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# INTRODUCTION: NEOLIBERALISM AND POST-WELFARE NORDIC STATES IN TRANSITION

by

Guy Baeten, Lawrence D. Berg and Anders Lund Hansen

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ABSTRACT....

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#### Introduction

This special issue of Geografiska Annaler: Series B, Human Geography has its origins in a series of workshops starting with a workshop at the University of British Columbia Centre for Social, Spatial and Economic Justice in Kelowna, Canada, in April of 2010. The title of that workshop was Neoliberalism and Post-Welfare Nordic States, and it involved a number of scholars working in Canada, Denmark, Iceland, Sweden and the USA. The objective of the workshop was to bring critical geographers interested in issues of spatial justice together in a supportive atmosphere to discuss and help each other theorize some of the dramatic social and spatial transformations being wrought across the Nordic region during the past decade or so. For those of us familiar with the Nordic countries, the so-called Nordic Welfare State Model (Esping-Andersen 2004) based on social-democratic ideals and a progressive model of citizenship has been under attack for some time now by politicians on the right and left (influenced by neoliberalism), and by finance and other forms of capital looking to realize greater profits through participation in varied forms of primitive accumulation (Marx [1867] 1976) and accumulation by dispossession (Harvey 2005). Subsequently, two similar meetings have taken place to further discuss these matters: the first, a special session on Post-Welfare Cities in the Nordic World at the April 2013 Association of American Geographers Conference in Los Angeles; and the second, an international workshop entitled Neoliberalism and its Discontents convened in Akureyri, Iceland, in June of 2013. This group of scholars has plans for continued meetings to discuss, theorize, and gain a better understanding of the dramatic ongoing transformations of Nordic society and space under processes of neoliberalization.

Of course, in referencing the Nordic states as being in a 'post-welfare' phase, we recognize that these processes differ in each of the Nordic states because of differing path dependencies. Moreover, the post in post-welfare does not signal any complete break with welfare state policies, but rather it signals a shift of state policy priorities away from the Nordic Welfare State Model (Esping-Andersen 2004), yet with such new priorities constrained somewhat by the path dependencies of the Welfare State Model extant in each Nordic state. Post-welfare state does not mean the end of the welfare state but decentralization of welfare provision to lower government echelons (cities and regions, placing increasing pressure and financial burden on cities which Peck 2012 has coined as 'austerity urbanism') and to the private market. Government becomes governance: the state "steers rather than rows" and enters various novel relations and negotiations with private welfare providers that need some form of regulation. Post-welfarism, then, wants to organize state welfare provision more in line with market principles (Bailey 2001); a situation not unlike what is happening in UK, were 'the utopian imaginaries of postwar Keynesianism [is replaced by] an anti-utopian rhetoric of output-centred governance and management' (Raco 2015, 42).

Decades of (mainly incremental) change in welfare provision has led some to argue that the Nordic welfare model, with 'universalism' at its very distinct core, has been eroded to such an extent that welfare provision in a Nordic context has, if anything, come to resemble the continental welfare model where welfare is linked to payment and does not provide equal support regardless of one's position on the labour market (Andersen and Clark 2003). It therefore has lost its status as a distinct model. Others maintain that universalism, albeit under siege, is still intact as a normative welfare principle – and hence the uniqueness of the Nordic model (Kildal and Kuhnle 2006).

Our workshops on the post-welfare Nordic states – including numerous presentations as well as the responses from their respective audiences – have made two points abundantly clear: (*i*) the Nordic Welfare State Model is being dismantled and remains under attack by various forces on the Right; and (*ii*) scholars not familiar with the Nordic context seemed to be relatively unaware of this situation and continue to think of the Nordic countries as leading examples of successful social-democratic societies with progressive socio-spatial politics (and policies). The articles in this special issue are the result of extensive discussions of these matters over a significant period of time. Our purpose in presenting them in this special thematic issue is to remedy the lack of familiarity by those working outside the Nordic context with the radical

transformations of Nordic social life that are being wrought by neoliberalization policies of both the 'roll out' and 'roll back' varieties (Peck and Tickell 2002). With several scholars pondering the end of the neoliberal era in the aftermath of the 2008 financial crisis (see e.g. Smith 2008; Brand and Sekler 2009; Peck 2010), it seems to be back with a vengeance and puts enormous constraints on state budgets, and the welfare state (Peck, Theodore and Brenner 2013; Berry 2014). But it does so in modified forms and with spatial variegations: in a North American context, Peck (2012) observes a new round of "rollback neoliberalism" with further cut-downs in the remnants of the social redistributive and welfare state which were already the target of the 1980s rollbacks. Further, there are new rounds of privatization that extend into middle-class terrain (for example schooling, health care, community facilities) and provoke significant discontent. It is important to analyse how this invigorated round of neoliberal urbanism after the financial crisis plays out in a Nordic context where the crisis may not have had such a dramatic and immediate impact as in US cities, but where the dismantling of the welfare state has nevertheless relentlessly continued.

