promote construction and renovation of affordable rental apartments were gradually removed; having the direct consequence of increased cost for property owners, and therefore also increasing rent for households (ibid).

When the Moderate party was in power, the influence from NPM became visible in the Swedish housing market. State subventions were withdrawn; housing benefits as well as other social security insurances became reduced. The law of Public housing assignment was removed in 1993; placing a greater responsibility on individuals to provide housing for themselves, and giving the market and the private landlords the power to freely choose who to accepts as their tenants (ibid). The fact that the Moderate Party won the election showed a shift in ideology since the majority of Swedes were willing to adapt to a more market based society with less state intervention and move toward a more liberal society. The wish for profit, however, was not the main reason for the increase of rents. With the withdrawal of tax reductions and loan subventions, the construction costs went up drastically. To ensure their own survival, both the Public housing and the private property owners had to increase rent.

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20 Lag (1987:1274) om kommunal bostadsanvisning
The adaption to the free market had a direct consequence on the price of rent. Until 1990, rent had increased at the same rate as other consumption costs and disposable income, but after 1991 the rent increased by a higher rate. At the end of the 1980’s, 17-18 percent of the average disposable income was spent on rent. In 1998, this number had gone up to 32-33 percent, showing a net increase of 40 percent in eight year (ibid, p 67) The Moderate Party was in power until 1994, when the Social Democratic Party won the election. They did not, however, reinstate the previous tax reductions or loan subventions, instead they let the housing market continue to adapt according to the economic market (ibid). This showing how the Social Democratic party was gradually moving towards right-center political ideas that supported welfare retrenchment as Fenger and Henman (2006) discuss as part of the political changes towards NPM.

The Law of Housing benefits21 was introduced in 1993; stating that citizens were entitled to housing benefits if conditions regarding income and living arrangements were met. Housing benefits were strictly means tested and limited to families and young adults (SOU 2001:95). Housing assistance had taken a step away from being seen as a welfare service and was no longer included in the services provided to all citizens. As Fenger and Henman point out as a part of the movement towards NPM; both political and social changes are visible when historically viewing the Swedish housing market (Fenger & Henman, 2006). Policy changes have been influenced by; a changing attitude towards what the welfare state should include, a fading idea of solidarity in society and an increased influence from multinational organizations. One example of the last is how the rent levels were adapted to EU-law as mention in chapter 2.1. Apartments are since 2008 compared to other apartments of equal standard and attractiveness, the more attractive the area is the higher the rents will become (Socialstyrelsen, 2011). The housing market had become part of NPM by following the rules of demand and supply; that rent increases as long as the demand exists and profit is made. Rental apartments were a scarce good, but people without the financial capital resources to buy their own house have no choice but to submit to the market.

The law about Public housing assignment was removed with the explanation that is was unnecessary and that the responsibility of the municipalities would be the same even without the law. Consequently, according to SOU 2001:95 several municipalities had placed the responsi-

21 Lag (1993:737) om bostadsbidrag
bility on the individuals, removing all Public housing assignment services. This was noted by the Social Democratic government, who in 2000 introduced a new law\textsuperscript{22} reassigning the responsibility to the municipalities. The new law said that if it was \textit{needed} the municipalities should arrange Public housing assignment. According to this new law, the municipalities were permitted to charge a fee for everyone who wished to enter the queue. Meaning; taking another step away from the original idea that the municipalities should provide help to everyone. Even a small fee can be too much for a family with limited recourses. Since the law of Public housing assignment had been removed, private landlords had gained power to freely choose their tenants. Less than one fifth of all municipalities had arrangements with private actors to provide housing for weak groups in society (Socialstyrelsen, 2011). Another step toward NMP was taken in 2008, when the majority of Public housing companies was sold out to private for-profit companies two years after the Moderate Party were reelected. The reduction of Public housing made it harder for the municipalities to provide housing to individuals with financial problems since they were viewed as having no credibility at the private housing market (ibid).

A clear indication of the reduction of state intervention in the housing market is the level of funding provided. In 1993, the state provided 33.8 billion SEK to the housing sector. By 2002 this number had been reduced to 1.5 billion SEK. It was apparent that this reduction had come too fast, and therefore, in 2001, a decision was made to grant 2.5 billion SEK over a period of five years to promote building small to middle sized apartments in areas with a severe housing shortage. One condition for this was that the apartments should be distributed by the municipal housing assignment or in cooperation with the municipality (SOU 2001:95, p 65).

