

The background of the entire cover is a detailed, high-contrast map of Copenhagen and the surrounding Nordvest area. The map is rendered in a dark, almost black, color against a bright red background. It shows a dense network of streets, buildings, and green spaces, with the city's coastline and harbor visible on the left side.

# STATE-LED GENTRIFICATION IN A WELFARE-STATE

A thesis on how planning affects  
housing affordability in Copenhagen  
and Nordvest

Jon Peder Bredahl Master's thesis

Rasmus Strandgård Juul Jensen Urban Planning and Management

Niklas Møller Schumann Aalborg University



AALBORG UNIVERSITY  
DENMARK



**AALBORG UNIVERSITY**  
STUDENT REPORT

**Study Board for Planning and Surveying**  
Urban Planning and Management  
Rendsburggade 14  
DK - 9000 Aalborg  
Sekretariat-pgl-sn@plan.aau.dk  
www.urban.aau.dk

**Title:**

State-led gentrification in a welfare-state

A thesis on how planning affects  
housing affordability in Copenhagen  
and Nordvest

**Project:**

Master Thesis

**Project period:**

February 2021 to June 2021

**Group members:**

Jon Peder Bredahl  
Niklas Møller Schumann  
Rasmus Strandgaard Juul Jensen

**Supervisor:**

Kristian Olesen

**Number of pages: 116**

**Appendixes: 16**

**Hand-in: 4th June 2021**

**Key words:**

*Waves of gentrification, State-led gentrification, Neoliberalism, Housing affordability, The just city, The right to the city*

**Abstract:**

International efforts has indicated agents of *gentrification* to not only be locally embedded as policies travel and finance has become a dominant force in urban development. The *state involvement* in gentrification processes have however remained intertwined with an Anglo-American context. Much less attention have been paid to state involvement in gentrification processes in the context of *welfare-societies*. The main concern of this paper is to address how urban planning in a welfare-state is contributing to processes of gentrification. 30 years of planning to re-erect *Copenhagen* is assessed and discussed from planning documents and interviews. Results confirm the state to play a central role in gentrification processes of a welfare-society. Further, contemporary state involvement in looming gentrification processes in the neighbourhood of *Nordvest* is brought into a discussion of how planning can accommodate an urban development to ensure *housing affordability* as a token of a *just city*.



# Preface

---

This thesis is composed by a group consisting of three students enrolled in the 4. semester of the master's program in Urban Planning and Management at Aalborg University, Denmark. The overall interest of this thesis is the role of the state in gentrification process. Within this overall interest, questions of the right to the city, neoliberalisation and housing affordability has been subjects of further interest for the group to research deeper into. The problem oriented work with the subjects is endeavoured mediated in this thesis.

Due to the primary educational object of the thesis, it is first and foremost directed towards the supervisor and external examiner. We hope though for urban planners and other people with interest in the subjects to also get something from our work.

We greatly appreciate the engagement, interest and competent sparring practice of our supervisor Kristian Olesen throughout the work on the thesis.

A thank you should of course also be directed towards the capacities taking the time to meet with us virtually, to take part in interviews.

## Reading instructions

Throughout this report, referencing will appear with a direct link to the bibliography with further details situated in the back most part of the report. The referencing is following the Harvard style of referencing, using the formula of (Authors last name, Year). The reference will refer to the bibliography elaborating, in the following order, on author, title, issue, and publisher including city and year of publishing. When applicable, scientific work will appear with ISBN and or DOI reference while publications available online will include the URL as the final information. Figures, illustrations and tables are numbered according to the chapter they appear in, thus first figure of chapter three will be named: *Figure 3.1*. The caption of the illustration will appear in extension of the figure number. All appendixes are presented in an enclosed document of the thesis, for transcripts of interviews to not be open to the public. Appendixes concerning quantitative data is presented in the enclosed document, but further encompass separate Excel files appearing with a corresponding appendix letter numbering. A comprehensive list of appendixes appear from the table of contents.

---

Jon Peder Bredahl

---

Rasmus Strandgård Jensen

---

Niklas Møller Schumann

# Summary in Danish

---

## Sammenfatning på dansk

Igennem de seneste mange år har verden oplevet en øget urbanisering. Med urbaniseringen følger en øget efterspørgsel på boliger - og ikke mindst tilstrækkelige og betalbare boliger, der af FN betegnes som en menneskeret. Det er dog ikke kun mennesker der rykker ind mod byerne, men i høj grad også kapital. Urbaniseringen i sig selv behøver ikke nødvendigvis at udgøre et problem. Det gør kombinationen af urbanisering og en markedstankegang som løsning til gengæld. Markedstankegangen betyder at staten skal stræbe efter at gøre byen attraktiv for investeringer. Den evige stræben efter at tiltrække investeringer til byen kan betyde, at der forekommer gentrificering. Begrebet gentrificering dækker over ændringer i beboersammensætningen af et område, der fra at have huset en mindre velstående klasse overtages af en mere velstående klasse. Disse gentrificeringsprocesser har over tid ændret karakter efter den rolle som staten har påtaget sig i udviklingen. Gentrificering er i den akademiske litteratur ganske velbeskrevet i en engelsk og amerikansk kontekst, hvor en række forskere har beskrevet statens rolle som bølger af gentrificering. I en dansk kontekst af et velfærdssamfund er ændringerne i statens rolle i forhold til gentrificering dog knap så velbeskrevet. Tilflytningen til byerne og markedstankegangen ses dog også i Danmark, hvor København de seneste 30 år har gennemgået en genrejsning. Fra at der i 1980'erne var store sociale udfordringer i København, er der i dag en stadigt voksende velstand at finde i byen. Markedstankegangen der har vundet frem i Danmark, står i stærk kontrast til tidligere tiders fokus på at skabe tilstrækkelige boliger til den almene dansker og kan være medvirkende til stigende ulighed og voldsomme prisstigninger der presser arbejderklassen ud af København. Vi har derfor stillet spørgsmålet

### **Hvordan er København påvirket af statsledet gentrificering og hvordan kan byplanlægning give plads til en udvikling der sikrer betalbare boliger?**

For at besvare spørgsmålet, undersøges det i specialets første del hvad markedstænkningen, kaldet neoliberalisme, og gentrificering er for størrelser og hvordan det videre påvirker bolig betalbarhed og retten til byen. Her bliver det tydeligt at gentrificering ikke uden videre kan oversættes fra en kontekst til en anden. Der er dog en global tendens til en markedstænkning i byplanlægningen. Derfor udledes statens roller og virkemidler fra teorien i litteraturen om hver af gentrificeringens fem bølger for at kunne identificere disse statsroller i den Københavnske byplanlægning. For at kunne undersøge hvordan byplanlægningen og gentrificering påvirker betalbarheden af boliger, defineres to tilgange til at forstå betalbarhed.

Med udgangspunkt i de fem roller for hvordan en stats ageren kan føre til gentrificering, undersøges konsekvenserne af 30 års planlægning i Københavns Kommune. Først undersøges om der reelt er sket en gentrificering i de københavnske bydele. Her konkluderes



det at særligt Indre By, Christianshavn, Amager Øst og Vest, samt Kgs. Enghave og Vesterbro har været genstand for gentrificering. Med udgangspunkt i en forståelse af at rollerne som en stat kan indtage i forbindelse med gentrificering, er betinget af overordnede samfundsmæssige og fysiske strukturer, undersøges de mekanismer som Københavns Kommune læner sig op ad i planlægningen med kommuneplaner, områdeindsatser og anden planlægning samt interviews med centrale kapaciteter inden for Københavns planlægning og boligmarked. Herfra kan det konkluderes at Københavns Kommune har vekslet mellem flere aktive roller, der har haft indflydelse på at boligpriserne i byen er steget så markant, at de kun er betalbare for grupper der er mere velhavende end den gennemsnitlige arbejder. Arbejderklassen har kun i nogle tilfælde mulighed for at finde en tilstrækkelig betalbar bolig. Det skyldes blandt andet at man målrettet har arbejdet med byplanlægning som en mekanisme til at ændre byens beboersammensætning.

Med henblik på at kunne besvare undersøgelsesspørgsmålets anden del, er en analyse af den nuværende planlægning i bydelen Nordvest foretaget. Vi har ikke set samme grad af beboerudskiftning i Nordvest som i andre bydele af København. Dette kan både skyldes at der i planlægningen ikke har været et særligt stort fokus på bydelen og at der er en relativt stor andel af almene boliger i Nordvest, idet de ikke følger prisstigningerne på boligmarkedet. Den mekanisme der er mest markant, og der på sigt kan føre til gentrificering i Nordvest er den såkaldte ghettolov, der muliggør at boligforeninger kan rykke mere velhavende beboere frem på ventelisterne, men som samtidig i yderste tilfælde kan tvinges dem til at sælge boliger fra til private. Der er ligeledes en række risikovillige investorer, der længe har siddet på ejendomme i Nordvest. Som følge af de stigende boligpriser i København er deres ejendomme nu så attraktive at udvikle at de er gået i gang med at bygge nye moderne boliger, hvilket vil betyde at flere velhavende flytter til kvarteret.

Som konklusion på hvordan planlægning kan afhjælpe den stadigt stigende problematik omkring manglende betalbare boliger i København, finder vi at der i højere grad bør fokuseres på at bygge flere almene boliger i alle dele af byen. Ligeledes vil en strammere regulering af andelsboliger med fordel kunne (gen)indføres således at de ikke i samme grad følger prisen på private lejeboliger. Det vil være med til mindske påvirkningerne af tilgængeligheden til tilstrækkelige betalbare boliger i København som følge af gentrificering og øge retfærdigheden i København for alle befolkningsgrupper - velhavende som ikke velhavende.

# Contents

---

<b>Preface</b>	<b>iii</b>
<b>Summary in Danish</b>	<b>iv</b>
<b>1 Introduction</b>	<b>1</b>
1.1 Housing Affordability crisis on a global scale . . . . .	1
1.2 Danish welfare state context . . . . .	3
1.3 Research question . . . . .	7
<b>2 Literature Review</b>	<b>8</b>
2.1 Neoliberal planning and the housing affordability crisis . . . . .	8
2.2 For whom should the city be affordable . . . . .	12
2.3 Gentrification . . . . .	16
2.4 Housing affordability . . . . .	27
2.5 Theoretical framework . . . . .	31
<b>3 Research design and methodology</b>	<b>34</b>
3.1 Problem formulation . . . . .	34
3.2 Scientific stand . . . . .	36
3.3 Case study . . . . .	38
3.4 Methodology . . . . .	41
<b>4 Analysis of gentrification and affordability in Copenhagen</b>	<b>56</b>
4.1 The extent of gentrification in Copenhagen . . . . .	56
4.2 Planning impacting events of gentrification in Copenhagen . . . . .	64
4.3 Planning in Copenhagen between 1989 and 1997 . . . . .	65
4.4 Planning in Copenhagen between 1998 and 2001 . . . . .	68
4.5 Planning in Copenhagen between 2002 and 2009 . . . . .	71
4.6 Planning in Copenhagen from 2010 onward . . . . .	75
4.7 Summarising changing state roles in Copenhagen planning . . . . .	78
4.8 Housing affordability in Copenhagen . . . . .	81
4.9 Partial conclusion for the second sub-question . . . . .	88
<b>5 Analysis of gentrification and affordability in Nordvest</b>	<b>89</b>
5.1 Present structures in Nordvest . . . . .	89
5.2 Mechanisms in Nordvest . . . . .	90
5.3 Partial conclusion for the third sub-question . . . . .	99
<b>6 Discussion</b>	<b>101</b>
6.1 Is there a housing affordability issue in Copenhagen? . . . . .	101
6.2 Has Copenhagen experienced gentrification during the past 30 years? . . . .	102

6.3	The role of the state . . . . .	104
6.4	How planning can accommodate a development ensuring housing affordability	108
6.5	Theoretical reflections on gentrification in a welfare-state context as waves or tsunami . . . . .	110
<b>7</b>	<b>Reflections</b>	<b>113</b>
<b>8</b>	<b>Conclusion</b>	<b>115</b>
	<b>Bibliography</b>	<b>117</b>
<b>A</b>	<b>Interview with Hans Thor Andersen</b>	<b>128</b>
<b>B</b>	<b>Interview with Ole Hjorth</b>	<b>135</b>
<b>C</b>	<b>Interview with Holger Bisgaard</b>	<b>140</b>
<b>D</b>	<b>Interview with Curt Liliegreen</b>	<b>147</b>
<b>E</b>	<b>Interview with Signe Dehn Sparrevohn</b>	<b>151</b>
<b>F</b>	<b>Debat: Hvordan bevarer vi bedst kulturarven i Nordvest?</b>	<b>156</b>
<b>G</b>	<b>Level of education 1995-2008</b>	<b>159</b>
<b>H</b>	<b>Level of education 2012, 2016 and 2020</b>	<b>160</b>
<b>I</b>	<b>Share of working class on detailed neighbourhood level</b>	<b>161</b>
<b>J</b>	<b>Annual average earned income on neighbourhood level</b>	<b>162</b>
<b>K</b>	<b>Share of private non-profit housing on detailed neighbourhood level</b>	<b>163</b>
<b>L</b>	<b>Share of working class and private non-profit housing in Bispebjerg and Nordvest</b>	<b>164</b>
<b>M</b>	<b>Purchasing power of the working class over time on zip-code level</b>	<b>165</b>
<b>N</b>	<b>Housing affordability for the working class with the ratio-income approach</b>	<b>166</b>
<b>O</b>	<b>Housing affordability for the working class with the residual-income approach</b>	<b>167</b>
<b>P</b>	<b>Reference and minimal budget for different family constellations</b>	<b>168</b>





# Introduction 1

---

## 1.1 Housing Affordability crisis on a global scale

The world is experiencing a new wave of urbanisation. This leads to a dramatic increase in movements from rural areas to urban areas and a recent forecast from United Nations (UN) predicts that 68% of the World's population will live in urban areas by 2050 (United Nations, 2018). Along this rapid urbanisation an increased demand for housing within cities follows, and questions on housing adequacy must be asked. In the *Universal Declaration of Human Rights Article 25* it is written:

*"Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, **housing** and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control."*

(United Nations, 1948, p. 7)

This right to adequate housing is however under pressure in the large global cities, as the issue of housing affordability is becoming an increasingly greater problem. In 2014 it was estimated that around 60 million urban households in the US, Japan, Europe, and Australia were financially stretched by housing costs (Jonathan Woetzel et al., 2014). In OECD countries, housing has become the largest expenditure for households, especially for low, and middle income households, which is a result of housing prices increase three times faster than the median income and faster than the overall inflation (Plouin, 2019). The rising housing prices and lack of housing affordability force lower income groups to move further away from the cities which on top of questions of fairness and *the right to the city* poses a series of issues. The cities risk losing key-workers such as police officers, nurses, teachers who are crucial for a city to function. (Wetzstein, 2017).

These issues are already being discussed in the UN's Sustainable Development Goal (SDG) 11 where a call for Sustainable Cities and Communities is put forward. All members of the UN signed the agreement, thus, agreeing to "*make cities and human settlements inclusive, safe, resilient and sustainable*" (United Nations General Assembly, 2015, p. 14), and further the first target of SDG 11 being "*by 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums*" (United Nations General Assembly, 2015, p. 21).

The lack of housing affordability and the different mechanisms causing a deficiency of affordable housing is the focus of this thesis. The question is how and why this deficiency in housing affordability has advanced.

### 1.1.1 Market driven cities

Urbanisation has not only resulted in the relocation of people but also capital from across the world is being accumulated in the the large cities. The market of professionally managed real estate investment on a global scale was in 2019 worth \$9.6 trillion, as real estate has become a mean to ensure increased and more reliable investments of surplus (Teuben and Neshat, 2019; Fainstein, 2016; Harvey, 2008). Such increase in global investments in real estate re-configures access to the large cities as increasing spending increase prices and thus create exclusive real estate markets only available for affluent classes (Lees et al., 2016).

To showcase how the globalisation and the arrival of large financial institution have changed the way real-estate markets might work and how they are regulated, an example from Copenhagen is the global investment corporation Blackstone. Blackstone's real estate portfolio amounts to \$368 billion, from which large investment have been made in the real estate market of Copenhagen. (Blackstone, 2021). This tremendous scale of investments supports Fainstein (2016)'s argument that real-estate has gone from being a mean of living towards a liquid asset (Fainstein, 2016).

However Fainstein (2016) further argues that the increased financialisation and large investments in the real estate market not necessarily is a problem in itself, it is the combination with the neoliberalisation in urban governing that can create issues for cities. The increased globalisation in the urbanisation of cities has a clear link to the neoliberalisation of urban planning over the past three decades (Fainstein, 2016; Peck and Tickell, 2002; Purcell, 2002). Neoliberalism is based on the idea that:

*"society functions better under a market logic than any other logic, especially a state-directed one. We should give firms and individuals freer reign, the argument goes, to rationally maximize their private economic interests in open and competitive markets."*

(Purcell, 2002, pp. 141-142)

The neoliberalisation of urban planning, thus, entails that urban planners and other governing bodies should strive to create a market friendly environment and let market powers drive the urban development (Olesen, 2014; Sager, 2009). This does not entail that governments and urban planners should be inactive in planning but suggests they should put more emphasis on effectiveness and economical indicators (Sager, 2009). The neoliberal focus in planning has resulted in branches of the academic literature arguing that such a focus in planning can result in gentrification processes.



### 1.1.2 Gentrification processes as outcome

The constant hunt for accumulation of profit and investments in the urban sphere makes, according to Neil Smith (1979), gentrification a logical outcome of a market-based approach to urban development. The processes of gentrification have by some scholars, such as Hackworth and Smith (2001), Lees, Slater, and Wyly (2008c), and Aalbers (2019) been seen as waves of gentrification, where new waves appear as a mutation with major economic crises. Gentrification has gained interest at an academic and political level since the early 1990's, as a globalisation in the real-estate industry has set the larger context for professionalised developers to be early involved with investments in urban renewal projects (Hackworth and Smith, 2001). With fifth wave gentrification, opportunities for investments have made national and local governments eager to use regulatory and financial powers to enable, and boost, the profits of private developers (Aalbers, 2019). The state assistance have created a generation of gentrification characterized by a subsidised private-market transformation of the built urban environment (Smith, 2002). The effects of gentrification however vary depending on the national context in which it is happening (Aalbers, 2019). Gentrification from an academic point of view is well described in traditionally liberal societies of an Anglo-American context. Yip and Tran (2016) argues that gentrification research should be shifted to the global south, where relentless transformation of urban space is appearing to resemble what was understood as gentrification. We however argue that there is also a need to view gentrification from within the global north - specified a Scandinavian welfare state context - where private non-profit housing has excelled in serving a crucial public function of creating relatively affordable housing and proven particularly resistant to neoliberalisation, as it is freed from market structures and institutional constraints as it is largely self-organized and self-managed (Noring et al., 2020). This rises an interesting question of whether the same mechanisms of gentrification (Hackworth and Smith, 2001) happens in less liberal nations such as the Scandinavian countries known for having large and strong welfare states. Urban development, thus also gentrification processes, will in Danish context always be somewhat state-led. The question is then, how and to what degree is the urban development processes state-led. Gutzon Larsen and Lund Hansen (2008) argues the City of Copenhagen have played a central role in the redevelopment of Vesterbro, and thus in the occurred gentrifying process. The current academic literature does however not seem to answer what role(s) the state plays in gentrification in a welfare state context. As so, we wish to fill this gap, departing from the development of Copenhagen.

## 1.2 Danish welfare state context

The following section will provide insights to the conditions shaping the urban development in Denmark, and especially in Copenhagen. This is done especially with emphasis on how the urban development shape the situation of affordable housing in Copenhagen.

### 1.2.1 Neoliberalisation in Denmark

Tendencies of a neoliberalisation have in Denmark increased throughout the past decades with a little delay compared to Thatcher's Great Britain and Reagan's United States of America. Neoliberalisation in a Danish context comes forward in different forms with one of the most renowned forms being the construction of a public-private partnership or a public-public partnership as a mean to move towards a neoliberal governmentality - also in urban planning (Majoor, 2008). Such new state-led partnerships with private partners, or other state-bodies, might lead to confusion on where the decision making power is located and which interests the state is promoting when performing urban renewal processes, as the state now has to take other interests than just its citizens' interest into consideration. Now the economic bottom line of the private partner has become a concern, as the state and private actor are in a partnership. These processes become even more blurring and confusing when the partner is another state body, and this partnership creates a corporation to be the developer of the partner's land. The complexity and the confusion for the layman may increase even further when this corporation, arriving from a public-public partnership, is founded with a large debt, and the sole purpose of this corporation is to close the debt by selling and developing land to the highest bidder. A way that the neoliberalisation can be seen in the urban development is the increase in private developers building in Copenhagen. Figure 1.1 below illustrates the number of housing units developed by private developers and in comparison the private non-profit housing associations since 2006.

