

Henk van Dijk (ed.)

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**New Forms of Metropolitan Developments:
Stockholm in the 20th Century**

Lars Nilsson

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Abstract

The main conclusion of this article is that we in many respects can observe new tendencies in the development of Stockholm from the 1970s and on. The population growth rate has for instance been high compared to other Swedish cities, and that was not the case previously. Economic and other activities have been concentrated to the inner city, which consequently has been the most dynamic part of the entire metropolitan region. Social segregation has increased and also got an ethnical dimension. One basic factor behind these new traits is supposed to be the turn from industrialism to post-industrialism.

Long urban waves

The history of Stockholm can be described as a history of long and short waves. If we look at the development of Stockholm since industrialisation and on, we can easily conclude that a new epoch started in mid-19th century. The pre-industrial stagnating trend was then broken and followed by a quick expansion of the city. This was the start of the industrial period, which in Sweden lasted until around the 1960s/1970s. In the long run Stockholm grew almost at the same rate as the rest of urban Sweden during this industrial era.¹ Industrialisation as well as urbanisation was more or less completed around 1970, and followed by a new era – the post-industrial epoch or whatever we prefer to label it. This meant quite new conditions for the development of big cities and metropolitan areas.

The long industrial period, starting around the 1840s, can also be divided into separate phases with breaking points around the 1880s, and the 1920s/1930s.² In this article, however, focus will be on the end of the 20th century and the post-industrial conditions for metropolitan development. These new traits are seen in a historical perspective starting in late 19th century. Stockholm's first stage of modern development (c. 1840-1880) will not be commented upon at all.

There are several variables indicating new forms of development for the city of Stockholm and its suburban region during the last decades of the 20th century. Here I will mainly concentrate on five aspects: population growth, labour market developments, inner city changes, physical structure and social segregation.

Population growth

If we first of all take a glance at population figures new trends are rather easily discernible. A period of depopulation of the city and stagnation for the entire metropolitan region around 1970 was thus followed by decades of strong growth. Stockholm was even one of the most expansive cities in Sweden. This is astonishing because it is difficult for such large cities as Stockholm to reach high growth rates in relative terms.³

In a longer perspective population growth for Stockholm amounted in average to about 1.5-2 per cent per year from 1920 to 1960, but these growth rates were not specially high compared to the rest of urban Sweden. In the beginning of the 1960s, when the city of Stockholm just had passed 800,000 inhabitants, out-migration started to exceed in-migration. This deficit was not covered by a surplus of immigrants over emigrants, or more births than deaths. A process of depopulation thus began and continued for the next two decades.

This depopulation can be accounted for not only by an out-migration to the suburbs. It was more of a general escape from big cities and metropolitan regions. Many people preferred to settle down in smaller urban places and even in rural milieus. Contemporaries called this movement for the “Green Wave” (Gröna vågen). Not until the 1980s were these trends broken, allowing the city of Stockholm once again to be in receipt of more in-migrants than out-migrants.⁴

Stockholm was not unique. The other Nordic capital cities have more or less followed the same path, but the crisis was deeper and lasted longer in Copenhagen than in Stockholm, Helsinki and Oslo (table 1).⁵ The stagnating tendencies appeared first of all in the city of Copenhagen, which started to lose inhabitants already in the 1950s. Stockholm followed the Danish capital in the 1960s. Helsinki and Oslo on the other hand continued to grow and were not depopulated before the 1970s. These variations may to some extent have been caused by differences in the extension of the administrative areas. Cities within almost fully built-up administrative areas can for example easily get other growth patterns than cities that still can expand inside their prevailing borders.

Table 1: Annual growth rates for Nordic capital cities, 1940-2000

City	1940-1950	1950-1960	1960-1970	1970-1980	1980-1990	1990-2000
Stockholm	2,34	0,83	-0,79	-1,41	0,41	1,07
Copenhagen	0,95	-0,50	-1,33	-2,41	-0,71	0,72
Helsinki	3,81	1,91	1,76	-0,98	0,18	1,21
Oslo	4,80	0,92	0,05	-0,49	0,15	0,98

Source: Statistisk årsbok för Stockholms stad 1940-1970, Statistisk årsbok för Stockholm 1980-2002.

