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State of housing cooperatives and current challenges in Norway and Sweden

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Norway and Sweden: success stories in the international history of cooperative housing?

- Sweden: 22 percent of the housing stock in 2011.
- Norway: 14 percent of the housing stock in 2011 (Bengtsson, Ruonavaara & Sørvoll, 2017).
- Pyrrhic victory of cooperative housing? A trade-off between market-based success and civil society principles (non-profit, solidarity, residential democracy)? (Sørvoll & Bengtsson, 2018).

The past: long postwar history of cooperative housing in Norway and Sweden (1945-1990)

- The cooperative building and management companies (Sweden: HSB, Riksbyggen, Norway: NBBL-companies) were:
 - ...part of thriving social democratic housing movements
 - ...non-profit, member-owned providers of decommodified and affordable housing
 - ...policy instrument in the fight against housing shortages and the provision of affordable housing.
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- 1945-1990: cooperative housing expanded due to state patronage, labour movement support and market-based success. (Bengtsson, 1992; Sørvoll, 2014; Sørvoll & Bengtsson, 2018).

The gradual deregulation and privatization of co-operative housing in Norway and Sweden

- The Swedish deregulation of 1968: price controls lifted on cooperative housing shares.
- The Norwegian deregulation of the 1980s: price controls lifted.
- The fall of postwar housing policy (1990-): cooperative housing no longer an instrument of government housing policy; government construction subsidies phased out.
- Deregulation had substantial long-term consequences: cooperative housing became a form of homeownership contributing to growth in property prices, household debt and economic inequality (cf. Turner, 1997; Galster & Wessel, 2019; Kohl & Sørvoll, 2019).

The current role of cooperative housing companies

- For-profit businesses providing market-priced owner-occupied housing in urban housing markets
- No substantial role in the provision of affordable housing to low-income groups

....but there is a case to be made for the need for a revival of non-speculative and affordable cooperative housing

- Prospective first-time buyers and low-income households are in trouble, particularly in expensive metropolitan housing markets (cf. Lund, 2018; Sørvoll & Nordvik, 2019).
- Homeownership is out of reach for many; In Norway, social rental housing is reserved for the very poor and disadvantaged & private rented housing is (often) low quality and insecure (Sørvoll, 2019).
- Non-speculative, rental cooperative housing is an attractive housing model providing potential benefits at the individual-, household- and societal level («residential stability», «security», «democratic influence»).

OSLOMET

Opportunities and impediments for a cooperative housing revival – the Norwegian case

Impediments to a cooperative housing revival

- Impediments at the individual, cultural and political spheres of society:
- Comparative research suggests that cooperative housing needs support from the state to prosper (Ganapati, 2010; Crabtree et al. 2019). State support is no longer present for non-commercial housing co-ops in Norway:
- No brick and mortar subsidies for new construction
- No inclusionary zoning & limited willingness to use public ownership of land as a policy instrument (cf. Nordahl, 2014).
- The tax system favours individual homeownership – and is biased against large-scale rental housing (Sørvoll & Sandlie, 2017).
- Limited support from the labour movement and other civil society actors

Opportunities for cooperative housing

- Mainstream politicians are increasingly open to new solutions to the «housing crisis» (cf. The local government in Oslo, 2019).
- The cooperative building and management companies still exist – and may provide capital and expertise.
- New bottom-up initiatives (Tøyen Boligbyggelag).
- A new left-wing government may come to power in 2021

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