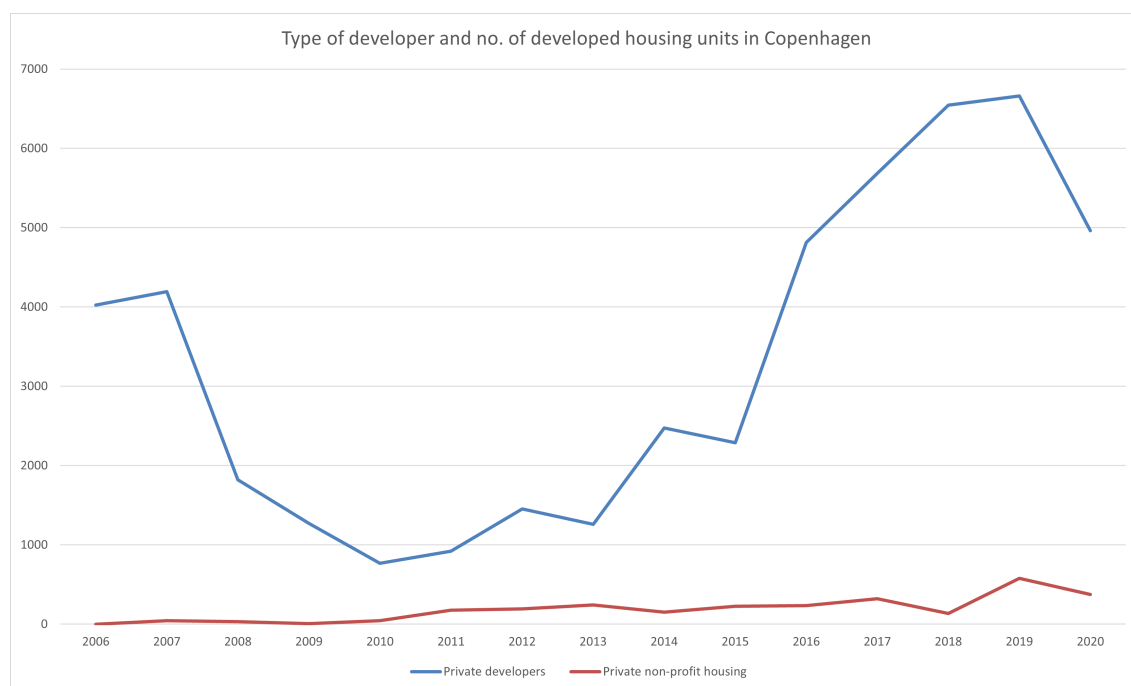


Figure 1.1: The number of housing units built by private developers and non-profit housing associations. Own figure (Danmarks Statistik, 2021b)

A total investment between 2012 and 2019 amounts to 83,4 billion DKK in the Copenhagen housing market, with a share of 40% made by Danish Investment Corporations and 60% by foreign investors. Especially the global market of investors seems to have realised the potential of aal market, as the share of foreign investments has increased from 49%

between 2012 and 2016, to 73% between 2017 and 2019. (Cushman & Wakefield | RED, 2020)

### 1.2.2 Housing affordability in Copenhagen, Denmark

These recent tendencies of neoliberalisation are in stark contrast to previous approaches performed by the national Danish Government to provide adequate housing for the general majority of its population. Thus, the affordability crisis is not isolated to countries traditionally emphasising capitalism and a market-driven approach to housing. In traditional welfare states, such as the Scandinavian countries, a market driven approach to urban planning and development has been an increasingly hegemonic mentality presented with policies. (Lilius, 2021; Majoor, 2008; Malmberg et al., 2012; Turner and Wessel, 2019). Denmark is renowned for its unique private non-profit housing sector, which should not be mistaken for social housing. Rather, private non-profit housing is housing projects developed by a housing association with state-guaranteed loans to construct dwellings. Each estate has its own board elected by the tenants in the estate. By doing so, it has been possible to build cheap housing with the renters being their own landlords - strongly emphasising an empowerment of the tenants. This housing model has historically been independent to the government and the housing market, whereas the model today is under increasing pressure from the national government, as it has been drawn into wider political debates - especially in regards to question on immigration. (Nielsen and Haagerup, 2017)

The City of Copenhagen (København's Kommune) did for years pledge for an update in the Danish Planning Act, making it possible to demand a share of new development to be private non-profit housing. As so, since 2015 local planning authorities have been able to demand a minimum share of 25% private non-profit housing in new development projects (Federspiel, 2015). The City of Copenhagen has nevertheless failed to implement this renewal to its full extend and has instead let private developers, be the drivers of urban development and the share of newly constructed non-profit housing in Copenhagen has since 2015 amounts to app. 12%. (Danmarks Statistik, 2021b). At the same time the housing prices in Copenhagen have increased by 35%. (Danmarks Statistik, 2021d)

These above indicators points in the direction of an increased market-driven approach to provide housing in Copenhagen. However international scholars have recently dismissed claims of how a market-driven approach to housing development focused on maximising the number of housing units will entail a trickle-down effect and ensure affordable housing for the lower income households - rather it increases gentrification of prosperous neighborhoods (Rodríguez-Pose and Storper, 2020).

### 1.2.3 Global city context of Copenhagen

In Copenhagen inequality is likewise rising, (City of Copenhagen, 2020a), the housing prices are rising inappropriately to the income levels of the Copenhagen citizens (Schultz Jørgensen, 2021), and processes of gentrification are forcing the working class out of their neighbourhoods (Gutzon Larsen and Lund Hansen, 2008). These changes are restructuring the conditions of the urban scape in the shape of a potential housing



affordability crisis. On the contrary, indicators are showing the so-called livability of the city is on the rise with the crime levels decreasing and the air getting cleaner (City of Copenhagen, 2020a). Such complex transitions in the urban environment is especially interesting in the context of Denmark and Copenhagen, renowned for its Scandinavian welfare system, which for decades have been characterised by its solidarity and somewhat equality regardless of income. These characteristics appears to be under pressure as Copenhagen is positioning itself as a global city and fails no opportunity to be compared to second-tier global cities as Hamburg, Amsterdam, and the like.

The increased neoliberalisation of urban planning and housing policies in Denmark does however not remove the responsibility from the City of Copenhagen, as they are the ones enabling this kind of urban planning in the capital. Ultimately, this turn in planning has enabled private developers to redevelop previously publicly-owned land, at the developers expense on-site but with surrounding areas being renewed by public money, thus, catering and paving the road for the private developers to invest in potential housing areas. This leaves the municipality and the urban planners at a place where they are enabling a transition in the built environment and the landscape sponsored at the expense of the citizens, but favouring the profits of the developer and ultimately gentrification processes (Schultz Jørgensen, 2021). The problem intensifies as the developers have shifted from being local businessmen to being large global corporations, thus failing to respect the characteristics of the neighbourhood both in terms of built environment and demographic composition, as their sole interest is to create development with the largest margin of profit. Secondly, many of these large global corporations acting as developers fail to partake in one of the key components of the welfare state: paying taxes (Schultz Jørgensen, 2021). Meanwhile these corporations fail to pay their share to the common good, the inhabitants in the newly developed buildings certainly don't.

The neighbourhood which seems to be next in line for the processes of redevelopment within the context of a global city in a welfare state is Nordvest, situated within the administrative neighbourhood of Bispebjerg in the North West part of Copenhagen.

#### 1.2.4 Neighbourhood context of Nordvest

Nordvest is a neighbourhood known for its large share of private non-profit housing originally build for the working class, but today houses a great diversity of immigrants, students, academics, welfare recipients, working class etc. This diversity appears to be under pressure due to multiple emerging circumstances. 1) The Danish Parliament has recently passed legislation enabling demolishing of private non-profit housing if the composition of tenants fails to meet criteria based on shares of immigrants, educational level, and tenants with criminal records, just to name a few (The Danish Government, 2018). 2) Housing prices in Copenhagen have over the past decades skyrocketed starting from the core of the city and over the years moving to the surrounding neighbourhoods. The private owned housing in Nordvest is becoming expensive for the working class, as the pressure from the surrounding neighbourhood is increasing (Danmarks Statistik, 2021d). 3) Real estate corporations have started to buy up land to be developed (Jørgensen et al., 2019).

Thus, Nordvest is an appropriate case for investigating the neighbourhood scale of state-led gentrification processes, as described in section 1.1.2. In order to do so we find a need to understand the state-led gentrification processes that has happened in Copenhagen the past three decades why Copenhagen also will be used as a case. The composition of housing in Nordvest consisting of a large share of private non-profit housing with smaller shares of owner-occupied housing and the possibility of brown field development is playing a vital role in allowing an investigation and understanding of how the national state and the urban planning of the City of Copenhagen is pushing a development powered by financial institutions in a welfare state and how it might be shaped in such a context.

### 1.3 Research question

The wondering of how the state has affected gentrification processes and thus housing affordability lays the foundation for our research question. Moreover we are interested in whether we can discover similar gentrifying mechanisms from previous planning in contemporary planning. The research question and following sub-questions are as follows:

**How is Copenhagen affected by state-led gentrification and how can planning accommodate a development ensuring housing affordability?**

**Sub-question 1** What is neoliberalism and gentrification and how does it affect housing affordability and justice in the city?

**Sub-question 2** How has the state played a role in gentrification processes in Copenhagen and how has it affected housing affordability for the working class?

**Sub-question 3** How can state-led gentrification processes come to affect housing affordability in Nordvest?

# Literature Review 2

---

In the following chapter we will provide an overview of the current academic literature on neoliberalism, gentrification, and housing affordability and the discussions surrounding the terms, in order to answer the first sub-question: *What is neoliberalism and gentrification and how does it affect housing affordability and justice in the city?*. The neoliberal turn in planning that has happened over the past decades (Olesen, 2014; Sager, 2009; Peck and Tickell, 2002), stand for multiple scholars in opposition to "the right to the city" (Fainstein, 2016; Harvey, 2008). We will provide an overview of both neoliberalism and the right to the city and how the two concepts are intertwined. We then aim to explain through the literature on gentrification, and how specifically neoliberalisation in planning may lead to a lack of housing affordability and thereby how it leads to the displacement of a broad category of citizens. There has however yet to be made a link between fifth wave gentrification and housing affordability in a Danish context. Lastly this chapter will contain an overview of the different definitions of housing affordability that has been used over the years with the aim to operationalise the concept in a way that it can be further applied in the following analyses.

The outcome of the literature review will be a theoretical framework that enables us to identify potential issues with housing affordability in the city of Copenhagen through gentrification processes and neoliberalisation of planning in a Danish welfare state context. This theoretical framework will provide the foundation for the analysis of our local cases.

## 2.1 Neoliberal planning and the housing affordability crisis

In order to theoreticise housing affordability in a meaningful way we must gain an understanding of why a lack in housing affordability over the past decades has occurred and for whom it creates a problem. The following will contain an overview of how the housing affordability crisis has been pushed by the neoliberal turn in planning that has been seen over the past decades as well as the increased globalisation of cities.

### 2.1.1 Financialisation in a global context

The globalisation and financialisation of cities and the real-estate market is currently pressuring housing prices but also raise questions of who the city is for and who should be part of the decision making in the development of cities (Fainstein, 2016). Both Susan Fainstein (2016) and David Harvey (2008) argue that the neoliberalisation of planning

is one of the key issues of why this financialisation is creating issues for justice in the city. The financialisation of the real-estate market essentially means that housing is turning into liquid assets which can be traded on a global market by financial institutions (Fainstein, 2016). Housing is thus not being viewed in a local context as homes in a specific neighbourhood, shaping a part of the city, but is viewed and analysed by large investors as an investment opportunity which can create a large return on investment (Fainstein, 2016; Harvey, 2008; Wetzstein, 2017). This has since the 1980's been done on a tremendous scale and as described in the introduction (see chapter 1 on page 1) very large amounts of capital are being invested in the building of real-estate in global cities (Fainstein, 2016). Both Harvey (2008) and Fainstein (2016) points out that the investment in housing has become the default way of which capitalists with surplus ensure that their money does not lose value. Globalism in the combination of the ability to make investment pools are enabling very large sums of foreign money to flow into the (re)development of cities which often result in very expensive, high-rise structures, since investors aims to minimize risk and maximize profit (Fainstein, 2016; Harvey, 2008). This often comes at the expense of a lack in affordable housing for low-income households since building cheap housing often make a less advantageous business cases.

That capitalist organizations wishes to optimize profits is nothing new - neither the fact that it is happening from real-estate development. The increased globalisation and financialisation by developers are according to Fainstein (2016) not necessarily creating a lack of affordable housing and injustice for the inhabitants of cities. Fainstein actually suggests that an increased movement of capital to cities could create development that is beneficial for low-income households. Both Fainstein (2016) and Harvey (2008) agrees that it is the neoliberal turn in policy-making and planning that creates many of the issues that global cities are facing in regards to lack of housing affordability. Private actors are gaining more and more control in the development of cities which benefits the privileged few on behalf of lower/middle-income households (Harvey, 2008). In order to understand the way neoliberalism affects housing affordability and justice in the city first we must gain an understanding of what neoliberalism is and how it affects urban planning.

### 2.1.2 Neoliberalism since the 1970's

In short neoliberalism is a political ideology that revolves around market driven and economic development (Purcell, 2002; Theodore et al., 2011; Olesen, 2014). According to neoliberal ideas society functions best if markets are allowed to flourish without too much involvement from the state. This both benefits society socio-economically but market driven development is moreover the optimal way to take the need of the public into account (Sager, 2009; Theodore et al., 2011). Neoliberalism emerged in the 1970's as a response to the decrease in profit created by mass producing industries (Theodore et al., 2011). In order to extend the reach of the market a deregulation of the state was implemented by reducing corporate taxes, privatization of public services, enhancement of international capital mobility, among other (Theodore et al., 2011). In the 1980's was when the first phase of neoliberalism dominated politically and rolled over the West with the elections of Margaret Thatcher in the UK and Ronald Reagan in the US (Olesen, 2014). This phase of neoliberalism is known as *roll-back neoliberalism* due to its purpose of reducing the role

of the state as much as possible (Olesen, 2014). The 1990's became the decade of the second phase of neoliberalism known as *roll-out neoliberalism*. Instead of states reducing their role, they played an increasingly active role in, aiming to facilitate investment in e.g urban development and thereby supporting the market logic (Olesen, 2014). The most recent phase of neoliberalism is referred to as *roll-with-it neoliberalism* (Olesen, 2014). In contrast to the previous phases it is in this third phase no longer a question of what role the state should play but instead a normalisation of neoliberalism in policy making (Olesen, 2014). Neoliberalism has thus become part of everyday discourses in urban policy making and can therefore no longer be viewed as an end-state, but more as an embedded part of governing practices - a neoliberal governmentality (Olesen, 2014). In the forthcoming section we will present how the neoliberalisation might affect our cities.

### 2.1.3 Neoliberalism in the urban realm

In regards to urban planning much literature indicates that neoliberalism has been the dominant ideology driving urban (re)development (Olesen, 2014; Peck and Tickell, 2002; Sager, 2011; Theodore et al., 2011). When aiming to understand neoliberalism and the neoliberalisation of planning there seems to be a need to take both actual neoliberal regulatory policy making as well as the ideology of neoliberalism into consideration (Theodore et al., 2011). One of the ways that this can be seen is through the emergence of *new public management* within governing bodies, such as in state-led spacial planning (Sager, 2009). New public management revolves around the impression that governing bodies functions optimal if they operate much like private companies. Here aspects of efficiency, economic growth and depoliticisation becomes some of the most important goals for urban planners to achieve. The neoliberal argument is that the market, and business rationality creates the most effective way to serve the public's needs (Sager, 2009). One example of such a corporation in a planning context could be City & Port (By og Havn), who act as a private-public developer of many of the major urban renewal projects in Copenhagen (Noring et al., 2020). City & Port is created and behaves as a private company on the market, but is owned jointly by the City of Copenhagen and the Danish State, and the profit created through the urban development is used to pay of the debt obtained in connection to large infrastructure investments like the metro lines in Copenhagen (Noring et al., 2020). This is thus a way to use a New public management approach in urban development.

Jamie Peck and Adam Tickell's (2002) *Neoliberalizing Space* puts forward seven ways of how neoliberalism have been proven to move into the urban realm and urban planning from entrepreneurial city governance. We find six of these seven ways very help full in understanding the phenomenon a little more in detail (Peck and Tickell, 2002):

1. In urban development neoliberalism creates a *growth first* approach. Aspects like affordable housing and social welfare must come after economic development, creation of jobs and investments. This aligns well with Sager (2009)'s description of the aims of New Public Management. (Peck and Tickell, 2002)
2. Market logic should be the natural way of evaluating urban policy. This means

that policy must by default cater to competitive markets since they create increased efficiency and fairness. (Peck and Tickell, 2002)

3. Alternatives to neoliberalism as paths of urban development are undermined as the public sector has a focus on growth and economic development. This does not only happen through the state becoming smaller and more of its functions are privatised but also through municipal-lending policies and political pressure which all are ways of catering to the market. (Peck and Tickell, 2002)
4. A part of the market logic of neoliberalism is the increased competition between (global) cities for resources, it being a skilled workforce, or investments. Cities therefore must aim to continuously search for investments, promotion and opportunities to show "best-practice" not to fall behind the other competitors. (Peck and Tickell, 2002)
5. There is a quite narrow focus when it comes to creating urban policies influenced by neoliberalism. The policies are based on: "*capital subsidies, place promotion, supply-side intervention, central-city makeovers, and local boosterism*" (Peck and Tickell, 2002, p.394-395).
6. In order to keep cities competitive and not lose out on government funds (both national and transnational) are infused in cities on the basis of economic potential not on the basis of social needs. This means that areas for low-income families which might not seem like the greatest investment are now increasingly being penetrated by neoliberalism. This is done in order to create less crime and welfare dependency (Peck and Tickell, 2002). A Danish example could be the "*ghetto list*" initiative which with the incentive of removing "parallel societies" created by mainly middle-eastern immigrants government wishes to tare down non-profit housing and replace them with privately owned or rented housing.

The neoliberalisation of the urban realm promotes ideas of growth-first market logics in combination with urban policy making. Neoliberalisation thus happens on multiple scales and through multiple sectors. It combines global economy with local urban authorities as well as economic and institutional actors (Theodore et al., 2011). It is essential in describing the current trends in planning and under what conditions planning is created (Sager, 2011). This very heavy focus on economic development from public institutions is also one of the main reasons why Fainstein (2016) and Harvey (2008) view neoliberalism as one of the drivers for a lack of affordability in global cities. As Peck and Tickell (2002) also states, economic focus results in a lack of social and welfare-oriented urban development. When the main focus of urban development revolves around creating favorable conditions for private developers and businesses, it seems logical that a focus of creating profitable urban development might not include affordable housing. Both the lack of affordable housing, but moreover a general discussion of *the right to the city* or *the just city*, have in the academic literature followed the rise of neoliberalism. In the following we aim to bring forward this discussion and relate it to the question of housing affordability, since we (and many others) are of the impression that affordability is also a question of fairness and justice in the city. Essentially it comes down to questions of who is the city for?



## 2.2 For whom should the city be affordable

There has for over a century been discussions regarding who should have the opportunity to live in cities and under what conditions. One of the first well known writings on the subject is Friedrich Engels' (1872) *The Housing Question*. It was written as a response to the booming industrialisation which created the first real pressure on housing (Engels, 1872). Engels described how the workers were forced out of city centers towards the outskirts and how affordable smaller dwellings became very rare in the city. Engels questioned the entire concept of housing being able to extend the value of the production cost. Engels wrote:

*"The solution is simple: we abolish the legal title and declare, in virtue of eternal justice, the rent paid to be a payment on account of the cost of the dwelling itself."*

(Engels, 1872, p. 16)

The whole concept about dwellings creating revenue without any labour being done is in Engels eyes considered unfair and creates a shortage of housing for the workers due to high prices. The cities did not lack dwellings according to Engels it was just an irrational utilisation of them (Engels, 1872). From Engels perspective the answer to the question: *for whom should the city be affordable* the answer would be the working class, that laboured in the factories and the like. Even though we are past the industrialisation and the uprising of the factory workers much of the same reasoning applies to current discussions of housing affordability for those working in the city.

Since Engels, the debate of whom the city is for has however changed rather substantially. One of the most applied terms in this regard is *the right to the city*, but what this actually means and how it is used is a topic of continuous discussion within the academic literature. In the following we aim to present the discussion regarding the right to the city in order to develop a more in-depth understanding of the issues a lack of housing affordability creates.

### 2.2.1 The right to the city

The term the right to the city has become popular in discussions regarding who has access to the urban realm and for whom we are planning (Purcell, 2002). It has been a term utilised by minorities and grass root movements working for a new urban democracy but originates from the french philosopher and socialist Henri Lefebvre who in 1968 wrote the book *Le droit a la ville* in English: *The right to the city*. Mark Purcell does however in his article *Excavating Lefebvre: The right to the city and its urban politics of the inhabitant* believe that much of the literature on the subject does not reflect the original meaning of the term.