The city of Copenhagen didn't recover until the 1990s, while the three other Nordic capital cities register increasing population numbers from the 1980s. The annual growth rate has since then been almost the same in Stockholm as in Helsinki, and somewhat higher than in Oslo.

Labour market

One important factor behind the development of the city of Stockholm at the end of the 20th century is that Sweden, as well as many other countries, has left the traditional industrial society and entered a post-industrial phase, or a network society, or whatever we call it. Industrial production is of course still of great significance, but not in the same way as previously.

When the industrialisation of Stockholm and Sweden commenced during the second half of the 19th century, consumption industries like textile and food production belonged to the most important branches in Stockholm. This situation gradually changed when engineering industries started to expand at the turn of the century. From the 1920s and on engineering industries have dominated the industrial life not only in Stockholm but also in Sweden generally.

Other important growth impetuses came at that point of time from the expansion of the public sector, especially investments in health care and education.⁶

Engineering industries, education and health care expanded strongly all over the country during the welfare period (c. 1920-1970) and not only in Stockholm. The population growth rate of Stockholm compared to urban Sweden in general was therefore not especially high. The most expansive urban sites were often industrial cities far away from Stockholm.

Table 2: Average population growth in per cent per year for Stockholm and industrial towns, 1950-1995

Period	Stockholm metropolitan region	Industrial towns
1950-1960	1,78	2,21
1960-1965	1,77	2,14
1965-1970	1,44	0,73
1970-1975	0	-0,05
1975-1980	0,43	-0,29
1980-1990	0,68	-0,44
1990-1995	1,04	-0,16

Note: Stockholm metropolitan region includes the city of Stockholm with suburbs. Suburbs are defined as all municipalities outside the city of Stockholm including urban sites with in principle at least one third of the labour force commuting to the city or to other urban sites within the metropolitan region.

Industrial towns are here equal to towns with 65 per cent or more of the population employed in manufacturing in 1960.

Source: L. Nilsson, "Tätorternas folkmängd 1950-1995", unpublished material.

The absolute and relative number of industrial employment reached a peak in the 1960s, and then de-industrialisation set in. This was also a general process for Sweden, but it started in the capital, and it moved on very rapidly. In the 1990s, only 15-16 per cent of all gainfully employed persons in the city of Stockholm was engaged in manufacturing compared to 35-40 per cent in the 1920s and 1930s.⁷ The only industrial branches able to survive and expand in the metropolitan area were those with technically advanced and capital intensive production. The Phone Company Ericsson was one of them, as well as firms that produced, for example, medicines, telecommunications and bio-techniques.

By the end of the 20th century some of the most expanding branches on the labour market were to be found among the so-called producer services. In the mid-1990s more than one in five employed person in the city of Stockholm belonged to producer services compared to one in ten in the late 1960s, and only 4-5 per cent in the 1920s.⁸ This strong expansion of producer services is one of the most central features of the post-industrial development.

Banking, insurance, financial services, real estate, accounting and legal services are some of the main sub-branches within this core sector of the post-industrial economy. All of them have grown substantially since industrialisation, which can be exemplified by the development of financial services. In the 1880s for example banking and insurance only engaged a few hundred persons in Stockholm even if the capital city was the leading financial centre of the country. The employment figure had increased to over 8,000 persons in 1930 or three per cent of the total labour force in Stockholm. This expansion has continued, and the relative figure passed 5-6 per cent in the 1960s. In the 1990s banking and insurance employed more persons than any of the industrial branches and also equalled the numbers employed in the wholesale trade and in the health care sector.⁹

An important trend at the end of the 20th century has been this growth of producer services, telecommunications and other high-tech industries. They have become the driving forces of the economy, replacing the previous generators of industrial production and public service. This new situation has had implications for the regional development and the evolution of the city system. The new dynamic branches have to a very great part been localised to metropolises and not least to Stockholm. Producer services for example engaged one in five employed person in the city of Stockholm compared to one in ten for the entire country.¹⁰

The turn from an industrial to a post-industrial society at the end of the 20th century has thus resulted in a strong expansion for Stockholm as well as other Swedish and Nordic metropolises. Previously expanding industrial towns tended on the other hand often to stagnate and decline (table 2).