\textbf{5.1.3 THE INDIVIDUAL’S RESPONSIBILITY}

Finding a home is first and foremost the individuals own responsibility. The state steps in when the individual is incapable of doing so on his/her own. As already explained municipal housing agencies existed in all municipalities until 1991, and their main concern was for people who were unable to find housing on their own; but everyone was allowed to register to the agency. If a person in the queue found housing, on their own, equivalent to what they had registered interest in at the agency, they were automatically removed from the queue. Individuals were allowed registered at more than one municipal housing agency, but were recom-

\textsuperscript{22} Lag (2000:1383) om kommunernas bostadsförsörjningsansvar
mended to register on the one in the municipal that he/she currently lived in. If one wished to move to a different municipal, the municipal housing agency would send a request to the municipal of choice, and special agreement were arranged to exchange citizens. When the housing market was unbalanced and a shortage of housing existed in most municipalities, the movement between municipalities was harder to arrange; since each municipality prioritized finding housing for their own members. Private arrangements were still made, especially after 1967 when it was pointed out that it was illegal to force agreements upon private landlords to give the assignments right to the municipalities. But almost 70 percent of all housing was distributed through the municipal housing agencies. 80 percent of all private actors on the housing market had arrangements with the municipal housing agencies causing the individual that for various reasons did not buy their home, to be forced to apply for housing through the municipal housing agencies (SOU 1967:1 p 89). Once again it is shown that a strong Social Democratic leftist political ideology existed in Sweden. Even if individuals wanted to create opportunities for themselves, if they did not have money to buy housing, they could not but had to turn to the municipality. Clearly there were class differences in Sweden during this time and individuals with higher socio-economic status were more able to relocate. This thesis focuses upon the rental housing market, which throughout history has been the market for the less privileged; therefore the market for citizens forced to accept the conditions of social support systems.

5.1.3.1 HELP COMES WITH A PRICE

One condition before 1990 was that when registering at the municipal housing agency the individual had to reveal his/her name, address, civil status, age, income, number of children, employment, current living arrangement and if he/she were seeking priority in the queue due to medical or social reasons and an attestation form a doctor or Social Services if priority were asked for. This information was considered public information and not protected by any confidentiality. Today that would not be allowed, personal information is protected and considered confidential. Individuals were obligated to provide private information about themselves, available to be seen by anyone, if they were to have a chance of finding housing. The social right to ask for help from the municipal housing agency to find housing was not a legal right but a free choice that came with restrictions and demands. The terms had to be accepted or the citizen was not allowed in the queue, instead left to provide for themselves. This is a part of what Dwyer (2000) and Hetzler (1994) discuss when they talk about social rights and conditionality. Even in a Social Democratic society, rights do not come without conditions.
Before 1990, conditions were few but strict. If applicants did not except housing that the agency recommended they were removed from the queue. If they applied for housing on their own, outside the agency, they were also removed from the queue. The applicants were pressured to agree to share private information, as mention above; otherwise they were not allowed to register in the queue.

5.1.3.2 HOUSING BENEFITS

The law of housing benefits\(^23\) came in 1993 and stated that citizens were entitled to housing benefits if conditions regarding income and living arrangements were met. Housing benefits were strictly means tested and concentrated on families and young adults. The rules were further restricted in 1997 to reduce the numbers of beneficiaries with the purpose of reducing costs for the State (SOU 2001:95). The housing benefits were not only based on individuals’ current income but also their predicted income. For example; if someone received housing benefits for the first months of the year when being unemployed and then found employment, that would make them stop receiving housing benefits. If they then earned more the last months of the year than they predicted when they applied for housing benefits, without registering this at the Social Insurance Agency\(^24\) they would be liable for repayment of the previously received benefits (ibid). Housing benefits came with the condition of eligibility at the time of application and continued notification to the Social Insurance Agency of any changes to income during the whole year. Due to these conditions, citizens who would have been entitled to housing benefits tried to manage without in fear of becoming liable for repayment if their economic condition improves (ibid). This shows that the Swedish government was succeeding in their strategy to reduce benefit provision without withdrawing them, similar to Dwyer's (2000) explanation of the strategy of the English government.

5.2 ANALYSIS PART TWO; HOMELESSNESS

The changes in housing policies may have positive effects and they may have negative effects. One way of evaluating the effect of the changes is to consider the effect on homelessness. The one thing housing policies in Sweden since 1945 have been trying to overcome.