According to Purcell (2002), Lefebvre's idea of space is closely linked to the right to the city. In his understand the right to the city means the right to the urban space. Lefebvre however has a very comprehensive definition of space that reaches far beyond the actual

physical space (Purcell, 2002). Lefebvre's definition of space includes *perceived space*, *conceived space*, and *lived space*, or collectively a *triade*.

- **Perceived space** refers to the actual physical, objective urban space (Purcell, 2002).
- **Conceived space** refers to the mental construction of urban spaces (Purcell, 2002).
- **Lived space** refers to combination of perceived and conceived space which represent peoples actual experience with space and the social life it creates and represents (Purcell, 2002).

Urban space is thus entangled with everyday social life and the production of space also means the reproduction of social relations and interactions. Social life and interactions within the urban space is a part of urban life - when Lefebvre writes about the right to the city it is also a *right to urban life* (Purcell, 2002). This idea transfers into the question of whom the city is for and thus ultimately into for whom should the city be affordable. Inhabitants of the city who are constantly living and experiencing urban space and thus (re)producing space are the ones who can claim the right to the city. This definition looks beyond citizenship and social status - it takes into account all who have their everyday life in the city (Purcell, 2002). Further, Lefebvre understand space as something of monetary value to all, not just the owners of the dwellings, but all the partakers in the urban area as they create and re-create the urban space. When understanding the right to the production of space and hence the right to the city Lefebvre mentions two main bodies this right consists of. 1) The right to *participation* and 2) the right to *appropriation*. The right to participation should be understood as right of the inhabitants of the city to participate in all decisions regarding the creation of urban space. This is a very extensive understanding that goes beyond what is normally considered in democratic participation processes. Inhabitants should be able to partake in decision making processes regarding urban space on all scales and levels it being national governing or local investments. This would mean that if e.g. Carlsberg makes any investment decision that affects the urban space of Copenhagen the inhabitants who has a right to Copenhagen should be central in the investment decision (Purcell, 2002). The right to appropriation revolves around the inhabitants physically having access and the ability to occupy physical spaces. If you inhabit the city you should be able to use it. Furthermore, Lefebvre expands this idea to the right to produce the space that is wanted and needed of the inhabitants thus they have the right to complete usage of space in everyday life (Purcell, 2002).

This understanding and the right to the city seems very extensive and especially the understanding of the right to participation rises many question of how actually to make such a participation. We do however believe that the understanding of the right to the city in Lefebvre's understanding would be challenged by the neoliberalisation of urban planning, hence the lack of affordability. If private foreign actors are the ones driving urban development, decisions seems to be quite far from the inhabitants of the city. Rising housing affordability also contradicts the idea of the right to appropriation. If inhabitants are not able afford housing how would they be able to produce space to their needs of everyday life. As aforementioned the right to the city has been used in many different discussion and in many different contexts. In the following we aim to construct an overview of some of the different interpretations of the right to the city.

### Different interpretations of the right to the city and diversity

Even though the concept of the right to city departs from Lefebvre, numerous scholars have since interpreted and discussed the concept with multiple additions, such as discussions of diversity in the city. In the following we aim to provide an overview of these discussions.

One of the understandings - one that is much discussed especially in regards to the debate on diversity - is that the right to the city is a way to empower minority groups who are being excluded from urban life (Marcuse, 2014). These people might have been excluded due to their sexual orientation, ethnicity or low-income. According to Marcuse (2014) these groups could be within the scope of Lefebvre's understanding, but it is also a rather limited understanding of the right to the city, even if it is an urgent one. If we look beyond Lefebvre's understanding of space and the right to the city, this ideal of planning for social diversity, is by multiple scholars viewed as planning for *social justice* (Fainstein, 2005). Obtaining diversity through planning however seems to be a difficult task. Fainstein (2005) writes that when planning aims to provide diversity it can seem too fabricated and inauthentic. Jane Jacobs 1961 argues that if there is created a diversity of buildings and businesses social diversity will follow but Fainstein (2005) believes that in today's global economy this is not sufficient to create social diversity (Fainstein, 2005). Fainstein does however mention that in Amsterdam the municipality have somewhat succeeded in creating diverse neighbourhoods by, among other things, assisting residents with paying rent (Fainstein, 2005). Whether or not diversity is something that we should strive to achieve will be discussed later in this chapter.

As mentioned above there is also a spatial understanding of diversity which is probably the most impactful understanding in practice. Jane Jacobs (1961) argues that cities should be diverse in the sense that it should contain many different types of buildings, restaurants, bars and businesses (Jacobs, 1961). This diversity is essential in creating safe cities that also are economically flourishing (Jacobs, 1961). There is also a spatial reading of the right to the city primarily made by planners, urban designers and architects who view the right to the city as a call to utilize the city better and hence make better, healthier and more aesthetically pleasing cities (Marcuse, 2014). This spatial reading of the right to the city will not be the focus in this thesis. We do not disregard the importance of spatial diversity but we prioritise to investigate the socio-economic aspects of this discussion.

A more recent reading of the right to the city is David Harvey's, from 2008. Harvey understands the right to the city as "*a common rather than an individual right*" (Harvey, 2008, p. 23). He then proceeds:

*"The freedom to make and remake our cities and ourselves is, I want to argue, one of the most precious yet most neglected of our human rights."*

(Harvey, 2008, p. 23)

Harvey (2008) does, to a very large degree, believe that the right to the city is challenged by the constant hunt to invest surplus by capitalists which has entered the real estate market in large cities through neoliberalisation and globalisation (Harvey, 2008). The ability to invest surplus in the real estate market in order to ensure profit is often carried out on the expense of lower-income citizens who are pushed out of their cities due to

increasing housing prices (Harvey, 2008). The right to invest in order to obtain financially gain, exceeds the right to the city according to Harvey (2008). His solution to this issue seems rather close to Lefebvre's ideas of involvement. Harvey suggests that citizens should demand:

*"greater democratic control over the production and utilization of the surplus. Since the urban process is a major channel of surplus use, establishing democratic management over its urban deployment constitutes the right to the city."*

(Harvey, 2008, p. 37)

Harvey does not go as far as Lefebvre in his definition of involvement but both include aspects of citizens having more power over investments that affect the urban space where they have their day to day lives. Also Harvey links one of the main issues when it comes to the right to the city to rising housing prices and hence a lack of housing affordability. Throughout the different readings of the right to the city there seems to be a consensus that the city should be for the many and not the few. The people who lives in and uses the city whether the focus is on *inhabitants* or *minorities* have the right to the city over capital interests, anything else seems to be viewed unethically or unjust. It is unjust if people are excluded from decision making concerning their neighbourhoods and if the inhabitants of cities are not able to occupy and use urban space. This idea of urban justice is the entity of *The Just City* by Susan Fainstein 2014.

### 2.2.2 The just city

According to Fainstein, there are three main approaches in dealing with justice in the city: *Democracy*, *diversity*, and *equality* (Fainstein, 2014). She does not provide an exact definition of the three terms but with the general academic discussions upon each topic and how they relate to urban planning (Fainstein, 2014). The aim of this section is however not to go into detail with each debate since we merely aim to provide a brief overview. We will therefore not in-depth explain *communicative reality* and *agnostic involvement processes* but argue that democratic planning requires some sort of involvement of citizens. The same applies to the other two topics. Diversity in planning must to some degree include different social groups and equality revolves around relatively disadvantaged social groups not being pushed out and completely neglected in planning (Fainstein, 2014). Where Fainstein (2014) differentiates herself in comparison to Harvey and Lefebvre is by arguing that it is possible to create justice in the city through reforms of the existing political-economic institutions (Fainstein, 2014). Fainstein believes that change can be made under the current capital system whereas it seems impossible from Harvey's point of view (Fainstein, 2014). We tend to agree with Fainstein (2014) that change can be made in the current planning system why our main focus is how housing affordability might be created through the means of planning.

The way in which Fainstein suggests planners can use democracy, diversity and equality is through an understanding of *capacities*. *"Capacities do not describe how people actually function (i.e. end state) but rather what they have the opportunity to do."* (Fainstein,

2014, p. 13). People do not have to use or exercise their capacity if they chose not to - e.g. they do not have to participate in citizens involvement processes but they should be able to chose to do so. Furthermore, capacities cannot be traded against one another (Fainstein, 2014). For instance, planners can not provide affordable housing if it is given at the expense of health, hence place cheap apartments close to a dump with toxic waste (Fainstein, 2014). About how capacities can be used in planning Fainstein writes:

*"Judgements would be based on whether their gestation was in accord with democratic norms (although not necessarily guided by the strictures of deliberative or deep democracy) and whether their distributional outcomes enhance the capabilities of the relatively disadvantaged."*

(Fainstein, 2014, p. 14)

We believe that this approach of capacities is very useful when discussing who is taken into consideration when planning and thus who should have the right to afford living in the city. When we view through these lenses it becomes apparent that neglecting capacities of housing affordability, planning becomes more "unjust" and planning should therefore aim to provide more or less equal opportunities for many different people to live in cities. It also enforces that housing affordability can not just be created without concerning other capacities such as health or access to education. There is however the nuance that creating affordable housing does not entail that all housing should be affordable to all people but planning should not neglect the capacities of the relatively disadvantaged or unfortunate.

However over the past decades planning has to some degree neglected the capacities of disadvantaged groups who have been pushed out of the inner cities due to a lack of housing affordability. The question we now wish to explore is how has this happened and what role planning has played. The process of lower-income people being pushed out of the city is called *gentrification* - a concept that is being heavily used and misused in the current urban debates. In the following we will go in depth with current academic literature on the topic to gain an understanding of how the neoliberalisation of planning and the focus on enabling market forces with state-led planning might cause gentrification processes challenging the capacities for the less affluent people in the city and thus, the justice of the city.

## 2.3 Gentrification

From generating an understanding of how neoliberalism have become increasingly intertwined with urban planning, we advance to develop an understanding of how processes of gentrification has been a powerful and central tool in enabling market forces. In the 2000 issue of Dictionary of Human Geography, Neil Smith define gentrification as:

*"The reinvestment of capital at the urban centre, which is designed to produce space for a more affluent class of people than current occupies that space. The term, coined by Ruth Glass in 1964, has mostly been used to describe the residential aspects of this process but this is changing, as gentrification itself evolves."*

(Lees et al., 2008b, p. 9)

In order to understand how the definition of gentrification have come to this understanding, we start with the processes which led Smith (1979) towards his initial attempt to theorise gentrification in the United States. We take our starting point here, as a vast amount of the (most influential) academic literature on gentrification draw its empirical lessons from this US context. As we come to understand in the advancements below, gentrification has however evolved with globalisation to become a planetary phenomenon, thus the definition has also become more elastic.

### 2.3.1 Early definition and mechanisms

During the 1950's, many American cities experienced signs of revival of select neighbourhoods in inner city areas, which earlier had sustained deterioration. By the 1970's these signs had intensified and grown to a nationwide movement of gentrification. Around half of older American cities with a population at more than 50.000 experienced gentrification to account for a substantial part of new housing (Smith, 1979). The contemporary understanding of gentrification was aligned with Ruth Glass coinage of the term in 1964, defined as processes where residential neighbourhoods of the working class are rehabilitated by middle class home buyers, landlords and professional developers (Lees et al., 2008a). Smith (1979), who at the time was a doctoral student conducting research under David Harvey and has become one of the most influential writers on the subject, were at the time in line with this definition. Most of the literature on the subject expanding with the spread of the processes, which were focused on the effects it passed on, e.g., socio-economic relations, cultural characteristics, sense of community, displacement, and benefits to the city. Smith were in contrast interested in the explanations of what caused these processes of gentrification. He suggested that the reasons of gentrification were often taken for granted and that they mainly fell into categories of cultural or economic explanations, often summoned jointly.

**The cultural explanations** revolved around trends towards fewer children, postponed marriages and fast rising rates of divorces, home buyers being younger, and renters dreaming of an urban lifestyle rather than the suburban lifestyle of their parents. A search for socially distinctive communities were emphasized as environments supportive of the self-expression of the individual. Others suggested it extended into more general terms of how white-collar service occupations replaced blue-collar occupations in post-industrial cities and raised values of consumption over production, with gentrification as the urban materialisation hereof.(Smith, 1979)

**The economic explanations** implied rising costs of newly constructed housing with increasing distance from city centre to make it more viable economically to purchase and rehabilitate structurally sound properties of inner and central city neighbourhoods. High



economic costs of commuting, including higher costs of fuel for private cars and rising public transport fares, along economic benefits of proximity to work, should further be added to the costs of newly constructed suburban housing. (Smith, 1979)

Smith (1979) saw that these assumed explanations shared a common perspective of consumer preference. This perspective is along the lines of neoclassical residential land use theory, where gentrification would be simplified to the result of alterations in preference and related constraints of the preference. The consumer explanation can however not be solely decisive. It is likely that younger people moving to the city in a pursuit for education and professional training have a preference to stay in the city, rather than moving back to the suburbs. But if cultural choice and consumer preference is to be a definitive explanation for gentrification – how can it be a global phenomenon, that does not vary substantially across cultural, consumer, urban compositional, and historical differences? Loretta Lees et al. 2008b describes this questioning of the contemporary thinking as if “[...] *Smith took a knife to the underbelly of mainstream thinking* [...]” (Lees et al., 2008b, p. 50). A view solely on consumer preference as explanation for gentrification will imply that the concept of consumer preference is at best contradictory as the individual preferences change in unison or is the result of cultural single-dimensionality. (Smith, 1979)

Thus, Smith (1979) suggests that a broader conceptualisation of gentrification is necessary in order to understand the causes of gentrification processes. The consumer is only one of many actors in the complex process. In addition, the role of builders, developers, landlords, mortgage lenders, government agencies, real estate agents and tenants should be taken into account. From doing so, Smith presents that

*"[...] the needs of production – in particular the need to earn profit  
– are a more decisive initiative behind gentrification than consumer  
preference."*

(Smith, 1979, p. 540)

Smith stresses that it should not be understood as a producer's sovereignty theory. Rather it should be understood that the relationship between production and consumption is symbiotic, but a symbiosis dominated by production as consumer preference and demand for gentrified housing can be created. The widespread decisions of gentrifying inner city neighbourhoods are therefore first and foremost a result of the preference for profit or more precisely the promise of a sound financial investment as few would consider to redevelop an area with the prospect of financial loss. In order to theorise gentrification Smith therefore examines gentrification in a broader historical and structural context for the investment of capital and the characteristics of investment on the built environment. We therefore proceed to understand the conditions for a profitable redevelopment of a neighbourhood. (Smith, 1979)

### **Capital depreciation, investment in the built environment, and the rent gap**

A profitable investment is important in a capitalist economy as profit is the measure of success. The mechanism of competition leads enterprises to strive for continuously higher

profits to accumulate capital to be able to afford advancements in production methods to stay ahead of competitors. The competition ultimately ends with bankruptcy or merging into larger enterprises. The search for overall economic growth to secure continued economic stability at a larger economic scale is the translation of the individual enterprise's search for accumulation of capital to stay competitive. The built environment becomes attractive for profitable investments when economic growth is hindered in the industrial sector (Smith, 1979). Smith strikes up, that investments in the build environment has a two-sided nature

*"[...] for as well as being a vehicle for capital accumulation, it can also become a barrier to further accumulation."*

(Smith, 1979, p. 541)

As land and improvements built into it is seen as commodities in a capitalist economy, it can be the subject of a profitable investment. The constant hunt for creating new environments for profitable investments in a capitalist economy, devalues previous investments in the process (Smith, 1979). Smith is the first to connect these fundamental mechanisms of capitalism to the meticulously laid out pattern of land parcels in an inner city (Lees et al., 2008b). Investors will always find themselves in a paradox between investing to maintain the viability of former investments or seek out opportunities of new investments elsewhere to not loose out on competitors with new technologies taking advantage of new developments. The new investments imply abandoning and neglecting the former investments as more profit is seen to be made elsewhere. (Smith, 1979; Lees et al., 2008b)

The competitiveness of the market means that for everyone involved; landowners developers, etc., "[...] *new urban development is geared to maximize profit*" (Lees et al., 2008b, p. 50). This means that there is an incentive to exploit a plot of land for its most profitable use - often seen to be high-end retail or upper middle-class residential use, according to location (Lees et al., 2008b). An investment in the build environment is however conditioned and restrained by the characteristics of private property rights, the spatial fixation of land and the improvements on it, and finally a long turnover period. The private property right is as close as it gets to a monopoly on the use of a piece of land. This allows the land owner to capture a *ground rent*, which is simply what the owner is able to demand for the right for someone to use the land. The *value* of the structure build onto the plot accounts for the total labour invested in its construction. Together the land and the build structure on it is eventually available at a *sales price*. The sales price of course highly variate with the location. Accessibility and central location is highly valued along with the vast amount of collective investments over time to establish large vibrant cities. The sale of a plot therefore includes the buyers expectation to engage in economic activities on the site. A landowner can thereby capitalize the ground rent from a combination of tenant payments, productive activity and the appreciation of the ground as an asset captured at a sale. (Smith, 1979; Lees et al., 2008b)

When construction is all new, all actors are eager to maximize the right to use a parcel and capitalise as close as possible to its full potential. The invested capital is now firmly put in place in the build structure. It then becomes exposed to anything that might alter the

urban-economic situation and substantially change the conditions of the investment in its use. A general development of the nearby areas may for a short period of time increase the possible ground rent, as an area becomes more accessible from infrastructure improvements or general improvements in the desirability of the area. Over time however, the structure will unavoidably depreciate slowly. Technology of the built structure and infrastructure will age while construction methods and design will improve with new generations. It requires ongoing labour and investment of fresh capital to maintain the investment as profitable and competitive. Year-on-year, the *capitalized ground rent* of the present land use will diverge further from the *potential ground rent* that could be demanded at the most profitable use of the land. The capitalised ground is constrained by the upkeep of the built structure and how the current use has aged with larger societal developments. In contrast, the potential ground rent will, with almost certainly, gradually increase over time, as long as the urban region experience some form of continuity with a combination of population growth, employment, and technological advancement. (Smith, 1979; Lees et al., 2008b) As seen on figure 2.1, this divergence between a potential and a capitalized ground rent is the rent gap.

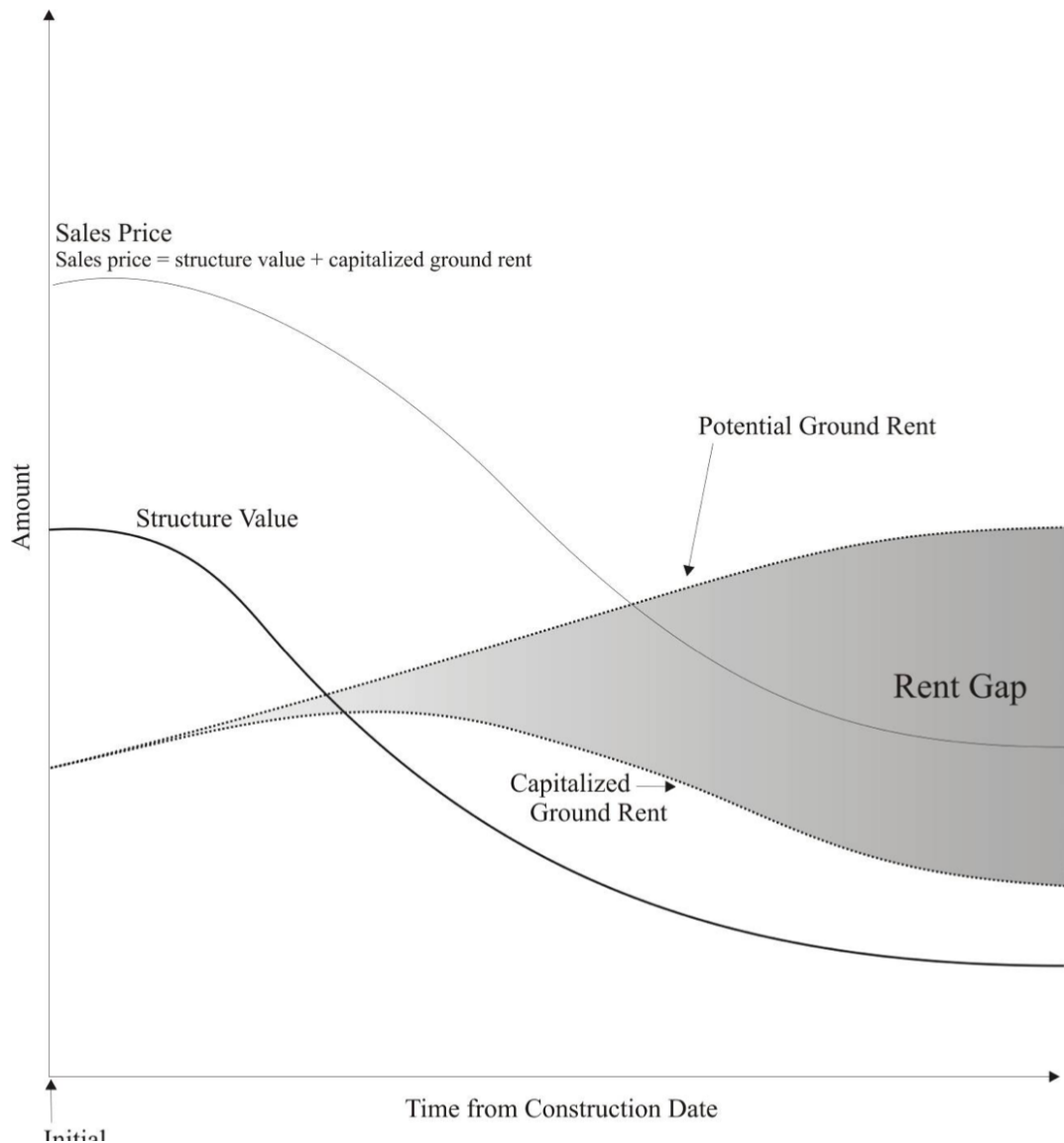


Figure 2.1: The graphic illustration of the rent gap, as the divergence between the actual economic return with the capitalized ground rent from the current use of a plot and the maximum economic return with the potential ground rent at the most profitable use of the plot. (Lees et al., 2008b, p. 52) after (Smith, 1979, p. 544).