The special issue begins with Kirsten Simonsen's (2015) article entitled 'Encountering racism in the (post-)welfare state: Danish experiences', which draws on theories of embodied encounters, emotional geographies, and post-colonialism in order to help us better understand the material and ideological geographies of (racialized) encounter between majority and minority populations in Denmark. In this way, the paper shows how the neoliberal rollbacks of the universal welfare state, performed by centre–right and centre–left governments alike, have given rise to an emotional mobilization of xenophobic anxieties and a new racism, expressed in both immigration policies and everyday emotional practices. This leads nicely to the article by Lasse Koefoed (2015), 'Majority and minority nationalism in the Danish post-welfare state', which examines, in part, how the welfare state can become part of a nationalist imaginary whereby majority populations come to see it as something to be "protected" from abuse by minoritized people. The contribution by Koefoed thereby illustrates for us some of the powerful ways that the problematic geographies produced by neoliberal restructuring of the welfare state can be reimagined as problems caused by "immigrants" and other minoritized peoples.

The special issue then moves to discussions of the Swedish context, first with an article by Sofia Cele (2015) that illustrates the ways that neoliberal ideals are now embedded in everyday planning practices in Stockholm. Her contribution, 'Childhood in a neo-liberal utopia: planning rhetoric and parental conceptions on contemporary Stockholm', illustrates the significant impact that neoliberalism is having on the lives of children. These dramatic impacts, however, are not seen by planners as the product of political acts, but rather as merely necessary responses to

'contemporary urbanism'. In the study both planners and parents argue in favour of the need of certain 'sacrifices' in the urban environment, such as less leisure space and reduced independent mobility, as the city is made denser to become more 'globally competitive'. This rhetoric indicates a distinct shift from the focus on childrens' rights to good outdoor environments that was prominent in much of the welfare politics of the 20th century.

From Stockholm we move to Guy Baeten and Carina Listerborn's (2015) case study of Landskrona in southern Sweden: 'Renewing urban renewal in Landskrona, Sweden: pursuing displacement through housing policies'. The case study provides us with key insights into two very important shifts in the socio-spatial housing imaginary in Sweden: (i) the shift from seeing affordable housing as a 'solution' to seeing it as a 'problem'; and (ii) a resulting shift from gentle to more brutal forms of gentrification. Through this fundamental shift, housing, once the cornerstone in the construction of the welfare state and welfare cities in Sweden, no longer plays a key role in welfare provision and, as a consequence, has significantly hollowed out the Swedish welfare system from within.

Finally, we return to the Danish setting to the work of Henrik Gutzon Larsen and Anders Lund Hansen (2015) in their article 'Commodifying Danish housing commons'. Their work documents the key role of housing in the rise of the Danish welfare state, particularly how the housing question in a compromise between liberalist and socialist forces was addressed by formally private but state-supported associations. This contrasts with a state-led approach to housing politics pursued during the pinnacle decades of the Swedish welfare state. Larsen and Lund Hansen further analyse how the association-based model today is being dismantled as a pillar of the welfare state: cooperative housing has been thoroughly commodified and privatized in all but name, while the larger sector of non-profit housing associations directly and indirectly is being attacked as a 'commons' off-limits to the logic of market exchange and market valuations. On the surface, the effects of these developments may appear more 'gentle' than in the case of Landskrona, but the immediate and longer-term impacts on marginalized populations and what little is left of socially just housing are no less severe.

In presenting this special thematic issue of *Geografiska Annaler B* on Neoliberalism and Post-Welfare Nordic States in Transition, we hope to start a wider dialogue with critical geographers and related scholars working across the Nordic region and beyond regarding the dramatic transformations of society and space being wrought by the policies, ideologies and governmentalities (after Larner 2000) of neoliberalization. We are particularly interested in such discussions at the scale of the 'Nordic', but we are also keen to make intellectual linkages with those working on similar processes happening around the globe.

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