\(^{23}\) Lag (1993:737) om bostadsbidrag
\(^{24}\) Försäkringskassan
5.2.1 DEFINING HOMELESSNESS

The definition of homelessness has varied throughout the years. In the beginning of this thesis the definition used in Sweden today was presented, a definition much wider than the definitions used prior to 2011.

In SOU 1945:63 homelessness was hardly mentioned. Immediately after the Second World War, Sweden was suffering from economic crisis and the housing market was in great distress, with an immense shortage of available housing. The SOU 1945 had limited detail about how to address the issue of homelessness; only that families without housing should be prioritized. This does not mean that homelessness did not exist, but structures and standard were so different that people who would count as homeless today were perceived as “poor people” back then. Just as Hetzler (1994) point out, the social welfare rights are dependent on the current economic status of the welfare state. A country in economic distress has to prioritize; a minimum “roof over your head” guarantee provided by almshouses\(^{25}\) was considered sufficient for single individuals.

The same policies regarding homelessness appeared to be remaining during the 1960’s as well. SOU 1967:1 evaluated municipal housing provision and argued that people without housing should be prioritized, but no greater emphasis was placed on the matter. The municipal housing agency was first and foremost helping families. Families with children were almost always prioritized before single households unless in extreme cases. People who were facing eviction were referred to as “katastrof fall”, directly translated to: “catastrophe cases”. Simply by evaluation the chosen word, the view of homeless individuals is clearly negative. The municipalities and private landlords were working in cooperation to prevent homelessness, in 73 percent of all municipalities agreements were made to cooperate when a tenant had rental debt which helped to prevent evictions (SOU 1967:1, p 43). Providing for the homeless was, despite the Social Democratic ideology of equal rights to all citizens, a question of the “deserving poor”. As the quote from Barns (2006) (se chapter 3.3) points out, help shall be given to the ones who needs it the most and have proven unable to manage on their own. Single individuals who could not provide for themselves were considered as not trying hard enough. Families were on the other hand looked upon as victims of tragic circumstances (Sahlin, 1996).

\(^{25}\) Fattighus
Significant for the time frame of 1960-1970, regarding homelessness and the help that was provided for homeless individuals, was deinstitutionalization. Almshouses were closed down and the residents were expected to become integrated into society. They should seek help and treatment if the inability to maintain a home was due to personal problems; it was then the State’s responsibility to provide such help and treat everyone equally (SOU 2001:95). Small apartments, especially one bedroom apartments, were believed to be unnecessary and were not prioritized by contractors (SOU, 1967:1). This made it problematic for municipalities to find suitable housing for the homeless, since they traditionally were single men without children. The housing assignment agencies could at this time use the advantage of assigning a modern larger apartment to a family with larger resources and placing the homeless individual in their old apartment.

5.2.1.1 HOMELESSNESS A SOCIAL POLICY PROBLEM

Between 1980 and 1990, ideas about how to address homelessness were reversed. Institutions were reinstated, homeless individuals with personal problems, such as alcohol or mental illness, became excluded from society and almost seen as a disgrace for the community. It was now the individual’s responsibility to look after themselves. Benefits and help provided by the State were subjected to means testing and conditions. Municipalities took over the responsibility from the State level, which resulted in large differences in assistance available across regions. Shelters for the homeless increased during the 1980’s, mainly provided by non-profit organizations such as The City Mission or the Salvation Army (SOU, 2001:95). This drastic change can be viewed through the concept of the deserving poor as discussed by Barns (2006). Before 1975 housing shortages made it hard for people to find housing, which created understanding and sympathy for those who could not since the solution to their problem lay beyond their reach. When the housing market was in balance and housing was available, homelessness was seen to be the fault of the individual and caused by personal reasons. As Stenberg (1990) points out; evictions is mostly caused by personal problems such as alcoholism if they occurred during a time of surplus at the housing market. This also moved the responsibility of homelessness away from housing policies into the area of social policies since the problem of homelessness was not solved even when the housing market was in balance. This changed is explained by Sahlin (1996) as border control where unwanted tenants are shut out through higher demand from tenants and municipalities as a way of controlling who deserves an apartment using emergency shelters as “waiting halls” for them to prove themselves worthy.
Homelessness was placed on the political agenda 1993 as NBHW was faced with the task to conduct the first national survey regardless homelessness, counting 10,000 homeless people in Sweden (Socialstyrelsen, 1994). Several municipalities had conducted their own surveys prior to 1993, but no national comparison had been done. To count as homeless during the 1993 survey, the person should not own or rent housing nor should the person be living as a lodger under permanent conditions. Almshouses were said to not exist but the difference between 1945-1970’s almshouses and 1990-2013’s emergencies shelters are few (Sahlin, 1996). Both were (and still are) provided by non-profit organizations; under uncertain circumstances for the person living there, being at risk of eviction for even minor rule breaks and not always being guaranteed to find an available bed. Jordan (2006) argues that; social rights should be in place in order to allow disadvantaged individuals to enter the mainstream housing market and thus reverse the marginalization processes. Contrastingly, in reality, the incapability of the State to provide the homeless with options other than a temporary shelter reinforces marginalization. The shelters takes away the possibility to remain social capital since homelessness and placements in shelters result in major exclusion from mainstream social life, a problem that the State is unable to prevent in the existing care system.