Inner city developments

The turn to post-industrialism is also reflected in the population development of inner city areas. A long period of depopulation of the inner city of Stockholm (see map) came to a halt in the 1970s, and was immediately followed by strong population growth. The inner city became in fact the most dynamic part of the entire metropolitan region. Population growth was at the end of the 20th century much stronger in the central parts of the city than in the outskirts or in the suburbs (table 3).

Table 3: Annual population growth for the inner city, the outer city and the suburbs of Stockholm, 1920-1998

Period	Inner city	Outer city	Suburbs
1920-1930	1,30	5,44	2,83
1930-1940	0,70	5,87	2,08
1940-1950	-0,68	8,68	4,15
1950-1960	-1,85	3,52	3,55
1960-1970	-2,40	0,33	5,59
1970-1980	-2,08	-1,01	2,13
1980-1990	0,73	0,24	0,99
1990-1998	1,48	0,88	1,08

Note: Suburbs are defined in note to table 2.

Source: L. Nilsson, *Stockholm i siffror 1850-2000*, Stockholm 2002, tables 7-8, 82-88.

One reason for this totally new population growth pattern is the shift of dynamic branches. During the welfare period (c. 1920-1970) the expanding engineering industries were much more strongly represented in the outskirts of Stockholm than in the city centre. Education and health care – the two other main engines for economic growth – were, geographically speaking, rather evenly distributed (table 4). The economic focus for the most dynamic branches of the welfare period was therefore to be found in the outer city, and not as previously in central and half-central areas.

The growth of producer services at the end of the 20th century meant that some of the most dynamic activities of the economy returned to the central city. Banking, finance and other producer services were in the 1990s much more prevalent in the inner city than in the outer reaches or in the suburbs (table 4). When the economic focus returned to the city centre so did the inhabitants.

Table 4: Employment figures in per cent of total labour force for inner and outer city of Stockholm, 1930 and 1990

Branch 1930	Inner city	Outer city	Branch 1990	Inner city	Outer city
Manufacturing	36,7	50,0	Producer services	19,7	15,2
Health services	3,7	3,1	Health services	8,9	8,4
Education	2,1	1,8	Education	6,0	4,8
All services	22,5	13,0	All services	64,5	56,7
Commerce, trade	19,7	15,7	Commerce, trade	12,2	13,9
Banking, finance	3,0	1,8	Manufacturing	11,7	17,6

Source: L. Nilsson, *Stockholm i siffror 1850-2000*, Stockholm 2002, tables 127-135, 146-153.

Parallel to this development of producer services we can notice that commerce and wholesale trade had generally speaking left inner city areas for a localisation in the outer city or in the suburbs. Highly expanding external commercial centres and industrial areas have during last decades been established on several sites in the outskirts of metropolitan Stockholm. The new traits of development of the city centre are generating new processes of change in the periphery.

Physical developments

The physical development of Stockholm since industrialisation and on can like many other variables be divided into three main phases: industrialisation, the welfare period and post-industrialisation.¹¹

The first period includes the large-scale building of the inner city, which commenced at the late 19th century and continued up the 1920s and 1930s. At the start of the industrialisation only the most central parts of Stockholm were densely built and populated. There we could find houses built in stone and with three or four storeys. The periphery of the area that today is called the inner city of Stockholm (see map) was still rather rural in character with simple, small-scale buildings of wood. But from the second half of the 19th century and on the old small wooden houses were replaced with large buildings of stone with up to five storeys. A new city plan from 1866, following similar ideas as those from the restructuring of Paris and Vienna, laid the foundation for this development. The growth of Stockholm was strongest in these outer areas of the inner city, and the most central district – The old town – started to depopulate already in the 1880s. By 1930 the entire inner city was almost saturated with blocks of tenement houses.

Industrialisation also meant that Stockholm grew outside its borders. Improved communications made it possible for those who could afford it to live outside the city in villas situated in beautiful surroundings. The city itself bought huge private estates in neighbouring parishes, where well kept garden suburbs and other small-scale housing areas were built in the 20th century on city-owned land. For less well-established people apartment houses and even shanty neighbourhoods appeared on private ground in the surroundings of Stockholm.

