Rural and urban welfare in the Nordics

Humans used to live spread out, first as hunter-gathers and then as agriculturists. Over the course of the last century, however, most people have moved to cities, since a high population density facilitates both the production and consumption of material necessities and human services. This development is real, also in the Nordic states. Still, some people live in scarcely populated areas. That creates tension in living conditions between people who live in densely and sparsely populated areas.

All Nordic states support equal living conditions for all citizens. Moreover, only a few generations back, most people used to live in areas with low population density. Therefore, the memory of that kind of life is vivid for substantial parts of the population. This situation creates a challenge for policymakers. On the one hand, politicians might declare that “the country in total should be inhabited” and on the other hand, pure economic considerations argue against living in scarcely populated areas.

This issue of Nordic Welfare Research is devoted to the urban-rural challenge for welfare policy. Several welfare indicators are available. Life expectancy is one. In one paper, Bremerberg (2020) demonstrates that life expectancy is shorter in municipalities with a less dense population, also in the Nordic countries. This disadvantage seems to have increased over the period 1998–2017.

Thus, the problem with rural living is evident. What is not clear are the future trends. Jokinen et al. have studied the changes in development potentials in different Nordic regions. The authors employ a Regional Potential Index (RPI) that aims to summarise developments in demography, the labour market and the economy for 66 Nordic regions. As is to be expected, the urban regions have the most substantial potential. Yet, the difference between the rural and urban areas seems to have diminished during the period 2017–19.

The paper by Heleniak and Gassen (2020) has a more extended outlook. They have analysed regional population trends for the period 1990–2040. Although population growth will be most robust in the urban regions, the remote rural regions are projected to grow, albeit moderately, during the period 2017–40. Thus, the time trends that have been analysed indicate persistent disadvantage for rural areas, but by no means their demise.

Knudsen (2020) summarises the policy responses to the trend of increasing urban-rural inequalities. A common understanding is an inherent tendency for growing inequalities in market economies, both between individuals and between communities. The Nordic welfare policies have been comparatively successful in counteracting individual disparities through education and transfers. These policies are quite similar in the Nordics. The ways of approaching differences between communities, however, differ between countries. During the postwar years, Norway adopted a strict model of planning, while market solutions with deliberate depletion of the rural areas were applied in Sweden during the same period. Today, following EU recommendations, network-based innovation is under-
stood to be the preferred way ahead. This, however, will take us back to our starting point since not all communities are equally endowed with resources for innovation. Thus, other possibilities have to be considered. One is to improve infrastructure connections between rural and urban areas. High-speed internet connections, especially, offer an opportunity to combine high-quality living in a remote area with well paid remote work.

Sven Bremberg

Guest editor

References