The picture of the traditional homeless changed in 1993. Traditionally a homeless individual is a middle aged male who suffered from alcoholism. In 1993 new groups occurred and homelessness became more visible as it moved to the city centers. Mental illness became common among the homeless as did women and immigrants. This was believed to be related to developments within the labor market. Two out of the four dimension of change to the labor market described by Fenger and Henman (2006) were particularly visible; increased globalization and technological improvements. Both these changes reduced the number of low skilled jobs available, leaving unskilled workers unemployed. The restriction of housing benefits contributed to the unemployed individual’s financial crisis. Moving to a smaller and cheaper accommodation was particular difficult since private landlords very rarely signed contracts with someone living on unemployment benefits leaving the unemployed to face eviction if the rent of the apartment he/she lived in was too high. This also shows an example of what Sahlin (1996) points out as border control, separating the “good” tenants from the “bad”.
In 1994, more than 35 years after the “Office for homeless men”26 started in Stockholm, a special section for homeless women were created in Stockholm as a way of acknowledge the fact that women also became homeless (SOU 2001:95). The survey in 1993 showed that 17 percent of the homeless population was female. The women were said to have a harder time living on the streets and were (still are) prioritized before men to get housing.

May 1999 the second national survey took place. One would believe that homelessness would have increased due to several factors; during early 1990’s Sweden was in a deep economic depression (the worst since 1930), immigration spiked at the end of 1970’s and then again in the beginning of 1990’s accompanied by an almost standstill of housing construction and the number of people living on social benefits had doubled since 1993. Despite these factors, the number of homeless individuals did not increase between 1993 and 1999 (Socialstyrelsen, 1999). With the Social Democrats back in power after the 1994 election, NBHW believed that the stabilization of the number of homeless was due to Sweden’s strong safety net provided by a strong welfare system. The safety net helped citizens financially, so it was concluded that economic problems was not the main issue for homelessness in 1999. Individual problems such as alcoholism, drug abuse, mental illness or other social problems were seen as the main reason for homelessness (ibid). 70 percent of the 8.400 homeless had a substance abuse problem and 35 percent had mental illness problems. This once again strengthens the argument that homelessness was a matter for social policies and not housing policies something Löfstand (2005) points out in her dissertation.

To be provided with housing from the municipality, the individual had to register at Social Services27, but only half of the homeless counted in the 1999 survey were listed at Social Services. The rest were reported from institutions such as the Swedish Prison and Probation Service28, Psychiatric institutions or non-profit organization working with the homeless. The lack of registration was seen as a problem, the government formulated a goal to register all homeless individuals to make sure everyone received the help they needed. In the survey conducted in 2011, 90 percent of all homeless individuals, who had been counted for, were registered at Social Services. This was accomplished much thanks to increased cooperation between the Social Services and non-profit organizations and new regulations. Individuals unregistered at

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26 Byrån för bostadslösa män
27 Socialtjänsten
28 Kriminalvården
Social Services were no longer allowed to stay at the shelter for more than one night at the time and had to pay a higher fee than the once registered (Socialstyrelsen, 2011).