As new development undermines older investments, owners follow the cycle of depreciation in their examination of when to end adding additional capital to aging land uses and engage disinvestment. Landowners of properties representing the most profitable use decades ago, now find it difficult to recover the cost of even the most necessary maintenance of a current use for low-cost rental housing. From an economic point of view it becomes rational to extract the capitalised ground rent from the current tenants, lower maintenance to an absolute minimum, and wait for a satisfactory increase in the potential ground to be capitalized from a redevelopment. The disinvestment can be difficult to detect in its early stages. Gradually, however, lack of maintenance becomes observable. People with the necessary economic opportunities will move. Financial institutions will label the area as too risky to make loans for and the decline of the neighbourhood accelerates. Residents and businesses with moderate incomes get replaced by poorer and poorer tenants. (Lees et al., 2008b) This process is referred to as filtering, and tend to proceed processes of

gentrification happening with the following redevelopment of a piece of land to re-approach its potential most profitable use. With the understanding of the rent gap theory we would come to assume gentrification to happen first where the gap is greatest and the potential for profit is maximized. However, in debates over the rent gap theory, empirical observation have shown that gentrification often begin in neighbourhoods slightly better off than the very poorest, e.g. neighbourhoods with a mix of working-class and poor in recent proximity to working districts and not too isolated from other middle-class residential enclaves in the city. (Lees et al., 2008b)

Daniel J. Hammel (1999a,b) introduces geographic scale to help explain why gentrification does not start of in neighbourhoods experiencing the absolute worst poverty and disinvestment, but rather in relatively depressed and devalorised working-class neighbourhoods. The poorest neighbourhoods have the greatest rent gap of an individual parcel when the capitalised ground rent is measured against the steadily rising potential ground rent at a metropolitan scale, but not when the effects of the neighbourhood is taken into consideration. Neighbourhood effects cover variables mediating the operation of the rent gap - along with many other, some of these are the perception of the neighbourhood in the eye of the surrounding region, the geographical location, the proximity to social services, and both the real and experienced risk of crime. A redevelopment will only happen if any negative barriers at a neighbourhood level can be overcome. The neighbourhood effects therefore determine the degree to which it is possible to close the rent gap between the individual parcels capitalised ground rent and the metropolitan level potential ground rent (Lees et al., 2008b).

This integration of geographical scale with processes of gentrification offers a solution to the difficult conceptual question of land value and land use, raised by Steven C. Bourassa (1993), who argued that land rent would be independent of land use in classical economic theory, which would undermine Smith's 1979 characterisation of capitalised ground rent. The integration of geographical scale further explains why old, wealthy neighborhoods remain, even in cities with vast neighbourhoods of disinvestment and poverty, as the tendency for capitalised ground rent to fall over time, from the ageing of buildings and rising costs of maintenance and repair, can be resisted if a sufficient number of property owners have the ability and prioritise to reinvest in a geographically relatively concentrated area. (Lees et al., 2008b)

### 2.3.2 Waves of gentrification

The above definition of gentrification is the stable core of the concept, but how it actually occurs have changed over time and might be viewed as waves of gentrification according to (Hackworth and Smith, 2001). This is also where we initiate the exploration of different roles the state can play in gentrification processes.

**The first wave gentrification** was, according to Hackworth and Smith (2001), initiated in the late 1960's lasting only a couple of years until the early 1970's. This wave of gentrification was mostly characterised by the activities of sporadic, pioneer gentrifiers. As gentrification was thought to be too risky for the private sector, these gentrifiers were often supported by the state, as a response to disinvested and deprived inner-

city neighbourhoods in the United States, Western Europe and Australia. The urban renewal was significantly supported by local state authorities to avoid further depression in previous important areas. As so, the condition for the working class worsened as the mechanism explained in the previous section began to come into effect, and either forcing working class tenants out of the neighbourhood by lack of maintenance or increased rent prices. However, this first wave of gentrification came to a sudden halt when the oil crisis hit the Global North. (Hackworth and Smith, 2001; Lees et al., 2008c; Aalbers, 2019)

**The second wave gentrification** had its stage set as the 1970's oil crisis slowed down industrial and production processes, and thus impacting economies of the first sector of industrialisation. In the meantime companies with money set a side and influence in the second sector of the housing market, began to invest in properties in inner-city neighbourhoods. The blooming potential of renewed inner-city neighbourhoods did not escape the lens of the planning departments, and as so they began to pave the road for larger overhauls of the areas through various more or less laissez-faire urban development plans. Intended or not, these urban development plans caused massive spikes in evictions and homelessness. At the same time, global investment companies began to see the potential to invest and gentrify working class neighbourhoods to instead be prosperous areas for art and real estate targeting the upper-middle class segment. Lees et al. (2008c) highlight the regeneration plan of Bilbao, based on six key elements, as emblematic of second wave gentrification:

*"(1) a postindustrial vision for the city; (2) altering the city's image; (3) transforming its physical environment, focusing on symbols of renaissance (e.g., exhibition centers and concert halls); (4) an explicit focus on the downtown and its derelict areas; (5) the importance of urban leisure economies - the Guggenheim effect; and (6) a new urban governance system based on public-private partnerships (Vicario and Martinez Monje 2005)"*

(Lees et al., 2008c, p. 177)

In response to this various state-initiated programs enabling development for affordable housing was enacted, but only for a short period of time, as the time of Thatcher and Reagan was not in favour of such Keynesian initiatives. Quite the contrary, as new legal instruments made it possible for local authorities to create enterprise zones in which direct state-sponsored subsidy was hidden in the encouragement of gentrifying development. This new urban politic 'ushered' in, partly due to globalisation, shifting an emphasis of welfare towards one of local economic development and growth. This second wave of gentrification lasted until the late 1980's as it began to slow down due to the recession and tendencies showing signs of degentrification. (Hackworth and Smith, 2001; Lees et al., 2008c; Aalbers, 2019)

**The third wave gentrification** was the resume of rent levels, housing unit sale prices, tax arrears and mortgage levels to the profitable tendencies before the recession of the late 1980's and early 1990's. The recession did not cause as dramatic a halt to gentrification processes as expected. Instead, gentrification processes only slightly slowed down for some years only to return with corporate developers as the leading initiators, minimising



the former impact of pioneer gentrifiers. This meant taking on larger housing and infrastructure projects than in the previous waves, whereas earlier processes were mostly characterised by "smaller" firms taming the working class neighbourhoods, thus paving the road for the larger global corporations. The resistance against processes of gentrification more or less ceased as movements of anti-gentrification became increasingly marginalised. The gentrification processes also started to expand further towards suburban areas outside global cities as well as smaller, metropolitan, non-global cities, started to experience the processes in their inner-city neighbourhoods. The involvement of the state in the gentrifying processes advanced to a more open state with a confidence in asserting and facilitating gentrification. This happened as giving out favourable loans to developers for inner-city renewal projects, financing it by increasing taxes in suburban areas and thus nudging people to move into the now gentrified inner-city neighbourhoods, and later start processes of urban renewal in the late middle-class suburban areas, now working-class neighbourhoods - only for them to be the victims of displacement and gentrification processes yet again. As we have seen with the previous waves, the states affiliation with gentrification has been evident as long as it has been a process of acquaintance and, thus, it is nothing new here in the third wave. However, Lees et al. (2008c) emphasise that in many ways the heightening of the states role in gentrification to one of a more assertive assistance, that fueled the process of gentrification more directly than in the past, largely came down to an increase in delegation of power to lower levels, such as local planning authorities. (Hackworth and Smith, 2001; Lees et al., 2008c; Aalbers, 2019)

**The fourth wave gentrification** is seen to have emerged as a new distinct wave of gentrification in the United States happening in the period after a recession began to hit the U.S. economy in early 2001. Lees et al. (2008c) build on top of Hackworth and Smith (2001) work of the first three waves of gentrification.

In the fourth wave, an intensified financialisation of housing is added to the pro-gentrification politics of the third wave. The intensified financialisation happened as a consequence of a previous decade where mortgage lending practices had been altered from public policies and financial services competition, to relax underwriting standards and down-payment requirements, while trading with borrowers debt obligations expanded. The sustained consumer borrowing had helped mitigate the recession, but also funneled exorbitant flows of capital into housing - where low interest rates allowed home buyers to bid up housing prices through the recession. In contrast to earlier waves, financial institutions were no longer opposed to risk. New underwriting technologies allowed a targeted separation of risk, where mainstream national banks are offering wealthy gentrifies competitive loans, while low-income home owners are subject of risky and high-cost loans from lenders seeking to exploit them. As all of this often is happening within the same neighbourhood, patterns of disinvestment, reinvestment, and processes of rent gap dynamics are becoming increasingly complex, inscribed with fine-grained inequalities. Years of heavy capital flows into housing severely affected the housing affordability crises among lower-income homes. Thus, the most distinguishing features of the fourth wave, Lees et al. (2008c) argue, is "[...]the consolidation of a powerful national political shift favoring the interests of the wealthiest households [...], combined with a bold effort to dismantle the last of the social welfare programs associated with the 1960s. (Lees et al., 2008c, p. 183). This has been based on the use of public-private

partnerships and a market-oriented approach to urban problems, initially laid out by the Clinton administration, aiming for the state to remove any remaining constraints for private market gentrification to vigorously thrive. The successive Bush administration continued many of the programs promoting home ownership to low and moderate-income households, where state involvement is at a bare minimum and the individual bear both the risk and the reward. This new conservative urbanism have proven particularly dominant in a U.S. context, based on a desire to reclaim the city with state-assisted efforts for the purpose of business, the middle classes and the market by an invasive moral and penal regulation of the poor. Emblematic is the conservative solution of cultural integration pursued as a positive public policy tool after the Hurricane Katrina hit New Orleans in 2005. It was argued that the poor displaced by the natural disaster was given the option to disperse into middle-class neighbourhoods elsewhere, while it was considered key to rebuilding the city around making it so attractive for the middle-class families that they would not mind that their blocks included a number poor people. (Lees et al., 2008c; Aalbers, 2019)

**The fifth wave gentrification** is the latest iteration of gentrification and denotes contemporary processes of gentrification, dominated by a globalisation in the financialisation of capital. Aalbers (2019), who on top of the work of Hackworth and Smith (2001) and Lees et al. (2008c), argues that after a short pause with The North-Atlantic financial crisis, starting in 2007, many state institutions continued to promote and subsidise mortgaged home-ownership, secured mortgages and fostered the spread of Real Estate Investment Trusts (REITs). International capital is seen to flow into gentrifying and already gentrified neighbourhoods through the investments of transnational elites, along more and more upper-middle classes, using the purchase of super prime real estate to safely store excess capital in top-tier global cities as London and New York - but increasingly expanding also to second-tier global cities as Vancouver and Amsterdam. The state appears to play an increasingly important role in facilitating the private investments in the urban environment. The state's leading role can be seen as a continuation of third and fourth wave, but the prominent role of the state is now supplemented by financialisation rather than replaced by it. This extends further than the financial sector facilitating mortgages, as financing is leading to the rise of corporate landlords backed by international capital markets. As with wider tendencies of neoliberalisation of state institutions, it is often considered natural for states to support private investments. Local governments are, thus, seen to be acting based on the 'potential' for (investments in) housing more so than a 'need' for housing. Gentrification processes have therefore not only been generalised but are increasingly naturalised in urban development - as if it is the duty of the state to support private investments. In a period where urban development is increasingly controlled by the concentrated financial capital at the disposal of financial institutions, they become dominant in urban development. The dominant forces of fifth wave processes of gentrification, thus, have become finance and state in supplement to each other. Neither have come to establish a monopoly on urban development, but have rather become the two dominating powers shaping it. Developers remain important, but are conformed to the determination of financial actors of *when*, *where* and *how* cities grow. This does not imply that finance capital dictates development in the same way all around the world or that other actors have no agency. Aalbers (2019) does however emphasise the need to

study the dominance of financial capital across cases in order to understand contemporary gentrification. (Aalbers, 2019)

**Waves or Tsunami?** When revisiting the *The Changing State of Gentrification* (Hackworth and Smith, 2001), Hackworth (2019) argues in clear hindsight that the waves are more to be perceived as an ongoing rolling tsunami, as the suggested breaks in the 2001 article today seems to be more of a slowdown of the tsunami than an actual pause to the gentrification processes. This notion has to be viewed in the light of real estate becoming the main market driver across the globe, heavily impacted by neoliberalism, and Hackworth's (2001) belief in a halt to exploitation of the market mechanisms of the global real estate market. None of this have come to a halt yet, but the accumulation of value in real estate has just continued to rise. At the same time Hackworth (2019) acknowledges the forth and fifth wave theorisation developed by Lees et al. (2008c) and Aalbers (2019) as suitable concepts to grasp the continuous development of gentrification. As so we recognise the concept of gentrification waves, but we wish to develop a contemporary understanding in the context of state-led gentrification in year 2021.

### 2.3.3 Planetary gentrification

The above conceptualisation of gentrification as waves was made in an American context in New York, as is with most of the academic literature in the field of gentrification with supplements of British scholars. However, in recent years an interest in gentrification as a planetary concept have seen an increase by scholars outside the Anglo-American realm of academic literature. Wyly (2019) argues that the Anglo-American concept of gentrification have been too strict and invasive in literature of the Global South, and not recognising the contextual differences of the different states' behaviour. The effort is not to reject the urban concept of gentrification, but instead making it more adaptable to the specific context. At the same time Lees et al. (2016) and Wyly (2019) argue that to recognise gentrification as planetary we must acknowledge the diffusion of neoliberalism and developerism as the most dominating ism's in the urban realm across the globe (except for a few cases, of course). According to multiple scholars (Hackworth, 2019; Lees et al., 2016; Wyly, 2019) the Anglo-American developed concept of gentrification can be used in a different context, such as in the welfare states of Scandinavia, countries in the Global South etc., when acknowledging the ism's surrounding gentrification and the context gentrification processes might occur in.

Thus, we come to assume the perspective of Lees et al. (2008c) agreeing

*"[...]with Neil Smith (2002) that gentrification has become 'generalised' into a global urban strategy, but just as neoliberalism and globalization unfold in different ways in different places in a pattern of uneven development (Tickell and Peck 2003; Harvey 2006b), so too does gentrification."*

(Lees et al., 2008c, p. 187)

Where ever we come across processes of gentrification, it ultimately revolves around the displacement of less affluent people - directly, but increasingly also indirectly. As we intend to investigate the influence on housing affordability from neoliberalism of planning and gentrification morphing into a planetary urban strategy, we find Smith and Williams (2007) stand on defining gentrification to be just as suitable today, as they state that because it is

*"A highly dynamic process, it is not amenable to overly restrictive definitions; rather than risk constraining our understanding of this developing process by imposing definitional order, we should strive to consider the broad range of processes that contribute to this restructuring, and to understand the links between seemingly separate processes."*

(Smith and Williams, 2007,p. 3)

What we then are interested in, is the mechanisms leading to the unjust developments in the housing question in a global city, as we argued for in section 2.2 on page 12, on for whom the city should be affordable, but in a welfare state context. Manuel B. Aalbers (2019) describes the processes of gentrification as a cause to a lack of housing affordability with how:

*"The financialisation of housing [...] increasingly is becoming generalised around the globe in fifth wave gentrification. This results in house price inflation across the board, not only in gentrifying neighbourhoods, but it does imply that increasingly larger social groups are excluded from housing in certain locations as prices are simply out of their reach, resulting in a great deal of indirect displacement. As rents broadly tend to follow the developments in house prices, this also puts pressure on rental properties, again not only in gentrifying neighbourhoods, but more so in those areas as there is more potential to raise rents and rent out properties to higher-income groups than those living there previously. "*

(Aalbers, 2019, p. 7)

It seems apparent that especially fifth wave gentrification and housing affordability is highly intertwined, and that the increase in housing prices to a large degree result in the displacement of lower-income residents away from inner-city neighbourhoods. In order to gain an understanding of what this in reality means we must obtain an understanding of the concept *housing affordability* through the current literature on the topic.

## 2.4 Housing affordability

There have over the years been many different academic approaches on how to best describe housing affordability. In the following we wish to dive into two different approaches described in the academic literature on the topic: *the ratio-income approach* and *residual-income approach*. The aim is to operationalise the concept and find/develop an approach that can be used in analyzing housing affordability in the case of Copenhagen.

### 2.4.1 Ratio-income approach

As aforementioned, there are multiple different understandings on how affordability can be measured, and the ratio-income approach to obtain this understanding seems to be the most applied. The ratio-income approach delivers a specific percentage which can provide insights on how much a household spends on housing, and indicate whether or not housing is affordable for the family. The ratio is calculated by subtracting the housing cost from the disposable income in the household.

$$\text{Income Ratio} = \frac{\text{Housing Expenses}}{\text{Household Income}} \times 100$$

$$\text{Housing affordability} = \text{Income Ratio} < 30\%$$

Whatever amount is left after paying for housing should then be able to cover all other necessary expenditures in order to be affordable (Stone, 2006). This ratio can then be converted to an explicit percentage used as rule of thumb on how to plan for housing affordability.

This percentage has changed over time since it was first introduced in American literature in the Nineteenth Century, ranging from 20% in the 1950's to 25% until the 1980's and since then 30% has been the most applied percentage (Napoli, 2017). Additionally, the 30% ratio is applied by the European Union in their public statistical analysis EUROSTAT, by multiple American authorities, and in a Danish context to exemplify the level of the housing burden (boligbyrde) (Napoli, 2017; Realkredit Danmark, 2020).

Even though the ratio-income approach is widely accepted as the rule of thumb for assessing housing affordability in policy making in the Global North, the approach has a range of shortcomings. First of all, the ratio-income approach fails to acknowledge the shortcomings of using the same ratio across all income level, as high-income household can afford to spend more than 30% as the price for other necessities does not necessarily increase proportionally with a high salary. It can also be viewed the other way around when using Stigler's words:

*"The poorer anyone is, the greater the amount relative to his income that he must spend for housing"*

(Stigler, 1954, p. 100)

This is also why countries like Australia and New Zealand measures the state of housing affordability by applying the ratio-income approach, not across all incomes, but exclusively at the bottom 40% of households based on income; also known as the 30/40 rule (Stone et al., 2011; Dewilde, 2018). A second shortcoming of the ratio-income approach is the confusion of what is included or excluded in the equation. For instance it is not given what a household constitutes of if the expenditures regarding utilities are considered etc. Lastly, the ratio-income approach is not based on any statistical evidence, but is merely a rule of thumb, based on literature dating back to late 19<sup>th</sup> century (Napoli, 2017).

Based on these shortcomings it is striking that this approach to understand housing affordability is widely used among powerful institutions and policy makers worldwide, but as the next approach will outline, it can be difficult to estimate, as the question of affordability is of highly subjective matter and many externalities makes the matter complex to quantify without shortcomings. (Stone et al., 2011)

### 2.4.2 Residual-income approach

In response to the ratio-income approach and its shortcomings, the residual-income approach was first introduced in academia in the early 1990's and arrives from research on minimum budget models and poverty (Heylen and Haffner, 2010).