The steadily ongoing expansion led to the amalgamation of neighbouring parishes, Brännkyrka in 1913, Bromma in 1916 and Spånga including Hässelby in 1949. These incorporated areas are nowadays known as the outer city of Stockholm. During the welfare epoch (c. 1920-1970) Stockholm expanded primarily in these outer districts. The new ideas of functionalism were presented at the Stockholm exhibition in 1930, and they became

immediately very popular. This meant for instance that the outer city was built in a much more open structure than the central city. In the outskirts of the inner city we can also find housing areas from the 1930s following the same ideals for city building.

The outer city was at the start of the second phase mainly built with tenement houses in three storeys closely integrated with nature. The houses were not allowed to be higher than the trees, and nature should be untouched as much as possible. Stones should not be moved away, trees not cut down etc. The outer city was a city built in natural landscape. It became foremost a residential area, but it also housed some of the most dynamic industries.

The scale of the buildings increased successively. In the 1940s the ideal became to build neighbourhood communities with at least 10, 000 inhabitants. Suburbs of 25,000 inhabitants followed them in the 1950s, and the intention from the local authorities was that these new suburbs should include not only dwellings but also working places and a service centre. Those ambitions failed more or less due to the low number of working places. The new suburbs were furthermore linked to the central city with a metro line, which meant that most people continued to work in central areas.

The last phase for the construction of the outer city was the Million Programme from the mid-1960s. That project was characterised by large-scale, high-rise buildings of quite new dimensions for Stockholm and Sweden.¹² The intention was to cover what was supposed to be a major deficit of adequate dwellings. These large-scale and high-rise ideals were however gradually transformed at the beginning of the 1970s. One object now was to imbibe something of the traditional atmosphere and intimacy of small towns at the same time as creating the feeling of inner city environment.

The building of the outer city, in different steps, took thus to a great extent place during the welfare era, which constitutes Stockholm's second phase of modern physical developments. The social ambitions imbedded in urban planning and city building at that point of time gave Stockholm a very good worldwide reputation. Urban social housing became an appreciated key element of the so-called Swedish Model or the Swedish Social Democratic Utopia.¹³

A restructuring of the inner city was going on parallel to all these changes of the outer city. Discussions on rebuilding the central city started already in the 1920s and 1930s, and it was a keenly debated issue. The project didn't therefore start until the beginning of the 1950s and was completed around mid-1970s. This was the most extensive rebuilding programme in any European city. Initially it was motivated by the urgent need for a subterranean railway, but also with a desire to build a modern city.¹⁴

The third phase of physical development began in the 1970s when focus of building activities shifted from the outer city back to the inner city. Since then new apartments have been built in central or half-central sites often on land previously used by industry, transport and analogous space-intense requirements. At the same moment a restructuring of the outer city was about to start. Another important issue at the end of the 20th century has been the necessity of making improvements to the physical infrastructure – new highways, new railway lines, telecommunications etc. – in order to make Stockholm an attractive global city.

Segregation

Stockholm as well as other European metropolises has always been a socially divided city, and it is generally accepted that segregation has increased at the end of the 20th century. A study of

income distribution between residential areas in the county of Stockholm has revealed increasing polarisation during the 1990s preceded by decades of diminishing dissimilarities. The explanation of these new tendencies is sought in the breakdown and restructuring of the welfare systems.¹⁵

Segregation can be analysed and described on many different geographical levels, and from a lot of different viewpoints. Previous research on social variations in Stockholm has for instance pointed out a clearly marked north-south dimension. Well-established people have been strongly represented in the northern parts of the city and in the northern suburbs as well. People with small resources have consequently foremost been found in the southern districts.¹⁶

I have in these context chosen very wide geographical areas, and only made a distinction between the inner city and the outer city (se map). The analysis is furthermore restricted to include just a few variables.¹⁷ Focus will thus be on the geographical distribution of upper classes, lower classes and foreign citizens.

The results are presented in tables 5 and 6. Changing concepts and definitions disturbs the comparison over time in table 5, especially between 1990 and previous years. As long as we have rather identical definitions – i.e. the period 1948-1966 – we can observe a relative constant percentage of upper classes in the outer city. They amounted to about ten per cent of the total outer city population. In the inner city on the other hand the percentage of upper classes increased successively. Lower classes were during this period rather evenly distributed between the inner city and the outer city. But in 1990 we have very marked differences between the two areas. Upper classes are strongly represented in the inner city and lower classes in the outskirts. Even if definitions have changed somewhat and new concepts been introduced I believe that this trend of increasing cleavages are rather certain.