5.2.1.2 A WIDER DEFINITION AND POLICY CHANGES

In 2005, 17,800 homeless individuals were considered homeless (Socialstyrelsen, 2005). This extreme increase in the number of homeless individuals was mainly caused by another change in the definition of homelessness. 6,400 people were living in the secondary housing market provided by the municipalities, a newly added situation. Regardless of this change to the definition, homelessness had increased between 1999 and 2005. One fifth was considered homeless due to a lack of housing, the rest were reported to be homeless due to individual problems which caused inability to gain and maintain a firsthand contract. The situation in 2005 was very much like the situation is today. Social Services are responsible for the homeless, but they do not have control over the housing market. The 2005 report argues that; homelessness should now be seen as a concern for housing policies, and not only social policies, as it was in 1945. 38 percent of all municipalities had a lack of available housing in 2005 and more than 30 percent of the municipalities confirm that it had become even harder to find housing for a homeless individual than in 1999. Cooperation between social policies, housing policies, immigration policies, health care policies and labor policies was pointed out as the only way to fully come to terms with how to reduce homelessness, since it is a complex problem involving several factor effected by multiple policies (Socialstyrelsen, 2005). Something that was pointed out years before by Sahlin (1996).

An even broader definition of homelessness was used in 2011, which increased the number of homeless to 34,000 individuals; the majority of them belonging to the secondary housing market. The roof-over-you-head guarantee had worked well and only 240 individuals were reported as ‘sleeping rough’ compared to 900 in 2005. The largest change since 2005 was the increase to the secondary market; Social Services have taken the role as landlords for the increasing numbers of individuals that could not meet the increasing demands of the housing market. Even more clearly than in 2005 the report pointed out that homelessness is a concern for housing policies; both to address the problem of a lack of housing and to address the increasing demands from the private landlords.
5.2.2 THE SECONDARY HOUSING MARKET

The secondary housing market developed in the 1980’s, as a way for municipalities to provide homeless individuals with a more permanent living arrangement when NPM started to influence the housing market. The secondary housing market started off as temporary housing solutions for the traditional homeless individual but developed rapidly (Sahlin 1996). In 1993 more than 50 percent of all municipalities had so called trainee apartments and in 2011 the number had increased to 76 percent. At this time, 13,400 apartments were distributed through the secondary housing market; a majority was assigned to families with children (Socialstyrelsen, 2011, p. 64).

The secondary housing market is arranged so that municipalities rent apartments from private landlords, and then sublet them to homeless individuals or families. The main idea is that the first hand contract shall be transferred to the individual within a certain timeframe. Through these contracts, the municipalities carry the responsibility to ensure payment of rent and for any damage to the apartment. The contract between the municipality and the homeless individual is signed with strict regulations and a large responsibility on the individual to “behave” and follow rules (Sahlin 1996). Individual requirements and contracts vary and are dependent on individual assessment and categorization; individuals with substance abuse problems may get visits from social workers several time á day while individuals with only financial problems normally has visits once a month. The contract may also include a variation of restrictions including anything from not being allowed to take on a loan to not being allowed to have visitors. In many cases the strict regulations and conditions placed on the homeless have caused the homeless to leave the provided accommodation or be thrown out because the regulations are too hard to follow (ibid). Some aspects of the contracts are reasonable rules that every citizen should follow; not to disturb the neighbors for example. Even with a firsthand contract disturbing behavior may be the cause of eviction, but no legal firsthand contract prevents the resident from having their child for an overnight stay; as contracts through Social Services often do (Socialstyrelsen, 1994). The secondary housing market is built up on conditionality (Dwyer, 2000), if the homeless do not follow the rules; they are out and the obligation of the municipality has been fulfilled even if the individual is still homeless.

Going back to 1945 families had always been a priority. When the municipalities were responsible for housing assignment, through municipal housing agencies, the secondary housing market did not exist. Families that today would be rejected by landlords were then assigned
firsthand contracts much thanks to the Social Democratic ideology. Today the housing market reflects greatly upon NMP thinking. An outcome perspective and emphasis on results are highly visible, as rents now are based on the attractiveness of an apartment rather than the general disposable income of the tenant. With the extreme demand the landlords can pick and choose as they wish, and choose to only accept tenants with a reliable income and without debts or previous evictions. The decreasing supply of available housing leaves low income individuals with nowhere to go except to the social services and non-profit organizations.

Entering into a contract with Social Services is not without profit for the property owner. With the alleged increased risk of disturbance of the neighbors, destruction of the apartment and causing the facility to get bad reputation, landlords demands higher rent from the Social Services than from private tenants. Since few landlords agree upon lending their apartments to Social Services, Social Services are forced to accept the higher rent demanded from the landlords. In most apartments the firsthand contracts are said to be overtaken by the homeless within a year but this transfer is rare. Several conditions have to be met in order for the contract to be transferred. If it is a case of a homeless individual with alcoholism, sobriety is often a condition. In the case of financial problems, debts must be paid before the private landlord allows the homeless to take over the contract (Socialstyrelsen, 2011).