The starting point of understanding the residual-income approach comes from flipping the perspective of the income-based approach. Thus, the starting point of the residual-income approach is to investigate how much a households spends on necessities other than housing, and from there defining housing affordability by how much is left of the household budget to spend on housing. However, in reality households often pay their mortgage or rent before other necessities, and therefore housing affordability depends on whether the household is able to pay for all necessities afterwards. The residual-income approach is therefore more a relationship between housing and income than the ratio-income approach (Stone, 2006; Heylen and Haffner, 2010). The formula to calculate for housing affordability, using the residual-income approach can be viewed below.

$$\text{Residual Income} = \text{Household Income} - \text{Housing Expenses}$$

$$\text{Housing affordability} = \text{Residual Income} > \text{Non-Housing Expenses}$$

This approach, in contrast to the latter approach, departs from normative guidelines such as data on average spending patterns depending on the composition of the household, or as used in the formula *Non-Housing Expenses*. By approaching housing affordability by normative guidelines the residual-income approach acknowledges that even though two sets of household have the same income, they might not be able to pay the same ratio on housing. If household one consists of two parents and two children, and household 2 of merely a couple, household one has a larger "other-necessities" expenditure, and in the end far less available income to pay for housing compared with household one (Stone, 2006). This leaves the household of four people with an affordability issue, even though they earn as much as the other household and are tenant in an identical apartment. This example illustrates how the residual-income approach considers externalities, other than housing expenditures, being vital expenses in the average household. Additionally, the example also illustrates the complexity of how to measure and standardise these externalities both nationally, as the type of households and geography are ever changeable, and internationally as the composition of every state and its welfare system, or lack off, change as much as the type of households.

The shortcomings of the residual-income approach mostly belongs to its normative departure, of which it can be difficult to create standardised measures for *other necessities*



than housing as this varies from every household. As we will later explore efforts have been made in this regard with a great margin of uncertainty. Further, the great complexity of the residual-income approach have pushed scholars to acknowledge the approach as more precise and fair when measuring affordability. Nevertheless, at the same time the approach leaves the research at mostly theoretical stages and proceeded with analysis of affordability by using less complex approaches such as the ratio-income approach, thus somewhat reinforcing the ratio-income approach as the appropriate tool to measure affordability (Napoli, 2017). An effort to illustrate the differences have been made in below table 2.1 and 2.2

Household income	\$41.000
Housing expenses	\$-9.120
Residual income	\$31.880
Non-housing expenses	\$-33.500
<b>Income deficit/surplus</b>	<b>\$-1.620</b>

Table 2.1: *Residual-income approach* (Airgood-obrycki et al., 2021).

Household income	\$41.000
Housing expenses	\$-9.120
<b>Income-ratio</b>	<b>22%</b>

Table 2.2: *Ratio-income approach* (Airgood-obrycki et al., 2021) .

The data in both tables are from an imagined household composed of two parents and two children. Table 2.1 *Residual-income approach* illustrates, by using this approach, that with a residual-income of \$31.880 and non-housing expenses of \$33.500 the income deficit amounts to \$-1.620 meaning the household is facing housing affordability issues. Using Stones (2006) terminology, when this threshold is exceeded the family is living in *shelter poverty*. On the other hand, table 2.2 illustrates by using the *income-ratio approach* the same family only spends 22% of their income on housing, meaning they don't have an affordability issue when referring to the aforementioned 30% as a threshold for affordable housing. This clearly exemplifies the complexity and potential output variation when using different approaches to measure housing affordability.

Thus far, we have been theorising on different means to asses housing affordability, but assessing housing affordability isolated from housing adequacy can result in an inadequate assessment of the current state of the housing situation as we then would fail to recognise different needs according to variations in household compositions.

### 2.4.3 Housing affordability operationalised

The perception of housing affordability in academia has changed consistently over the years, or at least the theoretical perception of housing affordability has changed from only being viewed through the lens of ratio-income approach to also constitute of a more normative approach through the residual-income approach. Even though these changes of perception have brought some disruption into academia, policy makers and consultancy analysts seem to still solely assess housing affordability issues through the lens of the ratio-income approach. Additionally, academia have the for past 20 years been theorising on the matter but only sparsely operationalising it, as the matter has grown in complexity with subjective household priorities coming into play. Thus, academia seemed to be returning

to mostly use the ratio-income approach and occasionally the residual-income approach when conducting case studies on housing affordability.

In the proceeding part of this thesis we will take departure in both the ratio-income approach and the residual-income approach when defining housing affordability. Both approaches come with a variety of shortcomings and as so the output of the housing affordability analyses will vary accordingly to the approach chosen. The reasons for choosing both approaches when going forward are three fold; first, to exemplify their strengths and weaknesses; second, to speak the same language of the ratio-income approach, as it is the most widely applied approach and we can therefore compare and contribute to discussions of housing affordability when measured in accepted policies at a local and international level, third, to be able to challenge this notion by also applying the residual-income approach, as we believe the normative addition in this approach is not to be completely dismissed.

## 2.5 Theoretical framework

The following will unify these concepts to a theoretical framework which will be applied to conduct the analyses answering the second sub-question in chapter 4 and the third sub-question in chapter 5. The framework will describe how we on both a city level as well as a neighbourhood level can identify how state-led gentrification processes might decrease housing affordability for the working class. To identify how the state might have changed approach throughout the years, we will seek inspiration in the literature on neoliberalisation as well as the identification of waves in gentrification. However, we are not going to conduct the analysis as waves of gentrification since each wave describe a very specific time period in the United States. Instead we aim to look at the different roles the state has taken in each wave and use it as a marker for a way in which states can assist or drive gentrification. Therefore, we do not wish to analyse whether the identical waves have occurred in Copenhagen, but instead we wish to understand if gentrification has happened and what role the state has taken to promote or prevent it.

### Housing affordability

In order to analyse whether gentrification processes have affected housing affordability first we must calculate housing affordability for an area. As argued for above in section 2.4.3 on *Housing affordability operationalised*, we will asses both the ratio-income approach as well as the residual-income approach.

### Planning for gentrification

Throughout the chapter concerning the theoretical foundation on gentrification have we described a variety reasons behind gentrification processes. In this thesis we have chosen to primarily analyse the role of the state in gentrification processes as we identified a gap in the literature on the state role in gentrification processes in a welfare state. We argue

that the state is to be understood in a broad sense of public institutions affecting planning. In the context of Denmark, the planning authority is hierarchically organized where the state level defines the broader overview of state interests, the regional level draw up a regional cross-sectoral development plans, while, at the municipal level, the confinements of the higher levels are composed in plans with the legal effect towards the citizens. In Denmark, the state has traditionally hold a very strong role in planning, consolidating Copenhagen as case for investigating state-led gentrification in a welfare state. In the following we will describe the different roles we identified the state to have taken in the literature on waves of gentrification processes and neoliberalism.

### **The supportive state**

The characteristics of the supportive state is a lack of initiative from in gentrification processes but instead the state supports bottom-up initiatives. This means that if pioneer gentrifiers and people of the creative class wish to occupy and settle in deprived neighbourhoods the state would provide backing for the projects. Overall this is a rather passive role of the state.

### **The entrepreneurial state**

When the state acts in an entrepreneurial way, they aim to attract investments in competition with other cities, both globally and locally. They do so by e.g. creating enterprise-zones, re-imagining the city - attempting to alter its image, having an explicit focus on the inner city and urban leisure economies, physical transformation with a strong focus on exhibition centres or concert halls as symbols of renaissance, and establishing a new urban governance system based on public-private partnerships. This role can be linked to the logic of roll-back, laissez faire aspects of neoliberalism where the state is thought to play a very small role and they instead let the private actors be responsible for most of the urban development. The entrepreneurial state can both be seen on a city level through image altering vision plans, and symbolic building projects as well as on a neighbourhood level through e.g. with intensified developments limited to the inner city.

### **The interventional state**

When the state takes on the role as interventional the aim is to play a very active role in ensuring investments in urban development by minimizing the risks for investors. This means that the state creates very comprehensive re-development plans especially for neighbourhoods outside the city center. Here aspects of roll-out neoliberalism are seen since the state plays a very active role in supporting the market.

### **The conservative state**

The state here operates under the logic that private actors should handle welfare services such as social housing. Creating cheaper loans for more people to become home owners would be a way for the state to try and accomplish this. It is argued that when the poor are able to become homeowners, they are given the option to move into middle class neighbourhoods where cultural integration will ensure a positive rub-off effect. The logic that the market is better at providing welfare services are very much in line with the neoliberalisation of planning especially in regards to new public management. The conservative state would mostly be seen on a city scale and would be hard to identify on a neighbourhood scale but single neighbourhoods could be effected by such larger.

**The state as a facilitator of profit**

This role of the state is linked to the neoliberal governmentality of states and the roll-with-it logic. The state aims to attract capital and facilitate investment from the financial sector and pump very large amount of global capital into urban (re)development. Unlike the other roles, the state as a facilitator of capital mainly aims to attract very large actors from the financial sector. This results in a development with a focus on creating very luxurious apartments for the global elite to safely deposit their wealth.

**2.5.1 Partial conclusion for the first sub-question**

Throughout the answer of the first sub-question: *What is neoliberalism and gentrification and how does it affect housing affordability and justice in the city?* we have through a literature review of the academic discussions regarding neoliberalism, the right to the city, gentrification and housing affordability created an analytical framework for the onward analyses.

Cities are on a global scale experiencing a turn in urban planning where neoliberalism and, thus private developerism, is becoming an embedded part of government practice - a neoliberal governmentality. This turn in planning has from multiple academic scholars been criticised and is perceived as restricting the right to the city by making the development unjust to the citizens. In this thesis we lean towards the definition of injustice in the city in regards to planning for capacities. Planning for capacities in the city stands in stark contrast to the tsunami of gentrification that has happened in, especially, North-America but also on a planetary level. In a North-American context it is evident that the state has had a rather significant role in the gentrification processes and as of late is seen through the close collaboration with investors regarding urban development. Lastly, as the city becomes unjust through state-led gentrification processes enabled by neoliberal ideals the access to affordable housing becomes inadequate.

# Research design and methodology 3

---

We will in the following chapter present and discuss our approach to applying the analytical framework established in the previous chapter. In doing so we will discuss how we strive to conduct research within the field of urban planning. More so, we wish to discuss how we perceive knowledge, how we want to generate data, and how this knowledge can be applied to answer our research question.

## 3.1 Problem formulation

The problem at the core of this thesis descends from our wondering how gentrification processes happens in a welfare state and what role the state plays in such a development. Furthermore, we also find it puzzling how planning can be used to increase housing affordability and accommodate gentrification processes. Thus, our research question is:

**How is Copenhagen affected by state-led gentrification and how can planning accommodate a development ensuring housing affordability?**

To answer our research question we have developed three sub-questions and a research design which is illustrated in figure 3.1 below. It showcases the connectivity between our research and sub-questions. Our first sub-question results in our analytical framework which is then applied to the analysis of our second sub-question. The learnings from the second sub-question is applied to understand the contemporary planning of Nordvest and the future implications hereof.

The arrows on the right side of the Research Design illustrates the methods applied to answer each of the questions.

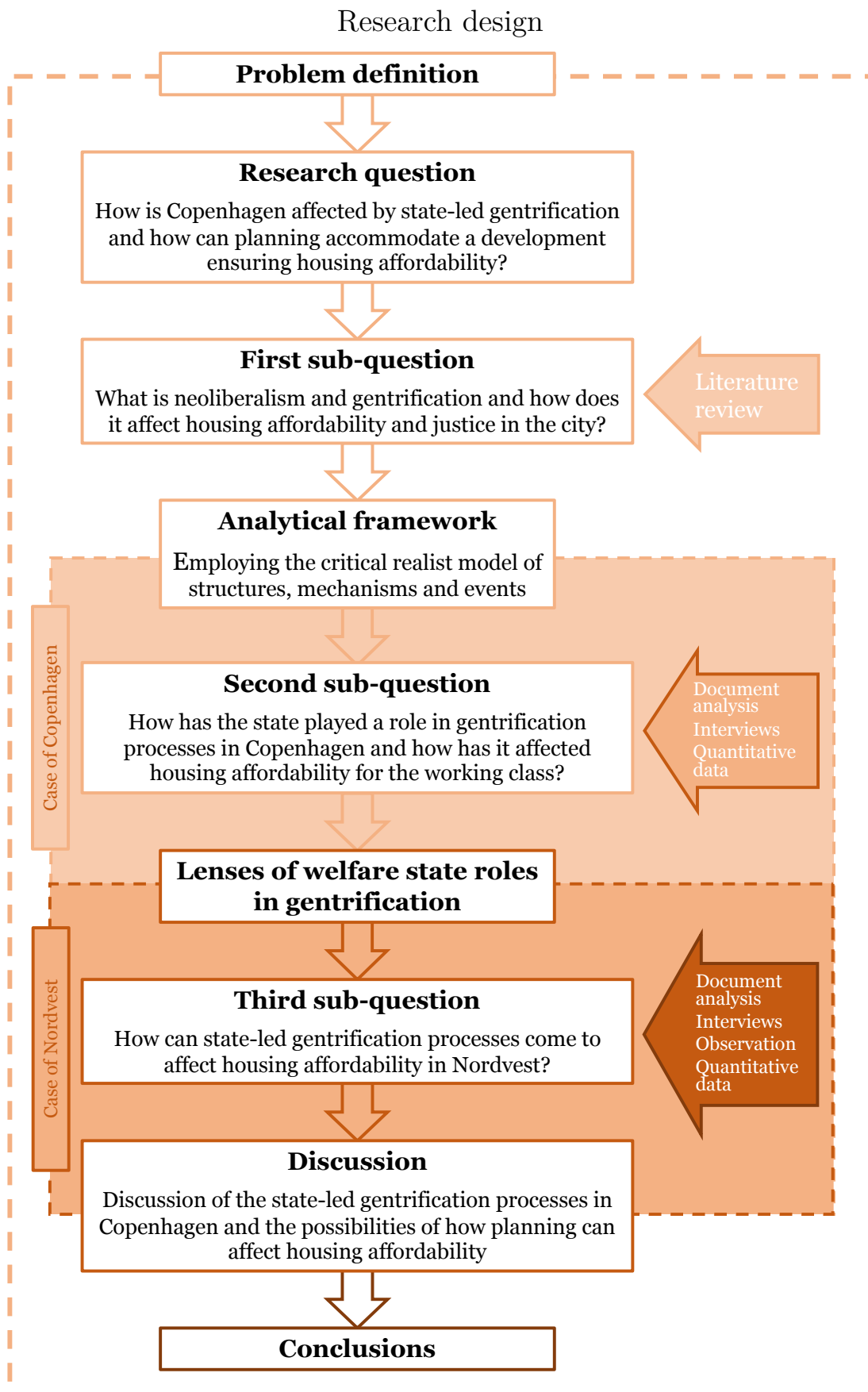


Figure 3.1: Illustration of the research design.

In the preceding chapter we developed a theoretical framework to be used when investigating the second and third sub-question. With the theoretical framework in hand from the explorations performed with the first sub-question *What is neoliberalism and gentrification and how does it affect housing affordability and justice in the city?*, we wish to apply this lens when exploring the empirical case of the second sub-question: *How has the state played a role in gentrification processes in Copenhagen and how has it affected housing affordability for the working class?* We will initially in the answer of this question explore if neighbourhoods in Copenhagen have experienced events of gentrification since the city's re-erection was initiated in the 1990's and where the working class have lived. We continue to investigate how the planning mechanisms in periods of urban planning in Copenhagen can be seen to have had a contributing impact on processes of gentrification and how the structures of the periods have conditioned the planning mechanisms put to use. Lastly, we analyse how these processes have affected contemporary housing affordability for the working class in Copenhagen from both a ratio and a residual-income approach.

The second sub-question is primarily investigated through an empirical analysis of historical periods of urban planning in Copenhagen. Since the research question also comprise an interest in exploring potentials for planning to onward accommodate a development ensuring housing affordability, we wish to explore a contemporary case of a neighbourhood where the mechanisms and influence of state planning, and thus potential of state-led gentrification, is intelligible. As so, our third sub-question is: *How can state-led gentrification processes come to affect housing affordability in Nordvest?* With the case of the neighbourhood Nordvest in the outskirts of Copenhagen, we explore how state-led development processes might occur in the more tangible neighbourhood context. We draw upon our lenses of gentrifying state roles in a welfare state context established with the second sub-question, as we attempt to assess how recent mechanisms performed with planning in Nordvest can come to affect housing affordability in the neighbourhood.

When combined, these three sub-questions will provide a solid ground for a discussion answering the main research question of the thesis on how Copenhagen has been and is impacted by state-led gentrification processes. From here we are provided a well-founded outset for discussing how planning can accommodate an urban development ensuring housing affordability.

Furthermore, we will in the discussion assess the transferability of the Anglo-American developed theorisation of state roles in gentrification to a Danish welfare-state context. From discussion and reflection, we strive to fill the gap in the literature within this field, as a contemporary study of the state's gentrifying role in the development of Copenhagen seems to be lacking as of today. From elaborating on our research design we now turn to go more thoroughly into our scientific stand.

## 3.2 Scientific stand

As soon to be urban planners we must believe that we can make a change as agents in society, as agents in the private, public or academic sector. Therefore we must also acknowledge that we cannot be independent from the research we perform; we influence



the research and the research influences us as our studies progress. As so, the scientific stand in this thesis arrives from critical realism.

Critical realism is experiencing growing attention in urban planning literature these years. Scholars such as Næss (2015) and Danermark et al. (2005) asserted criticism to previously strong scientific footholds such as positivism, neoclassical economics paradigm and post-structuralism due to their missing abilities to make the urban planners fulfil their intended role as - in accordance with critical realism - change agents of society.

The critical realistic approach points towards multiple paths for urban planners to perform as change agents in society. Næss (2015) has narrowed it down to the following three aspects:

1. *"The possibility of interdisciplinary integration"*
2. *"The possibility of investigating causal relationships between societal conditions, spatial urban structures and the actions of agents."*
3. *"The possibilities of generalisation and prediction."*

(Næss, 2015, p. 1229)

Before diving into the nuances of a critical realistic take on the above aspects, we should first dwell on how knowledge is perceived, created and what our role is when creating knowledge.

The critical realistic ontological argument arrives from "*There is More to the World than What We Know*" (Næss, 2015, p. 1230) by which it is implied that the world exist independently from our knowledge and at the same this knowledge is theory dependent and fallible. All knowledge is fallible, it is only a matter of how fallible the knowledge is, which might be ever-changing as our understanding of the world is ever-changing. As so, we might ask what is reality then - and how can we understand this reality?

Danermark et al. (2005) argues that reality is a complex matter with ever-undiscovered mechanisms hiding below the surface; the presumptions we know from everyday life cannot immediately be explain but we can only wonder that there must be something else going on. Exploration of reality can be made by setting up experiments, in which the researcher injects oneself, to not just passively but actively observe what these hidden mechanisms might be and their ability to cause.

Further, Næss (2015) argues that the ontological foundation in critical realism can be split into three sub-domains: 1) *The Empirical* in which situations and events are objects of scientific investigation, 2) *The Actual* which is all situations and events taking place, and 3) *The Real*, which in addition to *the empirical* and *the actual*, also includes the underlying structures, which according to critical realism are vital to understand to be able to produce new relevant knowledge connected with reality.

In addition to recognising that there is more to the world than we know, the world is stratified into different hierarchical strata each contributing with something unique knowledge, but limited to the level of the strata, thus new stratas are build upon old stratas, creating new knowledge. Furthermore, Xue (2012) argues these stratas to be translated into ongoing processes of structure, mechanisms and event ever-reshaping each other. We will apply the interpretation of stratas by Xue (2012) in our analytical framework.

Finally, the critical aspects of critical realism refers to a "*critique of societal conditions blocking human prosperity*" (Næss, 2015, p. 1233). Additionally, critical realism strives to be a philosophy acting as an explanatory critique to assess processes towards creating a "better" or more "sustainable" society.

Departing from our posed research question, we seek to understand and discuss the underlying causal mechanisms of an increasingly unjust city where the right to the city only applies to parts of society, exemplified through increasing neoliberalisation of the welfare state, increasing gentrification and decreasing housing affordability. We furthermore acknowledge the difficulties of making generalisations across space and time, for example, by recognising the theorisation of gentrification waves made by Hackworth and Smith (2001). However at the same time recognising the lack of transferability to a Danish context as the settings are completely different in terms of time and space, and thus in need of a review and adjustments to fit (or not fit) the contemporary context of Copenhagen and Denmark. As Næss (2015) points out, when doing so, we still have to be careful not to assume that our theorising is infallible, and have to qualitatively argue our case.

When conducting this thesis we acknowledge that we as urban planners are incapable of setting things just by our profession alone. The interdisciplinary approach to solving complex societal matters becomes evident when urban planning is subject to other social structural conditions, such as laws, economic systems, political systems etc. We strive to incorporate other disciplines when our knowledge falls short by conducting interviews with people from other disciplines, see section 3.4 on Methodology. When doing so we strive to conduct research uncovering as many of the hidden and underlying causal structures and mechanisms making way for the different processes affecting a just city, and thus, with the limitations of a thesis amount of work, expanding our perception of reality, moving to a new more complex strata.

In order to investigate causal relationship between societal conditions, spatial urban structures and the actions of agents, we will, in addition to the aforementioned acknowledgement of the world as an open system with endless underlying processes, create causality by conducting our research as an experiment within a closed system - even though the system cannot be completely closed due to the circumstances of interdisciplinary and hidden structures and mechanisms. We do this as our thesis progresses from investigating gentrification theoretically on a planetary scale, to a context-dependent scale in Copenhagen and Nordvest. The conditions of the closed system under investigation will be conducted through the use of mixed-methods, as both the quantitative and the qualitative approaches are, according to Næss (2015), of great importance within the critical realist standpoint.