Table 5: Geographical distribution of upper and lower classes (per cent of total population for each district) in the city of Stockholm, 1948-1990

Upper classes	Inner city	Outer city	Lower classes	Inner city	Outer city
1948	12,2	9,9	1948	45,0	48,0
1960	13,8	10,4	1960	45,5	42,9
1966	16,1	9,9	1966	35,4	36,4
1990	26,4	17,2	1990	19,1	27,8

Note: Following the official statistics of Sweden upper classes are for the period 1948-1966 defined as “socialgrupp I” (social group I) and lower classes as “socialgrupp III” (social group III). Other definitions are used in 1990. Upper classes are then equal to “högre tjänstemän” (higher white collars) and lower classes are equal to “arbetare” (workers).

Source: L. Nilsson, *Stockholm i siffror 1850-2000*, Stockholm 2002, tables 118,121, 125, 126.

The tendency of increasing polarisation is further strengthened if we take a look at table 6. During the period 1976-1998 between six and seven per cent of the inhabitants of the inner city were foreign citizens, and the share didn't change very much. In the outer city on the other hand the percentage of foreign residents have increased from 7,6 to 12,2 per cent.

Table 6: Geographical distribution of foreign citizens (per cent of total population in each area) in Stockholm, 1976-1998

Year	Inner city	Outer city	Total
1976	6,3	7,6	7,1
1985	6,5	9,7	8,6
1998	6,6	12,2	10,2

Source: L. Nilsson, *Stockholm i siffror 1850-2000*, Stockholm 2002, table 154.

Table 6 also indicates that the segregation of Stockholm has got a new dimension, an ethnical dimension at the end of the 20th century. Traditionally Stockholm has been imagined as a rather ethnical and religious homogenous city. Until the 1970s, immigrants were so few that it is not possible on the district or parish level to find special areas of foreign settlement. But on lower geographical levels we can notice that immigrants from different countries tended to live together, in the same house, in the same block or in the same neighbourhood. The ethnical segregation had then a small-scale character.

During the last decades of the 20th century a new situation has thus gradually emerged. The proportion of foreigners has increased, and at the same time more religious groups is present in the city. Immigrants are nowadays coming from far more distant countries than previously. A large part of the newcomers have been refugees from Latin America, Africa and Asia.

In relative terms net-immigration to Stockholm has been positive and very stable since the 1930s.¹⁸ One reason for the increasing share of foreigners is therefore the substantial net out-migration of native-born city inhabitants during the 1960s and 1970s (the Green Wave). The restructuring of the inner city meant that the cheap and simple apartments, where immigrants previously could easily settle down, did not exist any more. Other immigrants had been industrial workers and their employers had often offered them housing. With de-industrialisation these firms disappeared from Stockholm, but the foreign workers stayed and had to organise their own living.

The million programme (see above) in combination with intense net out-migration of native-born population resulted in a surplus of apartments in the heavily criticised high-rise housing areas in the outer city. Immigrants could therefore easily find a home in those districts. The apartments were spacious and of a very high standard, but the out-door milieu sterile and boring. Few people really wanted to live there. These areas instead became residences for families with small resources and, most notably, immigrants. Foreign newcomers from the last decades have thus often found their dwellings in the periphery of the outer city, where ghetto-like settlements have developed.

The return of the city

Many scholars are today talking of “the return of the city”, or “the renaissance of the city”.¹⁹ The concept seems to have different meanings for different persons, and perhaps also for different cities. But generally speaking we are talking about a new interest for among other things urban living, urban architecture, and urban planning as well as for inner cities and presumably urban history.

In this article I have tried to analyse “the renaissance” of Stockholm from mostly socio-economic and demographic perspectives. My conclusion is that we in many respects can

observe new tendencies in the development of the Swedish capital city at the end of the 20th century. Stockholm has for instance had a very high population growth rate compared to other Swedish cities. There has been a concentration of activities to the inner city, which consequently has been the most dynamic part of the entire metropolitan region. Social segregation has increased and also got an ethnical dimension. Political aspects or city administration have not been considered, but also from that point of view it seems possible to identify new forms of development.²⁰ One basic factor behind all these new traits is supposed to be the turn from industrialism to post-industrialism taking place around 1970.