6 CONCLUSIONS

The increase of 24,000 homeless in 20 years is partly due to a change in definition, as more housing situations are counted as homeless situations today than in 1993. Why the definition is widening in every survey does not become clear by analyzing the reports. One would think that with the intensifying situation in the housing market, the definition of homelessness would become more restricted since even the most temporary accommodations are harder to come by. Widening the definition brings more people into the group that the municipalities are obligated to help. These people are today primarily viewed as a concern for social policies, but as shown throughout this thesis, and in previous research social policies cannot influence the situation on the housing market. Social policies cannot affect housing construction or the private owners’ withdrawal from previous existing agreements regarding housing assignment. During the time when housing shortages existed, which is 50 out of the 68 years that this thesis has been concerned with; homelessness has been seen as a housing policies problem. The only period homelessness has been considered simply a social policies problem
at the same time most municipalities had a shortage of housing was 1993 to 1999. 1999 until today it is said to belong to both policy areas much depending on whom one asks, as the quote below confirms;

“Faktum argued together with NGOs that “every homeless is a political failure”, while the municipality formulated the problem as a consequence of an individual's “social failures”” (Löfstrand, 2005:34, my translation).

High living standards have long been expected in Sweden, promoted by the State and housing policies goals, but high standards have been dependent on State support. To increase housing production and living standards in 1945, state funding was required, both as support to private property owners to create an interest in building and as a support to families wishing to increase their living standard without having the financial means to do so. The responsibility and possibility of the State to help individuals in need of housing assistance was almost the same from 1945 until 1991. The State took on most responsibility and created possibilities to increase available housing through state funding. Signing voluntary agreements with private property owners allowed the municipal housing agency to assign available housing to citizens most in need or through the priority of time spent in their waiting queue. Agreement with private property owners was crucial to housing provision, which showed when the municipal housing agencies were closed down and the agreements were resolved. The situation today is working in the opposite way than it did between 1960 and 1991, the private property owner now sets the rules for the municipal to follow if they wish to rent apartments that they may sublet to a homeless creating a secondary housing market. A market created as a response to the increased demand the regular housing market places upon tenants.

Individuals with previous debts, evictions or who does not have a stable employment are no longer accepted at the ordinary housing market. It is common that private property owners require an income three times the size of the rent and permanent employment which can be hard to present for many citizens. Not just for unemployed individuals but for everyone working within the staffing industry or working through project employments. More and more people risk facing homelessness as the demands increases and prevent moving causing the picture of the traditional homeless individual to change. It is no longer a middle age man with alcoholism, it is families with children not being able to pay the increasing rent due to sick-

29 A paper printed and sold by homeless in Gotenborg and Malmo.
ness, it is the young adult not being allowed to sign a firsthand contract because of uncertain employment or the newly immigrated family not being able to present references from previous landlords. The practical situation the homeless individual lives in has improved, only 240 individuals are presented as rough sleepers, the remaining 33,760 has at least a roof over their head equivalent to 1945’s almshouses. So while the situation the homeless citizens live in has improved based to the fact that less individuals sleeps rough the way back into the ordinary housing market has become much harder due to the withdrawn of the municipal as an active actor at the housing market and increased power of private property owners.

7 DISCUSSION

7.1 RESPONSIBILITY AND POSSIBILITY OF THE STATE TO PROVIDE HOUSING ASSISTANCE

In 1945 the responsibility to create balance in the housing market belonged to the State. There was a great shortage of housing and it was seen as the State’s responsibility to create opportunities to provide housing for everyone. Despite a strained economy, tax reductions and loan subventions were seen as the best way to encourage housing construction, creating not only housing but also employment opportunities. The State was run by political parties believing in Social Democratic influenced ideology; promoting equal opportunities to all citizens provided by the State. Esping-Andersen had not presented the name “Social Democratic Welfare Regime” yet but Sweden was at this time a textbook example of how the regime would be described, especially looking at housing policies where the State took a large responsibility for the wellbeing of the citizens.