### 3.3 Case study

In the following section we will present how and why we have chosen to do parts of our research as case studies.

Case studies have, according to Flyvbjerg (2006), for a long period been unrightfully viewed as inferior to other research methods, as it was regarded incapable as a method from

which it was possible to generalise - and since generalising was the core of social science it was an inappropriate research approach. These notions were refuted by Flyvbjerg in his article *Five misunderstandings about case-study research*, in which he carefully argues why the case-study is an appropriate method to use in social science research. The five misunderstandings, which Flyvbjerg proved to be incorrect, are:

*"(a) theoretical knowledge is more valuable than practical knowledge; (b) one cannot generalize from a single case, therefore, the single-case study cannot contribute to scientific development; (c) the case study is most useful for generating hypotheses, whereas other methods are more suitable for hypotheses testing and theory building; (d) the case study contains a bias toward verification; and (e) it is often difficult to summarize specific case studies."*

(Flyvbjerg, 2006, p. 219)

Departing from these arguments a carefully planned case study, arriving from a set of pre-defined criteria, can be used as an appropriate tool to carry out scientific research in the school of social science. We previously presented our scientific stand as critical realism, in which it is of great significance to perform critical research experiments within a (somewhat) closed system, e.g. a case study. We have found it useful to examine two cases; one on a metropolitan level where the prolonged processes of gentrification has shown to be most noticeable (Hackworth and Smith, 2001; Lees et al., 2008b,c; Aalbers, 2019) - and one on a neighbourhood level, within the geography of the first case, for the analysis of contemporary planning mechanisms to be more tangible since we are entering an unplumbed territory when examining influence of state planning on gentrification processes in a welfare state context. As so, we have chosen our case from an information-oriented selection to maximize the utility of arriving from the expectation of a rich information content (Flyvbjerg, 2006). In this regard Bryman (2012c) emphasises how *"Any case study can involve a combination of these elements [case types, red.], which can best be viewed as rationales for choosing a particular case."* (Bryman, 2012c, p. 71).

Copenhagen, as our larger case, is chosen as an *exemplifying* case, since it offers a suitable context for the research question to be answered and exemplifies the broader category of metropolises in a welfare state. As previous studies by (Gutzon Larsen and Lund Hansen, 2008) has indicated gentrification processes occurring in Vesterbro, Copenhagen, it is a very likely case for examining how gentrification is affected by state planning in a welfare state (Bryman, 2012c). These studies can be seen as especially problematic when departing from the ideals of Harvey's (2008) and Purcell's (2002) *Right to The City*, indicating Copenhagen to have elements of an extreme case. Furthermore, the more active state roles in a welfare state case can also be seen as elements of an extreme case, as it is of an unusual origin compared to the state role in the founding Anglo-American countries of the literature (Flyvbjerg, 2006). Flyvbjerg (2006) suggests that a case can have elements of multiple types of cases embedded in itself.

The neighbourhood case of Nordvest within Copenhagen is interpreted as extreme case in the way that it is currently the neighbourhood in Copenhagen with the lowest earned income and large shares of working class and private non-profit housing. From section 2.3.1

in our literature review, we understand filtering as a proceeding process of gentrification and neighbourhood effects as covering the measures of a neighbourhood to be overcome for gentrification to happen. We can then assess Nordvest as a probable location for gentrification to happen, due to its mix of working class and low-income groups and its close proximity to the inner city and not too isolated from middle-class residential areas (Lees et al., 2008b; Hammel, 1999a,b). Thus, Nordvest is the most suited neighbourhood in Copenhagen to get a grasp of contemporary planning processes and assess state roles in gentrification. The placement of the two case areas can be seen in figure 3.2



Figure 3.2: Map of the case areas - Copenhagen and Nordvest

## 3.4 Methodology

In the following section we will explain and discuss the methods used when conducting the research, and the implication hereof.

### 3.4.1 Applying the theoretical framework

In order to better understand how we wish to apply our theoretical framework and use it analytically we will in the following describe how the different roles of state-led gentrification will be translated and thus identified in plans and interviews.

#### **Identifying the supportive state role**

The supportive state role can be identified if a municipality in a strategy or plan writes that they aim to provide assistance to smaller initiatives of individuals regarding the urban realm. An example could be to help supporting an urban garden in a deprived neighbourhood initiated by the locals. We might be able to detect the supportive state role if it is part of a broader strategy presented with planning documents, but it can be difficult to identify on levels higher than a neighbourhood level due to its sporadic nature. We come to assume that it is unlikely for us to identify the supportive role as a continuous dominating one, due to our main focus on larger plans and overall changes in the state approach.

#### **Identifying the entrepreneurial state role**

The entrepreneurial state role can be identified if the state e.g. identifies development areas but without making any comprehensive plans for the development - especially if it is done with a competitive purpose or in order to attract investments. The state hence leaves most of the development to private actors which represents the laissez fair aspects of neoliberalism. The entrepreneurial state role further represents a strong focus on the inner most part of the city and attempts to re-imagine the city through monumental buildings and cultural landmarks in order to show case the activity and the redevelopment in the city and thus be able to attract further investments.

#### **Identifying the interventional state role**

The interventional state role can be identified if the state creates very comprehensive plans for (re-)developing urban areas adjacent to the inner most part of the city, attempting to drag investments further out in the city. Another interventional action could be the creation of infrastructure in order to attract investors by ensuring continuity and safety for their investment as future urban development is likely to be prioritised along large infrastructure investments. We assume that this will often be the case regarding new green- or brownfield development areas. In these cases we support the comprehensive plans with interviews or external documents in order to verify or disestablish that this in fact was the role that the state ended up playing as a comprehensive plan in itself often come to present a dominant state role.

#### **Identifying the conservative state role**

The conservative state role can be identified if the state remove e.g. social initiatives in deprived neighbourhoods and instead try and fix the same problem by enabling market

forces. This state-role might be challenging to identify in planning documents since it somewhat represents non-planning. What we will be able to assert is a state role where the logic of enabling market forces are applied in order to foster cultural integration pursued as a positive public policy by attracting the middle class. Another way the role will be identified is if the state outsources welfare services to private actors.

### **Identifying the facilitator state role**

The facilitator state role can be identified if the state strategically aims to have better earlier communication with developers or investors in order to facilitate their needs. In this role the state to a large degree acts as a facilitator between (economic) interests in planning more than as a planning authority.

To explain the state's involvement in gentrification processes, we take inspiration from Xue (2012) to employ the critical realist model of structures, mechanisms and events introduced above with the section on our *Scientific stand*. The model enables us to identify the underlying mechanisms and structures mediating the degrees of gentrification and housing accessibility we can observe as events. The models application as an analytical framework is endeavoured illustrated in figure 3.3 below. We use the definitions of how to identify the state roles from above to group mechanisms, so that if we encounter this specific mechanism when analysing planning episodes in Copenhagen, we perceive it as an expression of the state taking the specific role we have related the mechanism to. We generally understand the structures as being of a social, physical, or idealistic character. The structures create the conditions of the mechanisms, in our case of planning mechanisms. These mechanisms have determining influence on an event, in our case events of gentrification. The contextual structural aspects of Copenhagen and Nordvest, let it be the political and regulatory context or city situation and buildings, is innate to the mechanisms available to any contemporary planning. We thereby however also understand that all structures are a product of earlier periods' applied mechanisms and the events that these have shaped, and further so, that structures can form as expansions of certain mechanisms or events linking up. This is illustrated in figure 3.3 as upwards pointing arrows, moving from levels of mechanisms and events to structures over time.

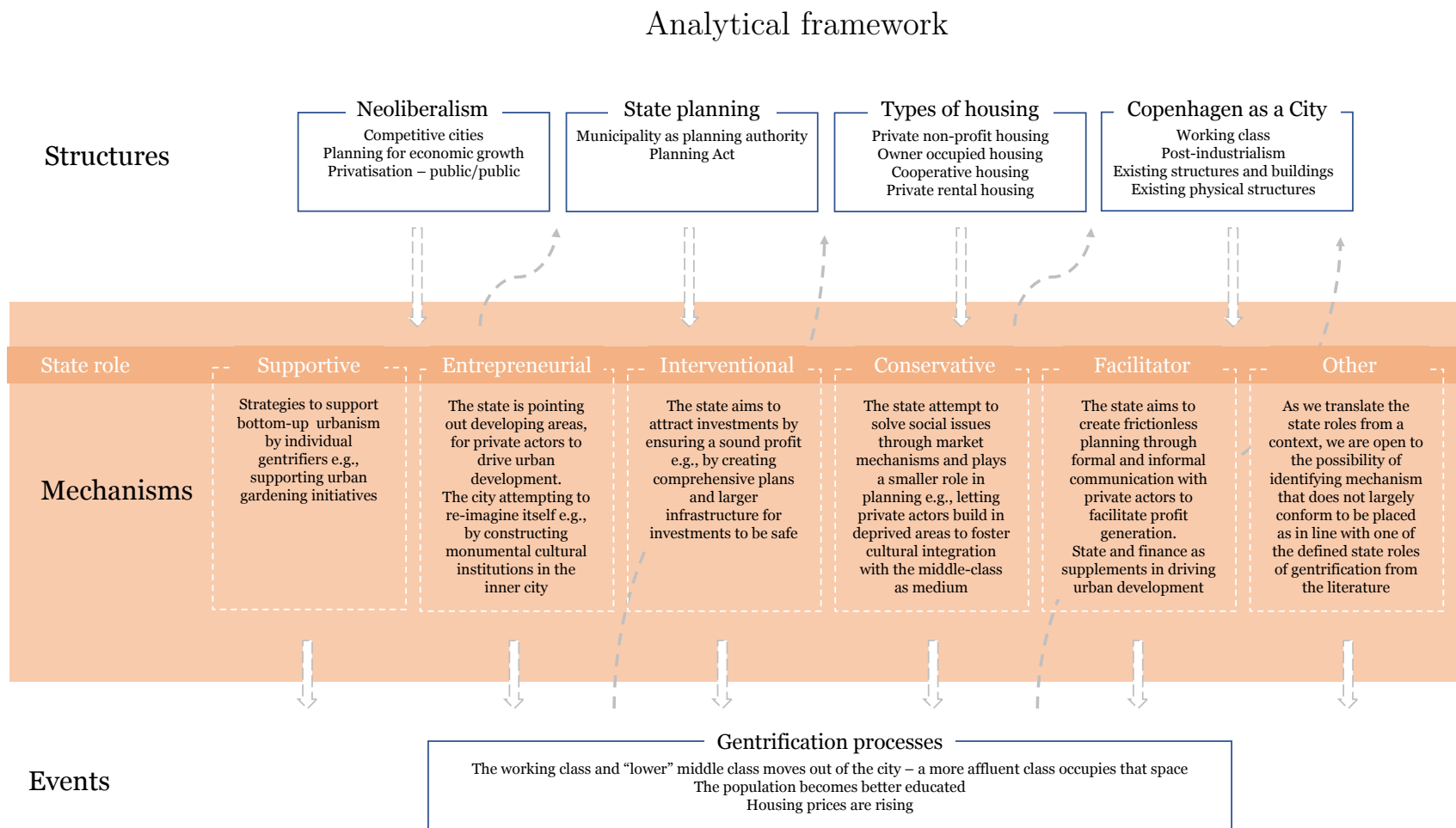


Figure 3.3: The analytical frame employing the model of structures, mechanisms and events from critical realism with application of state role of gentrification from the theoretical frame. Authors with inspiration from Xue (2012).



What role of the state do we then expect to find in the welfare state context? We expect the state to play a rather significant role when analysing both planning documents and interviews. This is due to the fact that our interest and, thus, case is in a welfare state context and as well because what we are looking at state documents. We do not expect to find exact instances of the roles as they are described in the theory, since the term of gentrification and its materialisation into state roles are heavily contextualised in an Anglo-American context. It has been queried within the literature on gentrification in recent years, if the rigour of the concept will suffer a loss due to attempts like ours of applying it outside its original context (Yip and Tran, 2016), though we argue this be a branch in the overall theorisation of gentrification.

As the state roles are formed as derivatives from a non-welfare state context, we will have to tend to translate what role the different planning initiatives represent. This means that the state roles and the mechanisms most likely are not as clear as in a non-welfare state context. With our attempt however we offer a critical examination of the applicability of the concept to a welfare state context and aim to expand on the concept where it struggles to offer a sound applicability to understand the specificity of the state's role in gentrification process in this particular context.

### 3.4.2 Document analysis

A great range of planning documents have been analysed, in order to investigate the role of the state in urban renewal projects leading to gentrification. Analysing the planning documents wearing the lens of the state's role from the theoretical framework enables us to systematically analyse the documents for change in the state's role over time. More specifically it has been done by using a to-the-cause developed colour code, to quickly identify the different roles of the state when returning to the documents. Furthermore, the focus when analysing the planning documents and strategies was primarily the section in which the state's goals and ambitions were described as well as prediction and hopes for the future. This was done to not get too lost in the details of various projects, as our focus is to analyse the state's role on a more general level within the municipality of Copenhagen. Additionally, an analysis of planning documents provides insights to ambitions and goals according to the time in which the plan was developed. A document analysis can in this sense provide clear insights, whereas interviews focusing in previously conducted planning strategies might come with great deal of historical hindsight bias. We have decided to take our point of departure in the last 30 years of planning in Copenhagen where there has been an rapid development of the city and it is furthermore in this period that neoliberalism have a more significant role in the development of the urban (Bisgaard, 2010). In order to create a more manageable analysis we have divided the 30 years of planning into four time-periods inspired by Bisgaard (2010)'s division of time periods. These are: 1989-1997, 1998-2001, 2002-2009 and planning after 2010.

The analysed documents for the second sub-question range from Municipal Plans to Municipal Strategy Plans to Master Plans from 1989 and onward. The availability of the plans varied as well, as some of them are yet to be digitalised and therefore had to be acquired at the local library, as well with limited availability due to the COVID-19

pandemic. Nevertheless, the following documents have laid the foundation for our analysis in answering the second sub-question:

Year	Original document name	Document name in English	Pages
<b>1989-1997</b>			
1989	Hovedstaden - hvad vil vi med den?	The Capital City - what do we want to do with it?	37
1989	Kommuneplan 1989	Municipal plan 1989	150
1995	Ørestaden helhedsplan	Orestad master plan	49
1993	Kommuneplan 1993	Municipal plan 1993	275
2005	Indre Vesterbros fornyelse. Bind 1: Planlægning og gennemførelse	Inner Vesterbro's renewal. Volume 1: Planning and completion	67
<b>1998-2001</b>			
1997	Kommuneplan 1997	Municipal plan 1997	330
1999	Lokalplan 305 Kalvebod Brygge Nord II	Local plan 305 Kalvebod Pier North II	9
2001b	Kommuneplan 2001	Municipal plan 2001	215
<b>2002-2009</b>			
2001a	Boligstrategi - boliger for alle 2001-2004	Housing strategy - housing for everyone 2001-2004	47
2003a	Den Blå Plan	The Blue Plan	20
2003b	Lokalplan 310 Teglværkshavnen	Local plan 310 The Tileworks Harbour	56
2004	Kommuneplanstrategi 2004	Municipal plan strategy 2004	60
2005a	Kommuneplan 2005	Municipal plan 2005	398
2005b	Lokalplan 398 Ørestad Syd med tillæg 1 og 2	Local plan 398 Orestad South with appendix 1 and 2	220
2007	Kommuneplanstrategi 2007	Municipal plan strategy 2007	30
2009b	Kommuneplan 2009	Municipal plan 2009	312
<b>2010-onward</b>			
2010b	Kommuneplanstrategi 2010	Municipal plan strategy 2010	41
2011	Kommuneplan 2011	Municipal plan 2011	573
2014a	Kommuneplanstrategi 2014	Municipal plan strategy 2014	60
2015	Kommuneplan 2015	Municipal plan 2015	784
2018b	Kommuneplanstrategi 2018	Municipal plan strategy 2018	44
2019a	Kommuneplan 2019	Municipal plan 2019	104

Table 3.1: List of primary documents analysed for the second sub-question, sectioned by year, original document name in danish, authors' translation of document name into English, and number of pages.

The analysed documents for the third sub-question range from neighbourhood enhancement plans and area renewal plans to strategy plans and local plans. As with the earliest

documents analysed for the second sub-question, some planning documents have not been digitalised and have thus not been available for the analysis of the third sub-question due to restrictions as a consequence of the COVID-19 situation. The documents that have not been available are identified by not having a number of pages stated in the table 3.2 below. The content of the plans not available have instead been acquainted for from other available sources where it has been considered such as local plans. The following documents have laid the foundation for our analysis in answering the third sub-question:

Year	Original document name	Document name in English	Pages
<b>Previous planning documents in Nordvest</b>			
1997	Kvarterløft Femkanten 1997-2003	Neighbourhood enhancement Femkanten 1997-2003	
2001	Kvarterløft Nordvest 2001-2007	Neighbourhood enhancement Nordvest 2001-2007	
2008	Lidt mere Nordvest - en plan for styrkelsen af kulturlivet i København NV	A little more Nordvest - a plan for strengthening the cultural life in Copenhagen NW	
2010a	Lokalplan 444 Birkedommervej	Local plan 444 Birkedommervej	24
2012b	Udviklingsplan Bispebjerg/Nordvest	Development plan Bispebjerg/Nordvest	32
2014b	Udviklingsplan for omkring Bispebjerg Kirkegård	Development plan around Bispebjerg Cemetery	24
<b>Contemporary planning documents in Nordvest</b>			
2012a	Områdefornyelse Fuglekvarteret Kvarterplan 2013-2018	Area renewal plan Fuglekvarteret 2013-2018	80
2015	Strategiplan Bispebjerg - Byens grønne bakke	Strategy plan Bispebjerg - The city's green hill	59
2016a	Lokalplan 261 med tillæg 1, 2 og 3 Provstevej	Local plan 261 with appendix 1, 2 and 3 Provstevej	68
2016b	Områdefornyelse Nordvest Kvarterplan 2016-2021	Area renewal plan Nordvest 2016-2021	60
2017	Bydelsplan for Bispebjerg 2017-2020	Neighbourhood plan for Bispebjerg	56
2019b	Lokalplan 261 tillæg 4 Provstevej	Local plan 261 appendix 4 Provstevej	12
2019c	Lokalplan 575 Kampsportens hus	Local plan 575 The house of martial arts	24
2019d	Lokalplan 581 og kommuneplan-tillæg 30 Rentemestervej	Local plan 581 and municipal plan appendix 30 Rentemestervej	48
2020b	Lokalplan 597 og kommuneplan-tillæg 3 Lygten II	Local plan 597 and municipal plan appendix 3 Lygten II	61
2021d	Lokalplan 603 Drejervej	Local plan 603 Drejervej	52
2021b	Områdefornyelse Bispebjerg Bakke 2021-2026	Area renewal plan Bispebjerg Hill 2021-2026	

Table 3.2: List of primary documents analysed for the third sub-question, sectioned by year, original document name in Danish, authors' translation of document name into English, and number of pages. Where number of pages do not appear, the document has not been available.

When analysing these documents it comes with a risk that many of the initiatives described in the plans might never have made it further than those plans. Since we do not analyse all the local plans produced in the same time period, we have not been able to verify if all the proposals have been carried out.

At the same time, when analysing the documents, we have not been searching and

analysing for measures which might have eased some gentrification processes.

### 3.4.3 Interviews

We will in the following section present and discuss why and how we have chosen interviews as a data collection method, as well as how it is aligned with our scientific stand of critical.

As described in *Scientific Stand*, section 3.2, we strive to investigate our posed research question from both quantitative and qualitative perspectives to obtain a thorough understanding of the structures, mechanisms and events affecting our research field. Especially the aspect of uncovering the underlying mechanisms is a main motivator for conducting interviews, as we wish to uncover additional aspects apart from what we can uncover from official planning documents.

To uncover these underlying mechanisms in addition to our analysis of documents, we have conducted five interviews with carefully selected personas each representing different aspects of mechanisms influencing urban planning in Copenhagen.

All the interviews have been conducted as semi-structured interviews, as they were conducted during a period of the research project where we had already set up a clear theoretical and analytical framework from which we could establish an interview guide Bryman (2012b). The interview guide is, according to Bryman (2012b) and Andersen (2013), a vital tool to extract as much desired information from the interviewees as possible. When constructing the interview guide for a semi-structured interview, it is important to ignore any preconceptions as they might guide answers in a certain direction. Preconceptions are not desired, as one of the key aspects of the semi-structured interview is to obtain insights on hidden mechanisms or perceptions. This is also why some of the questions might be formulated a little more general compared to interviews performed from a quantitative setting. Furthermore, it is important to acknowledge that the order of the prepared questions can vary from the prepared interview guide when the interview is being conducted. Diverting from the interview guide is a key concept in this interview model, as we strive to obtain these aforementioned insights which might appear suddenly, and we as interviewers must be ready to explore the new insights and even ask follow-up questions not viable to be prepared in advance. If the interviewee begins to ramble we must encourage this behaviour, as such occurrences also might lead to important insights to the interviewee's perception of events (Bryman, 2012b).