Stockholm seems to share at least some experiences with the other Nordic capitals. An important issue for future research could be to find out how general this Nordic trend has been. Do we for example have similar tendencies in the entire Baltic region including Scotland and Ireland? Or is Stockholm perhaps an example of what is going on among medium-sized European metropolises with a certain type of international networking?

NOTES

¹ L. Nilsson, "A Capital Floating on the Waters: The Development of Stockholm in a Long-term Perspective", in: L. Nilsson (ed.), *Capital Cities: Images and Realities in the Historical Development of European Capital Cities*, Stockholm 2000, pp. 152-159.

² L. Nilsson, "Stockholmarna bor och arbetar", in: L. Nilsson (ed.), *Staden på vattnet – Stockholm 1252-2002*, Stockholm 2002, pp. 55-59.

³ An overview of Stockholm's population growth is given in L. Nilsson, "Stockholmarna bor och arbetar", (note 2), pp. 55-56. Figures are given in L. Nilsson, *Stockholm i siffror 1850-2000*, Stockholm 2002, tables 1-2, 9-12, graphs 1-6.

⁴ Figures on migration can be found in L. Nilsson, *Stockholm i siffror 1850-2000*, (note 3) tables 22-26.

⁵ Reykjavik is not included here because of the small population size compared to the other Nordic capital cities.

⁶ Information on the industrial development of Stockholm is given in L. Nilsson, "Stockholmarna bor och arbetar", (note 2) pp. 60-75 and for the service sector see pp. 97-104.

⁷ Figures from L. Nilsson, *Stockholm i siffror* (note 3), tables 44-45.

⁸ L. Nilsson, *Stockholm i siffror* (note 3), table 51.

⁹ Figures from L. Nilsson, *Stockholm i siffror* (note 3), tables 44-53. The definitions of banking, finance, insurance and all other public and private services vary a great deal from census to census, which makes it difficult with comparisons over time. The general trend is anyhow very clear. The financial sector as an engine of economic growth for Stockholm is dealt with in Å. Andersson, *Finansplats Stockholm – en tillväxtmotor*, Stockholm 1998.

¹⁰ L. Nilsson, *Stockholm i siffror* (note 3), table 75.

¹¹ This section is primarily based on T. Hall, "Stockholm planerar och bygger", in L. Nilsson (ed.), *Staden på vattnet* (note 2), pp. 195-298, and L. Nilsson "Stockholmarna bor och arbetar" (note 2).

¹² See for instance T. Hall (ed.), *Rekordåren: en epok i svenskt stadsbyggande*. Karlskrona 1999.

¹³ P. Hall, *Cities in Civilization*, London 1999, pp.842-887.

¹⁴ For a detailed study of the rebuilding of central Stockholm see A. Gullberg, *City – drömmen om ett nytt hjärta_ Moderniseringen av det centrala Stockholm 1951-1979*, Stockholm 2001.

¹⁵ L.-E. Borgegård et.al., "The divided city: Socio-economic changes in the Stockholm Metropolitan Area, 1970-1994", in: S. Musterd & W. Ostendorf (eds.), *Urban Segregation and the Welfare State: Inequality and Exclusion in Western Cities*, Routledge 1998.

¹⁶ L. Nilsson, "A Capital Floating on the Waters" (note 1), pp. 165-170.

¹⁷ For an analysis on parish level including a wide range of variables and a longer time span see L. Nilsson, "Stockholmarna bor och arbetar", (note 2), pp. 15-26. Figures are available in L. Nilsson, *Stockholm i siffror 1850-2000* (note 3), tables 80-158.

¹⁸ L. Nilsson, *Stockholm i siffror 1850-2000* (note 3), tables 27-28.

¹⁹ See for example P. Le Gièles, *La retour des villes européennes*, Paris 2003.

²⁰ See for example Y. Waldemarson & K. Östberg, "Att styra en stad", in: L. Nilsson, *Staden på vattnet* (note 2), pp. 176-187, and L. Nilsson, "A Capital Floating on the Waters" (note 1), pp. 173-175.