With the financial assistance from the State, the housing market began to recover, but construction costs remained high which resulted in high rent and housing benefits for families became necessary. In 1967 municipal housing agencies were created to further provide citizen with housing and ensure the increased standards of housing. The agreement to allow the municipal housing agencies to assign tenants was voluntary, but 80 percent of all private property owners had agreements with the agencies. This created a housing market were housing was distributed through equal opportunity, based on need, rather than the economic situation of the applicant. The Social Democratic ideology that aims to provide the same chances to everyone, regardless of their financial situation, was demonstrated within housing policies.
As pointed out before, in 1991 changes discussed since 1980 was put in place. New Public Management became clearly visible within the Swedish housing market, as the State which was now run by a central-right winged coalition government, withdrew their involvement and stated that the housing market should be based on the idea of the free market controlled by economic terms of supply and demand.

The housing policies goal in 1945 was to create stability and balance so that the housing market could run by its own without state support. In 1991 this goal was fulfilled, the lack of housing was removed and the state removed its’ support. The timing for the removal was however unwisely chosen. During 1991 Sweden experienced significant economic depression. This was characterized by high level of unemployment and import of goods being high due to globalization and the Swedish Crown tied to European Union agreements of preventing inflation. Looking back today, it is not surprising that rent increased. What is surprising is that nothing changed back after the seeing the affects. Municipal housing agencies were closed down and Public Housings were sold to private for-profit companies causing a direct increase in rent followed by an increased numbers of evictions. The previous Social Democratic ideology with a low level of stratification and the idea that everyone should be provided for by the State started to slip, and the benefits that ensured a high level of decommodification became means tested and restricted. The issue of homelessness was transferred to social policies with the argument that homelessness no longer could be blamed on a shortage of housing, but was a consequence of individual problems. In 1993, 10,000 individuals were homeless in Sweden; at the same time as 40,000 apartments were available. The idea that homelessness would be solved simply by building housing was clearly incorrect. I have argued that the main reason for 40,000 apartments being available at the same time that 10,000 individuals were homeless was due to the change of policies; the State no longer assigned housing to individuals with weak economic status and private property owners were unwilling to rent apartment to citizens with an unreliable economic background. With the Public Housing now belonging to private for-profit companies and housing agencies closed down, the municipalities were left without possibility to assist homeless individuals in the search for a new home. Although it might sound as the Moderate Party’s coalition government is at fault for the problems within the housing market, the Social Democrats came back to power already in 1994 and the conditions on the housing market continued to become harder. The worsening problem of homelessness is cause by a shortage of housing and the reduction of housing construction, since the cost for building is not repaid through leasing apartments. It is not simply the case of greedy
private owners seeking to gain profit; it is the inability to build housing at a cost that can be met through leasing. Despite this, the housing policies has not change, the housing market continue to run according to strategies from NMP and adaption to the economic market; leaving the State unaccountable and the municipal without any possibility to influence the citizens housing situation.

7.2 COOPERATION BETWEEN PUBLIC AND PRIVATE ACTORS TO PROVIDE HOUSING

Public-Private Partnerships have always existed in the Swedish housing market but have taken different forms. Before 1991, private actors partnered with the State and adapted to the State’s conditions. The system for housing assignment was on off the clearest example of this. Individuals, who today are provided for through the secondary housing market, were previously assigned first hand contracts due to voluntary agreements between the public and private actors. To lease apartments to individuals with uncertain economic resources is a financial risk that was accepted by the private property owner. Once the contract between the landlord and the tenant was written, the State withdrew its’ involvement. Housing provided by the municipalities did not come with additional conditions. It was a middle hand working to improve the situation for the citizens. Once the contract was signed tenants were following the same rules as tenants that found housing without the municipalities’ help. The municipal housing agencies were seen as part of welfare services provided to all citizens. One effect of withdrawing the municipalities’ responsibility of providing housing in 1991 was that housing was no longer seen as part of welfare services, it was the individuals own responsibility. This changed again when economically vulnerable citizens became unable to provide housing for themselves and the secondary housing market developed as a response to the growing need of housing assistance. The financial risk of leasing was taken over by the municipality from the private property owner when municipal housing agencies more or less directly developed to the secondary housing market; housing provision once again becoming a welfare service.