### Interviewee selection and considerations when conducting the interviews

In the beginning of preparing the qualitative data collection we strove to conduct interviews with people of varying backgrounds as it was of great importance for us to obtain as many varying insights to the underlying mechanisms shaping the development of Copenhagen. As so, we sent out e-mails requesting interviews with City of Copenhagen's department of City Planning, former and present politicians elected to Copenhagen Municipality including mayors, the Minister of Domestic Affairs and Housing, academic professionals, real estate experts, and former planners. In addition to approaching

professionals with a wider knowledge of the varying mechanisms at play in Copenhagen in general, we also aimed at including professionals able to deliver insights on our local neighbourhood case and the contemporary mechanisms at play in a context of current affairs. The professionals interviewed, their positions and organisation, and the corresponding appendix is shown in table 3.3 below. In each appendix appear the date of the interview, interview guide, minutes, and transcripts of the key passages of the interview. The carefully taken minutes during the interviews combined with transcription of key passages of the interviews after carefully listening has been chosen as a mean to secure valuable insights but minimising the very time consuming transcription of the full interviews.

Interviewee	Position and organisation	Appendix
Hans Thor Andersen	Director at Department of the Built Environment (BUILD) at Aalborg University	A
Ole Hjorth	Director at Cushman & Wakefield RED	B
Holger Bisgaard	Former Chief planner at City of Copenhagen	C
Curt Liliegreen	Project director at the Knowledge Centre for Housing Economics, Realdania	D
Signe Dehn Sparrevohn	Special consultant at Secretariat of Bispebjerg neighbourhood council, City of Copenhagen	E

*Table 3.3: List of interviewees, their position and the appendix from where interview guide, minutes and, if applicable, transcript appears.*

Due to the ongoing COVID-19 pandemic all five interviews were conducted online through the Microsoft Teams application, which comes with certain advantages and disadvantages. The main advantages of conducting an interview online instead of in presence are, first of all, the fact that such interviews are time saving for both the participants and interviewers, which might open up a time slot in an otherwise tight schedule as issues of transportation and hospitality are avoided. Secondly, online interviews tend to be in a less formal setting (Bryman, 2012b), especially during a pandemic when most people are working from home. Lastly, it provided an opportunity for all of us (the authors) to participate in the interviews, as this otherwise could have been difficult and time consuming as we are spread across the country.

The disadvantages of conducting interviews online amounts to it being difficult to have a fluid process in which the participants can read and understand articulations pointing in different directions. Additionally, it might be difficult to ask follow-up questions as the interview progresses, as the timing of interruption can be difficult to perform without disrupting the flow of the interview.

During each interview a minute keeper has been keeping track with the subjects and arguments put forward during the interview. The careful minute keeping have allowed for a subsequent thorough through-listening of each interview with the purpose of analysing the content, focused by the same to-the-cause developed colour coding as applied in the document analysis in section 3.4.2 in order to identify mechanisms and state roles. Central arguments have then been transcribed in its context for the use of quoting and all instances of reference to the interviews and interviewees have been subject to approval.

### Presenting the interviewees and their justification

All five of the conducted interviews and their respective interview-guide are made with great concern to our research question and the two latter sub-questions. These notions are evident when visiting the interview-guide in the appendixes for each interview. Furthermore, we should stress that the five interviewees are great capacities within their respective niches of the field, it being urban planning or the real estate market. In the following we will argue why and how the interviewees can contribute to answering the research question.

**Hans Thor Andersen** is the Director at Department of the Built Environment (BUILD) at Aalborg University, and has throughout his research career made multiple contributions to international renowned publications within the themes of social housing, urban planning, housing policies; many with an advanced focus on Denmark.

Our goal for the interview with Hans Thor Andersen, was to obtain insights and academic founded perspectives on urban planning in Copenhagen during the past decades. More so, we wanted to seize the opportunity of gaining a critical perspective on Holger Bisgaard's perception of the conducted planning put forward in the book *Københavns Genrejsning* (2010). Additionally to the focus on obtaining empirical data for our second sub-question, we also strove towards getting critical perspective of the current development of Nordvest, which is the main focus of our third sub-question.

**Ole Hjorth** is Director at Cushman & Wakefield RED who conduct analysis and advice to global and domestic investors wanting to enter or expand positions in the Danish real estate market. Ole Hjorth therefore represents a perspective on the financialisation of the real estate market, and can thus provide insights into a field otherwise outside of our primary academic field. Such perspective contributes to expand *what we know about the world*, but still acknowledging that there is more to the world than we know. Furthermore, as Ole Hjorth conducts contemporary analysis on the real estate market he has his ear to the ground on what expectations the real estate investors might have, what a good real estate investment consists of, and what conditions investors look for before committing to a purchase. These underlying mechanisms are interesting for us to gain insight in, as this can help us foresee the investors perspectives on municipal planning. Lastly, as Cushman & Wakefield RED perform such advice we also strove to obtain perspective on how such development might affect affordability, and how affordability issues might be avoided for the future.

**Holger Bisgaard** is former Chief Planner at the City of Copenhagen in the period from 1998 until 2007. Today Bisgaard is working as an urban planning advisor from his own company Bisgaards Kontor. Additionally Bisgaard is the author of aforementioned book *Københavns Genrejsning* (2010). Through the interview we strove to dive even deeper into the planning conducted during his period in charge, than the book can offer. As so, we constructed the interview guide to obtain information and perspective on the underlying mechanisms that have shaped Copenhagen as we know it today. Bisgaard was the highest ranked official and was therefore responsible for the planning and negotiations taking place regarding the development of Copenhagen. Such insights are vital to understand as they provide information of the prioritisation of the time. Furthermore, we aimed at making



Bisgaard take a critical stance to the conducted planning, to challenge his book and the public available plans, and to assess a critical perspective on the contemporary planning. Lastly, Bisgaard can with his great experience try to make qualified guess on the onward planning and conditions of the City of Copenhagen.

**Curt Liliegreen** is the Head of Secretariat at the Centre for Housing Economics with a Master of Science in Economics from the University of Copenhagen. Liliegreen is a high-profile economic real estate expert who is often asked to comment or participate in the debate regarding housing economy by the Danish media. With Liliegreens long career in this sector, he can provide valuable insight to the mechanisms of the housing market, especially in regards to housing affordability concerns - both in regards to the previous planning conducted in the City of Copenhagen as well as the consequences of the contemporary planning for the future.

**Signe Dehn Sparrevohn** is special consultant at the Secretariat of Bispebjerg neighbourhood council, employed by the committee on economic affairs within the City of Copenhagen, with a master in modern culture and cultural information. The local democracy in Copenhagen is centred around twelve neighbourhood councils, which act as a connecting body between the Copenhageners and the politicians. Sparrevohn is a central figure in the daily consultancy of the Secretariat of Bispebjerg neighbourhood council provided by the City of Copenhagen. By virtue of her employment, she is able to give us an account of the contemporary state of the interplay between the neighbourhood council and the municipality - and the planning approach they display in their day to day activities in the neighbourhood. This will prove particularly helpful in our examination of the third sub-question in her local contemporary context.

#### 3.4.4 Observation

From our contact with Signe Dehn Sparrevohn we were invited to take part in an online debate on the preservation of the cultural heritage in current developments in Nordvest. We saw this an opportunity to improve our insights for the third sub-question. As preparation for the observation we set up focal points to guide our observations during the event (Bryman, 2012a). As seen in appendix F, our focal points have been split between partly wanting insights on the structures of a historical, idealistic, physical, and demographic character and partly wanting to get improve our insights on the mechanisms that City of Copenhagen is pursuing in the contemporary planning and developments in Nordvest, as they have declined to take part in interviews. Our minutes from the online debate event can be seen in Appendix F.

#### 3.4.5 Quantitative data

In addition to the qualitative data presented above, we supplement our analysis with quantitative data. This is to provide and exemplify how the enforced urban planning since the late 1980's has re-shaped the City of Copenhagen and its citizens. Further, we wish to explore how housing affordability measures have progressed during the last years. These different quantitative analysis will help strengthen our analysis and provide further

material for a discussion of the research question. Before exploring the details of the quantitative data processing, it is important to stress that all monetary calculations have been made in real terms (2019 prices), according to the cost-of-living index (Danmarks Statistik, 2021c).

### The working class

To analyse gentrification we must define two different social classes, in order to assess the gentrifying aspect of who moved out and who then moved in. As provided in the literature review we analyse gentrifying processes by reviewing the substitution of the working class to more wealthier social classes, it being economic or cultural affluent. With inspiration of how different social classes are categorised in the recently published book on social classes in Denmark, *Rige Børn Leger Bedst (Rich Kids Play Best Together)* (Goul Andersen et al., 2021), and with the available statistical material, we define the working class based on level of highest completed education. More precisely, the working class is defined by combining the citizens who's highest completed education is Grade 0-9 (*Grundskole*), High School (*Gymnasiale uddannelser*), or vocational education (*Erhvervsuddannelse*).

### Measuring gentrification

In covering the literature on gentrification most of chapter 2 was focused on the reasons behind gentrification. There are however quantitative data to evaluate how significant gentrification processes have been. The data that we have chosen investigate is changes in levels of education and income as the main signs of gentrification. We measure gentrification processes in Copenhagen over time by first extracting the working class from various data-set and reviewing how the share of working class is in a certain neighbourhood compared to previous years. The categories in which the working class is a share, additionally consists of *enrolled in education*, *short-term further education*, *bachelor degree* and *further and higher education* (Appendix I). Second, we examine earned income level over time in different neighbourhoods, bearing in mind the growth in annual average earned income in Denmark (Appendix J). Additionally, it becomes evident throughout our analysis answering the second sub-question, that the working class tends to live in neighbourhoods with private non-profit housing, which is why mapping of how the share of private non-profit housing have developed over time on a detailed neighbourhood level is interesting (Appendix K). These data-sets are then imported to QGIS to illustrate the changes on maps. Furthermore, we also aim to compare the development in levels of education and income on a neighbourhood level to the national level. The entire city might at one point be inhabited by high-income people with long educations and even though the changes on a neighbourhood level are not significant compared with the rest of the city it might be significant compared to the rest of the nation. Therefore, comparing the neighbourhood level with data on city and national level ensure a more true and fair account of the developments in each neighbourhood regarding gentrification. The data-sets in question can be seen in table 3.4 below:

Appendix	Content	Source
G	Data showing level of education on detailed neighbourhood level during the period 1995-2008	Forwarded by the City of Copenhagen
H	Data showing level of education on detailed neighbourhood level during the years 2012, 2016, and 2020	Forwarded by the City of Copenhagen
I	Authors' data processing showing the share of working class on detailed neighbourhood level	The City of Copenhagen by e-mail, see Appendix G and H
J	Authors' data processing showing the annual average earned income on neighbourhood level	City of Copenhagen (2021c); Danmarks Statistik (2021a)
K	Authors' data processing showing the share of private non-profit housing on detailed neighbourhood level	City of Copenhagen (2021a)
L	Authors' data processing showing the share of working class and private non-profit housing on detailed neighbourhood level in Bispebjerg and Nordvest	City of Copenhagen (2021a); Appendix G and H

Table 3.4: List of appendixes contributing to the analysis of gentrification in Copenhagen.

### Measuring housing affordability

Parts of our posed research question and associated sub-questions relates to housing affordability, which can be measured in numerous ways. As we have discussed in our theoretical framework, section 2.5, we strive to measure housing affordability by using the ratio-income approach as well as the residual-income approach.

**Ratio-income approach** have been measured by processing data showing the average rent for different types of rental apartments; private non-profit housing, private rental properties (excluding condominium), and private rental properties (condominiums) (Danish Housing and Planning Authority, 2021). Furthermore, data showing the monthly disposable income for the working class is included in the processing (Danmarks Statistik, 2021a). These two data-sets are then combined with the appropriate size of an apartment for singles (60 m<sup>2</sup>) and couples (70 m<sup>2</sup>), according to research department of The Rockwool Foundation (Rockwool Fonden, 2015). According to the ratio-income theory, the housing unit becomes unaffordable if the rental price exceeds 30% of the disposable income. This data processing have been completed for the years from 2015-2019 in order to show whether or not it has changed over time. It could have been interesting to have developed this data-set going even further back than 2015, but data scarcity from the Danish Housing and Planning Authority (2021) makes further backtracking impossible. Additionally, the statistics available from Danish Housing and Planning Authority (2021) is limited by only having data on rental prices from dwellings with at least one apartment with state subsidised rent (boligstøtte), which may cause rental prices of some apartments to be left out of the statistics.

The ratio-income approach have been applied to the Copenhagen context, and the national danish context for reference. Both can be found in appendix N.

**Residual-income approach** has partly been made with the data described above, which includes the data on disposable income and rental prices (Danmarks Statistik, 2021a; Danish Housing and Planning Authority, 2021). As the residual-income approach takes different household compositions into consideration, the complexity of the data-processing increases. Our data-processing of the residual-income in regards to family composition and adequate apartment size is inspired by the division made by the Rockwool Foundation (Rockwool Fonden, 2015). As so we have made seven different categories of families including an adequate sized apartment:

- |                                                 |                                                |
|-------------------------------------------------|------------------------------------------------|
| 1. Single without children (60m <sup>2</sup> )  | 5. Couple with 1 child (80m <sup>2</sup> )     |
| 2. Single with one child (70m <sup>2</sup> )    | 6. Couple with 2 children (90m <sup>2</sup> )  |
| 3. Single with two children (80m <sup>2</sup> ) | 7. Couple with 3 children (100m <sup>2</sup> ) |
| 4. Couple without children (70m <sup>2</sup> )  |                                                |

The rental prices for the different apartment sizes are then applied to each type of rental apartment accordingly, to understand the rental price differences between the different apartment types.

As the residual-income approach differentiates from the ratio-income approach by taking expenditure for *other necessities than housing* according to household composition into consideration, we have applied a budget calculator developed by The Rockwool Foundation (Rockwool Fonden, 2015). This calculator provides data-sets with minimum and reference budgets according to the type of household. The minimum budget being the price of bare minimum every expenditures to live a healthy, but not extravagant life in any way. And the normal budget being the budget a household (according to the composition hereof) can spend to live a life where going to cinema, buying new electronics etc. happens occasionally (Rockwool Fonden, 2015).

The budgets we have calculated for the different households excludes owning a car and, if applicable, takes state subsidy of childcare according to working class income into consideration. This leaves us with the required data to apply the residual-income approach (Appendix O and P).

**Purchasing power of owner-occupied apartments** have been made to investigate whether or not the working class have been able to purchase an apartment in the City of Copenhagen divided into zip-codes. The purchasing power has been calculated with debt-factor four, meaning the annual earned income multiplied by four is the maximum sum which can be borrowed at the bank to purchase an apartment. This rationale have been applied to all years dating back to 2004 despite other factors might influence the final sum of money provided; e.g. the level of interest and different loan options vary over time. The final output of this data-processing will be an analysis showing where the working class over time have been able to afford an owner-occupied apartment (Appendix M)

The different appendixes and the data used to calculate affordability can be viewed in the table below.

Appendix	Content	Source
M	Authors' data processing showing the purchasing power of the working class over time divided in Copenhagen zip-codes	Realkreditrådet (2021); Danmarks Statistik (2021a)
N	Authors' data processing showing housing affordability departing from the ratio-income approach for the working class in different apartment constellations over time in Copenhagen and Denmark	Danmarks Statistik (2021a); Danish Housing and Planning Authority (2021); Rockwool Fonden (2015)
O	Authors' data processing showing housing affordability departing from the residual-income approach for the working class in different apartment- and family constellations over time in Copenhagen and Denmark	Danmarks Statistik (2021a); Danish Housing and Planning Authority (2021) and Appendix P
P	Authors' data processing showing a reference budget and a minimal budget depending on family constellation	Rockwool Fonden (2015); Aarhus Kommune (2021)

*Table 3.5: List of appendixes contributing to the analysis of housing affordability in The City of Copenhagen*

# Analysis of gentrification and affordability in Copenhagen 4

---

In this chapter we aim to answer our second sub-question: *How has the state played a role in gentrification processes in Copenhagen and how has it affected housing affordability for the working class?*. We set off by assessing if events of gentrification has happened during the last 30 odd years of the renewal of Copenhagen. In order to explain how the state-led urban planning influence processes of gentrification we employ the critical realist model of structures and mechanisms to explain events of gentrification. Additionally we apply our analytical framework of state roles derived from the literature on gentrification, as described in section 3.4.1.

## 4.1 The extent of gentrification in Copenhagen

In this first section we consider if events of gentrification have taken place in Copenhagen. We call to mind our definition of gentrification from the literature review in chapter 2 as creating an urban environment for a more affluent class of people than currently occupies that space. In order to determine the extent of gentrification we rely on quantitative measures on levels of education and income, as described in section 3.4.5. The numerical display of gentrification trends, available from the applied quantitative methods, makes comparison across time periods and neighbourhood contexts less problematic. As stated in the introduction of this chapter we are interested in the time period of the rise of Copenhagen in the last 30 years or so.

### 4.1.1 Changes in annual average earned income

In the period from 1987 to 2019 the average earned income level in Copenhagen increased by 40% - all amounts specified in real terms, 2019 prices. As figure 4.1 will give evidence to, the average earned income level in Denmark for reference increased by 38%. Copenhagen have thus seen a 2 percentage point higher increase in average earned income. An overview of the percentage in income on a neighbourhood level can be seen in figure 4.1 below:

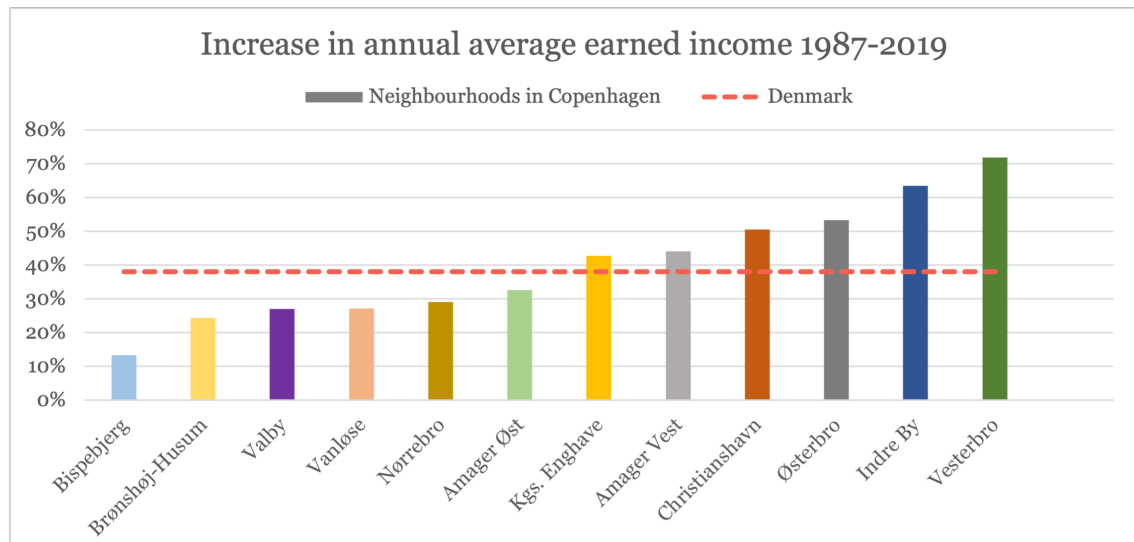


Figure 4.1: The columns illustrate the increase in annual average earned income between 1987 and 2019 in the neighbourhoods of Copenhagen in real terms, 2019 prices (Own figure, data from appendix J).

This marginally better trend in earned income for Copenhagen compared to the national trend does however not entail that all neighbourhoods in Copenhagen have experienced the same level of increased wealth. The neighbourhood of Vesterbro have clearly gained the greatest increase and the neighbourhood of Bispebjerg the lowest - 59 percentage points lower than Vesterbro. Since our case is in the context of a welfare state, and one of the most equal societies in world, one could come to assume that the highest increases in earned income then would be in the least well off neighbourhoods, and the lowest increases in the more affluent ones, as the state would be likely to make an effort for balancing earned income increases. Both yes and no - as the matter is more intricate than as so. In figure 4.2 we have created an overview of the increase in income on a neighbourhood level.

Sure enough Vesterbro was the neighbourhood in Copenhagen with lowest average earned income in 1987 at 217.079 DKK in real terms, 2019 prices, as seen from figure 4.2. This picture did not change up until 1998 when the average earned income of Vesterbro just passed Nørrebro by a few hundred DKK a year. In 2019 Vesterbro is the neighbourhood in Copenhagen with the fourth highest average annual earned income at 373.101 DKK. This shows that that Vesterbro has gone from being a low-income area to one of the highest income areas in Copenhagen. However if we look at Bispebjerg where the income has increased the least, it was in 1987 not a well-off neighbourhood and was one of four neighbourhoods that had an income below the national average. Figure 4.2 provides an overview of the changes in average earned income over time for each neighbourhood in Copenhagen.