The secondary housing market did not develop along side with housing policies but as a last resort for social policies to manage the increasing demand of housing assistance caused by the marketization of the housing policies. It is build upon the requests and conditions of the private property owners, leaving municipalities unable to do anything but to accept their conditions since there is nowhere else to turn to in the matter of providing housing for citizens unacceptable on the housing market. The individuals living in the secondary housing market are
considered homeless; they are the responsibility of the municipality and lives with special contracts with strict regulations and conditions that unlawful to demand in a first hand contract. Through the shortage of housing that once again exist in Sweden private property owners has a great advantage towards the municipalities and may refuse to accept certain groups of people knowing that their apartments will be leased anyway. From 1975 until 1993 the surplus of apartments made it hard for private property owners to find tenants to their least attractive apartments forcing them to accept tenants they turn away today therefore making the secondary housing market unnecessary and the municipality’s obligations towards their citizens easier to fulfill.

7.3 HOUSING POLICIES AND HOMELESSNESS

Homelessness existed in 1945 but was not as visible as it is today. Almshouses that were run in cooperation between the State and charity organizations made sure most people were provided with a roof over their head without being referred to as welfare services. Since the general standard of living was so different from today\textsuperscript{30} and poverty was much more socially accepted, living in almshouses did not create the same social exclusion and stigmatization as living at shelters do today.

Research about homelessness has been conducted since the beginning of the 1900’s, but it was not until 1993 that the State took particular interest in investigating the extent of the homelessness problem. The increased interest most likely came from the increased eviction rate, caused by the radical changes made in housing policies during 1991. The change towards NPM and increased marketization of the housing market was not a new idea that the Moderate party invented. Already in 1945, with a strong Social Democratic ideology existing both within the government and the society it was predicted that when the housing market came in balance and the shortage of housing was reduced it should be left to the commercial market, based on supply and demand, to allow the rents to pay for construction costs. In 1991 the housing market was in balance; with available housing in different prices ranges. What the government in 1945 did not predict and the government in 1991 most likely did not expect, was that withdrawal of state support would cause a direct increase of rent and the rapid decrease in production; causing yet again a shortage of housing. This especially visible in larger

\textsuperscript{30} Shared bathroom and kitchen facilities were common in apartments block and additional accessories such as TV or computers did not exist.
cities and areas with large immigration causing the populations to increase much faster than housing was being built.

Homelessness has been shifting back and forth between being a concern for social policies and for housing policies. Today it is being viewed as a problem for both areas of policies as shown both in this thesis and by the previous research discussed in this thesis. Whenever a shortage of housing has occurred the view of homelessness has shifted from being a social policies problem to being a housing policies problem. This is not surprising, considering the theory of deserving poor used by both Sahlin (1996), Löfstand (2005) and Bengtsson (2006).

If housing is available, a homeless individual is someone who is not trying hard enough to find and maintain housing or someone who has personal problems preventing them from doing so; the personal problems being a social policies problem. If a shortage of housing exists it is out of the hands of the individual and also out of the hand of the municipality’s Social Services. Social policies today demand Social Services to provide housing to citizens asking for help, regardless of their individual history and their financial or personal problems, a task almost impossible to solve. With the removal of municipal housing agencies and Public Housing, the Social Services are left to the willingness of private property owners allowing them to sublet the apartments with the condition that Social Services carries the economic risks and that restrictions are in place to ensure “unreliable homeless” do not cause any damage to the housing. Homeless families with financial problems are easier to provide with secondhand contracts, compared to individuals with personal problems such as alcoholism. This once again reflecting the ideology of providing for those considered the most deserving; taking several steps away from the Social Democratic view of preventing social stratification and ensuring a high living standard to all citizens.

The housing situation today creates class differences and divides citizens in three groups; those allowed moving freely, those who are stranded in the housing they live in and those who are not allowed to enter the housing market at all. Citizens without financial problems and a stable income can move freely on the housing market even if the queues are long. A person without financial problems that lives on social or unemployment benefits is rarely able to move because benefits is not considered a reliable income at the housing market, even with good references from previous or current landlords. If the person wishes to move to a cheaper apartment to avoid financial problems this will most often be very hard. The third group is citizens who have not had the chance to enter into the housing market. This includes young
adults leaving home with an unstable employment, immigrants not being able to present references from previous landlords or people with a previous eviction. The longer the individuals are outside the regular housing market, the harder it is for them to enter. The housing market’s adaption to liberalization is not easily compatible with the municipal obligation to assist citizens with housing provision. Sweden has less people living on the streets today than when the first survey was conducted 1993, but 24,000 more individuals regarded as homeless.
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