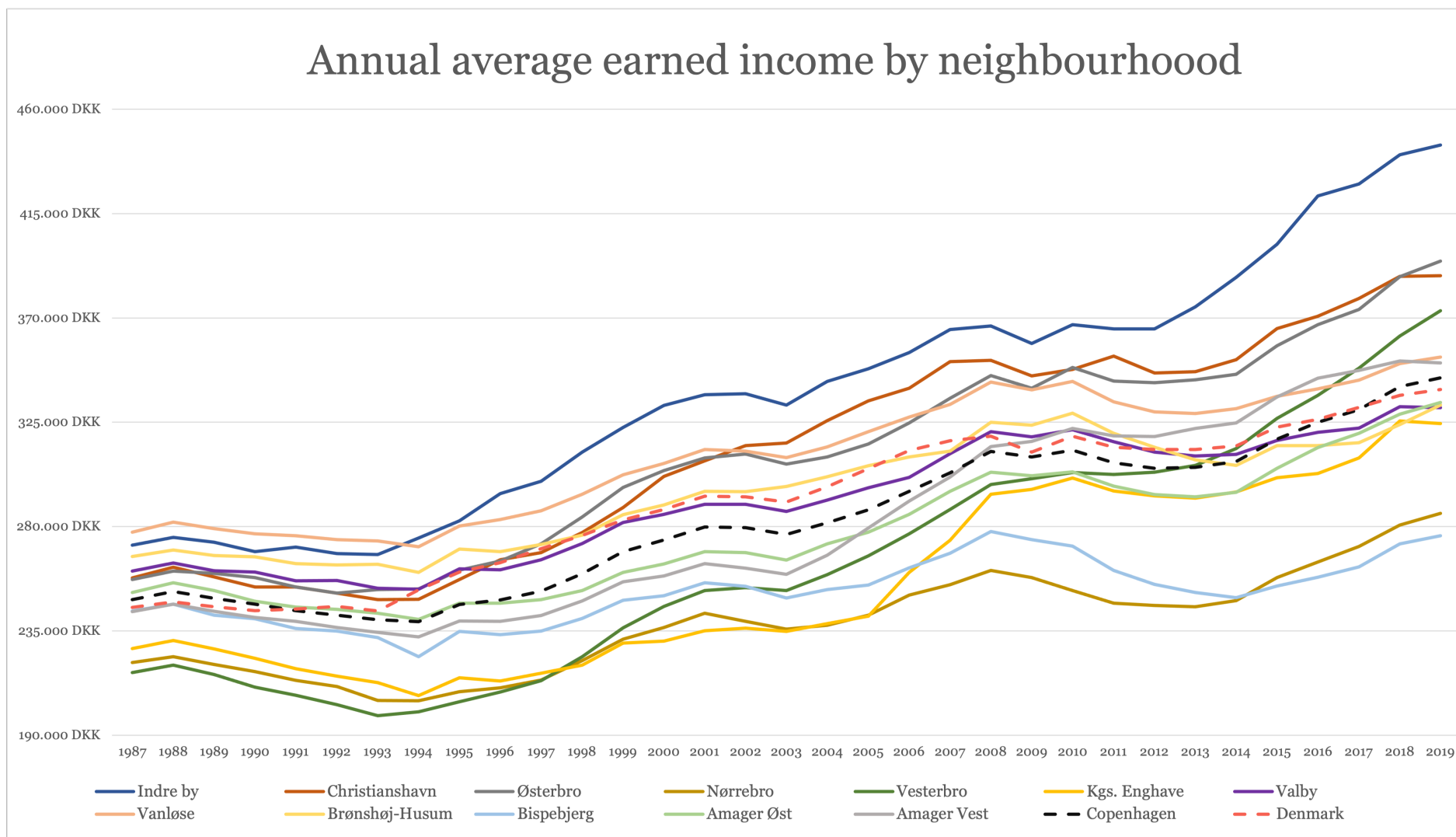


Figure 4.2: The graph illustrates the development in annual average earned income in the neighbourhoods of Copenhagen from 1987 to 2019 in real terms, 2019 prices (Own figure, data from appendix J)

The by far highest annual average earned income in 2019 is found in Indre By. Indre By has risen from an outset of being the neighbourhood with the second highest average earned income in 1987, right below Vanløse. The average earned income of Indre By has, especially since 2012, risen drastically to the point where it in 2019 is roughly 12,5% - amounting 50.000 DKK - above the neighbourhood coming in second. As we saw above Indre By has had the second highest increase in earned income, managing to create further distance to Østerbro and Christianshavn in second and third - that kept in mind, the neighbourhoods have also experienced well above average overall increases in earned income since 1987. In contrast to the increase in Vesterbro, the top three neighbourhoods in terms of earned income in recent years have only been consolidating their position as affluent neighbourhoods further, hence their top positions on levels of increase in earned income listed above. This means that the aspects of gentrification are less prominent in these neighbourhoods.

Vanløse was the neighbourhood with the highest annual average earned income in 1987, and has more or less followed the developments in the city and national average over the years, with a slight tendency to have flattened out in the last ten years, approaching the city and national averages. Vanløse has for the last five years been on par with Amager West. The annual average earned income for Amager West have however seen more of an increase in the prior period - moving from being right below the city and national average in the late 1980's, to not experiencing the average increase in the late 1990's and early 2000's before increasing drastically to above the city and national averages in the late 2000's and sustaining this position for the last decade.

The overall averages in annual earned income for Copenhagen have followed the national trend in Denmark rather closely in the period 1987-1993 and again in last 5-10 year period. In the intervening period the increase in average annual earned income for Copenhagen has been further from the national average - especially in the last half of the 1990's before narrowing the gap again in mid-late 2000's. Figure 4.2 gives evidence to a development where Copenhagen is back above the national average in annual earned income. More notably is a development where the internal differences between the neighbourhoods have become progressively larger. Where there in 1987 were approximately 60.000 DKK between Vanløse with the highest annual average earned income and Vesterbro with the lowest, there were in 2019 a difference of approximately 170.000 DKK between Indre By at the top and Bispebjerg at the bottom. The difference between top and bottom have thus almost tripled in 30 years.

Figure 4.3 adds a geographic illustration to the developments in annual average earned income across the neighbourhoods of Copenhagen over the last 25 years. Notable is how Nørrebro and Bispebjerg are the only neighbourhoods with an annual average earned income below 300.000 DKK, having only advanced one graduation, while Indre By, Vesterbro and Amager Vest have advance three gradients, Indre By being the only neighbourhood having an annual average earned income of above 400.000 DKK.

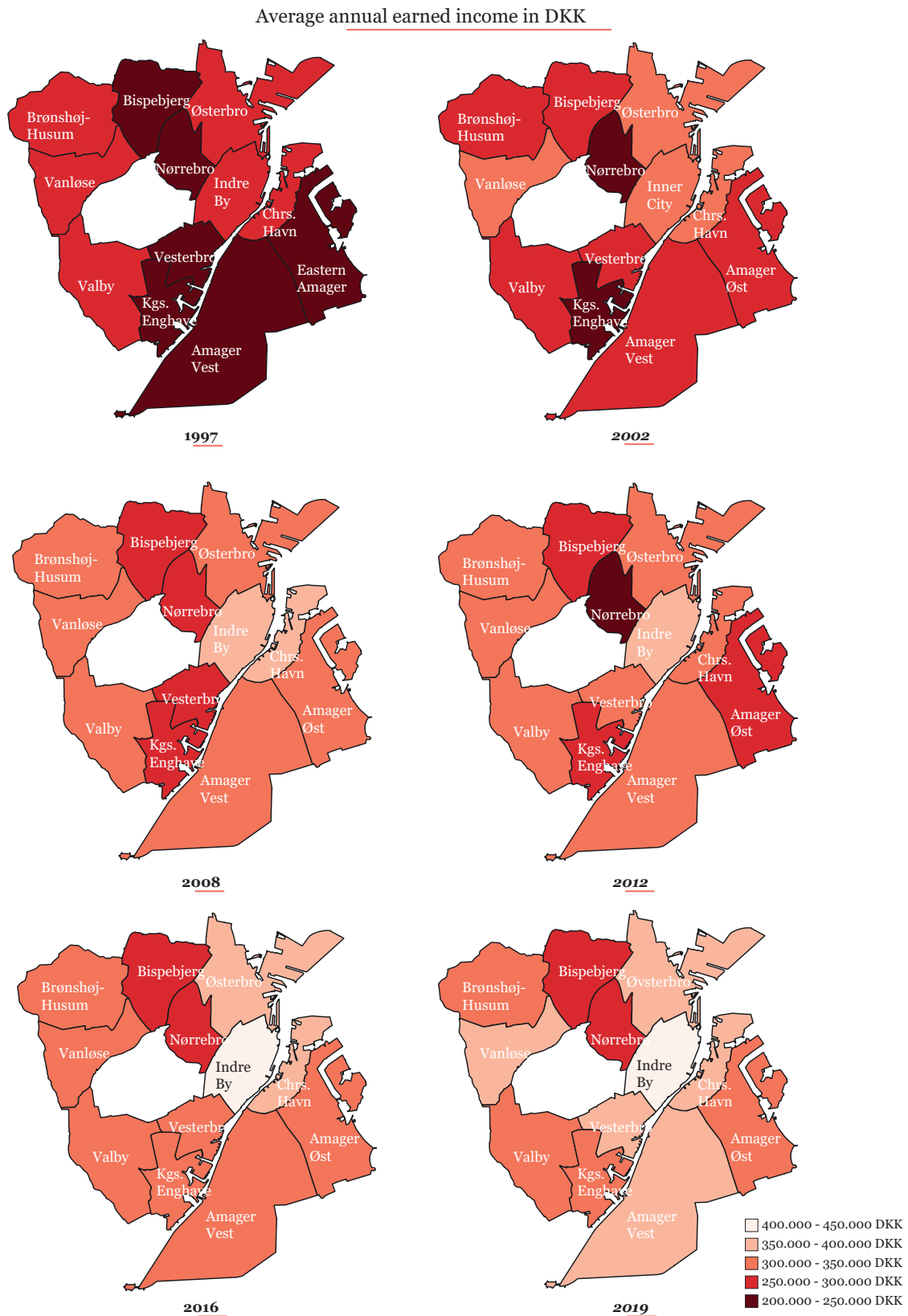


Figure 4.3: The maps illustrate the development in annual average earned income in the neighbourhoods of Copenhagen in 1997, 2002, 2008, 2012, 2016 and 2019 in real terms, 2019 prices. (Own figure, data from appendix J)

### 4.1.2 Where does the working class live

As mentioned in chapter 2, gentrification is described both as a change in income and educational level of the inhabitants of the city. In the following we will analyse the educational aspect of gentrification by looking at where the working class have lived and currently live in Copenhagen. In order to provide a better overview over where gentrification might have been the most prominent, figure 4.4 illustrates the share of working class inhabitants divided in former geographical tax-brackets.



Figure 4.4: The maps illustrate the share of working class divided in brackets in 1997, 2002, 2008, 2012, 2016 and 2019 (Own figure, data from appendix I)

Since 1997 the percentage of people from the working class living in the city has diminished over time. In the late 1990's most of Copenhagen was inhabited by 50-75% working class. Today this can only be seen in a few brackets on the map - Tingbjerg-Husum, Bispebjerg, some parts of Kgs. Enghave and some parts of Amager Vest. When comparing this with the areas where the income has risen the most, a neighbourhood like Vesterbro has moved from having a very large amount of working class to very few. Østerbro was in 1997, compared to the surrounding city, inhabited by few from the working class so even though we see a large increase in income in Østerbro the share of working class has not decreased as much as in other places as it was never that high to begin with. If we hold this up against Goul Andersen et al. (2021)'s analysis of the working class it should be mentioned that the working class overall has become smaller on a national level but not as much as in Copenhagen (Goul Andersen et al., 2021). Their definition of the working class is a bit more complex than the one shown on the map, so we can not compare our exact numbers with their exact numbers, but we argue that the overall tendencies are applicable for our analysis.

From an outset in our theoretical framework we can conclude on the developments in levels of earned income and movement of the working class presented in this section as tendencies of gentrification in Copenhagen in the period from around 1990 up until today. Most notably are the changes in annual average earned income in the neighbourhoods of Vesterbro, Amager Vest and Kgs. Enghave, as they in certain periods have had distinctive developments detached from the general trends of the other neighbourhoods of Copenhagen in the same time period. Turning to where the working class resided, the percentage of working class living in the city overall appears to have decreased and especially in parts of Vesterbro they are barely present. Thus, we argue the tendencies of gentrification have been the most apparent in these neighbourhoods.

In accordance with our scientific stand in critical realism we see these tendencies of gentrification as empirical events. Their manifestation are however a result of series of more or less overt mechanisms generated by a multitude of actors, objects and contextual circumstances. For instance centralising higher educational institutions in Copenhagen have an impact, as well as changes in the composition of the economy, where we have seen fewer and fewer employed in the industrial sector and more and more employed in the service and knowledge-based sectors. The degree of gentrification is as such a combined outcome of these and a multitude of other mechanisms. As our analysis above is dependent on a quantitative empirical domain, it lacks the explanatory depth to unfold these mechanisms. We therefore turn to understand and explain the observed tendencies of gentrification from an intensive analysis of the underlying mechanisms and structures mediating these events. The lenses we have chosen to analyse mechanisms with are the ones of planning. We therefore look at the how state-led planning might have affected gentrification.

When analysing the mechanisms leading to these events of gentrification we are curious to investigate if the focus of the state-led planning has been on the same neighbourhoods which have experienced an increase in income and decrease in share of working class.

## 4.2 Planning impacting events of gentrification in Copenhagen

In the succeeding section, our main focus is the mechanisms initiated by the state (however mostly, in form of the City of Copenhagen). This is shown by the urban planning from 1989 up until 2015, and the structures which have conditioned their actions. The mechanisms and structures are analysed to provide explanatory depth to how the state has contributed to the observed events of gentrification. For a more thorough explanation of the application of the theoretical framework see section 3.4.1 on Applying the theoretical framework. To divide the analysis of the planning in Copenhagen into historical periods, we have come to assume how former Chief of planning at the City of Copenhagen, Holger Bisgaard, in his book *Københavns Genrejsning* divides the municipality's actions into periods - 1989-1997, 1997-2002, 2002-2009 and planning after 2010. For each period we will first identify the structures creating the conditions for the mechanisms to develop. This will be followed by an analysis of the main state-led gentrification mechanisms carried into effect for the period. In table 3.1 in section 3.4.2 on *Document analysis* a list of the main documents analysed for each planning period has been presented.

### 4.2.1 Introducing planning in Copenhagen up until the 1990's

In order to understand many of the planning decisions made after 1990, first we must understand the condition Copenhagen was in, prior to this period. From the end of the 1970's to the beginning of the 1990's Copenhagen, as many other European cities, had declining population and economy (Bisgaard, 2010). Families who could afford to, moved out of the city to the suburban ideal of a house with a garden - something Copenhagen did not offer. The 1980's was a decade of crisis in Copenhagen. The former industry disappeared leading to large unemployment rates and the city became a place of social problems (Bisgaard, 2010). The main focus in planning was on building private non-profit housing on former industrial plots. Furthermore, complete clearances (totalsanering) of selected existing private non-profit housing blocks were enacted, e.g. The Black Square (Den Sorte Firkant) in Nørrebro (Bisgaard, 2010) as had been main approach in "unhealthy" neighbourhoods since the 1930's (Nielsen and Martino, 2012). Due to a tendency of creating a breeding ground for new pockets of poverty and an increasing political resistance of this sweeping approach, the first act on urban renewal efforts was passed in 1983. The new approach of urban renewal was to preserve and renovate, replacing the former strategy of complete clearance (Larsen et al., 2003).

The idea of the City of Copenhagen being the primary in urban development and not private actors in addition to a lack of comprehensive planning strategies led to investors' disinterest in partaking in the development of Copenhagen. Emblematic of the time, the City of Copenhagen waited until 1989 before their first municipal plan was passed - whereas the national government had decided for municipalities to do so since in 1975 (Bisgaard, 2010). Internally in the municipality there was conflict and differing opinions of what was to happen with the planning of Copenhagen, which caused investors to divert from Copenhagen since the patience and comprehensiveness of planning simply was missing

(Bisgaard, 2010). Director at Department of the Built Environment (BUILD) at Aalborg University, Hans Thor Andersen, confirms this picture painted by Bisgaard (2010). Hans Thor Andersen likewise painted a picture of a dilapidated Copenhagen with imminent social issues:

*"The deprivation [of Copenhagen, red.] topped with it [Vesterbro, red.].  
[...] It was a lively neighbourhood, but the life was not appreciated as it  
was dominated by junkies, prostitutes and swindlers."*

(Interview with Hans Thor Andersen, appendix A, line 113, authors' translation)

It was clear that if Copenhagen was not to economically and socially collapse something had to be done (Bisgaard, 2010).

Copenhagen was during the late 1980's in a situation where the city was inhabited by many people with social issues, the housing stock was in poor conditions and investors were not interested in developing in Copenhagen. These were the conditions for the planning in the late 1980's and the understanding to bear in mind in the succeeding analysis.

## 4.3 Planning in Copenhagen between 1989 and 1997

### 4.3.1 Structures conditioning planning from 1989 to 1997

In this planning period signs of neoliberalism begin to surface. This is shown through the accelerating conviction idea of Copenhagen should be able to compete for investments with other Northern European Cities. This notion is further backed by The Ginger Group on the capital metropolitan region (Initiativgruppen om Hovedstadsregionen) with members from the government, the public administrative levels, trade unions, institutions of higher education and the private sector who created the report "The Capital City - what do we want to do with it?" (Hovedstaden - hvad vil vi med den?). In this document it was clear that Copenhagen had to act as an economic growth center of Denmark, which kick started a new way of planning (Initiativgruppen om hovedstaden, 1989).

With the election of Jens Kramer Mikkelsen, the City of Copenhagen elected a mayor who strove to use planning and create political consensus in order to make the city attractive to investors (Interview with Holger Bisgaard Appendix C, line 97). In this period Copenhagen developed its first municipal plan, supplemented by investments in infrastructure from the Danish State (Bisgaard, 2010). Furthermore, it was throughout this period the plans for: the metro, the Øresund bridge and Ørestad City was formed (Bisgaard, 2010). The plan for Ørestad is what Hans Thor Andersen believes to be the most influential plan in regards to how Copenhagen appears today (Interview with Hans Thor Andersen Appendix A, line 208). Additionally, the state invested heavily in cultural buildings on the inner harbour front to exhibit Copenhagen becoming a place of growth and possibilities (Bisgaard, 2010).



### 4.3.2 State-role mechanisms from 1989 to 1997

In the following we will describe the state-role mechanisms of the time period. In this period we especially identified the entrepreneurial state-role as being very prominent and to a smaller degree the interventional. However, we also found that our re-defined state-roles were insufficient in explaining the redevelopment of Vesterbro why we had to create a new role: the super-interventional.

#### Entrepreneurial mechanisms

The entrepreneurial state role permeates the approach to rehabilitate Copenhagen presented in *Hovedstaden - hvad skal vi med den?*. In order to increase the competitiveness, Copenhagen should be presented as a cultural, university, and research based city, as well as an attractive city for international offices and tourists (Initiativgruppen om hovedstaden, 1989). The City of Copenhagen concretises these notions in the municipal plans of 1989 and 1993 by emphasising the importance of creating cultural and monumental buildings in Indre By. This is especially happened by the canal in order to show investors an increased activity in the city as well as making the inner harbour a main visiting site for tourists (City of Copenhagen, 1989, 1993). Another highly profiled entrepreneurial action in this period is the City of Copenhagen selling the national football stadium to a private investor in order for the city to gain an arena with the ability to host cultural and sports events of an international format and along with it enabling the formation of a top football team for Copenhagen (Parken; F.C. Copenhagen). These aspects of the document can be perceived as the state wanting to play an entrepreneurial role since they are aiming to re-imagine the city in order to compete with other cities in a post-industrial world.

#### Interventional mechanisms

In the municipal plan from 1993 the area for developing Ørestad was contemplated based on the Law on Ørestad passed by the Danish Parliament that year (City of Copenhagen, 1993). Ørestad was a brand new urban area placed on Amager Vest that was to be Copenhagen's connection to the airport and Sweden. As a distinct interventional mechanism a comprehensive plan was drawn up, based on an international architecture competition by the public-public Ørestad Development Corporation (Ørestadsselskabet, 1995) set to be in charge of the new development project. In the initial plans, the state was set to play an interventional role, as the state initiated mechanisms of investing in infrastructure to attract investors by building the city's first metro line, as well as creating plans for green connections and for a large variety of activities (The Ørestad Development Corporation, 1995). The interventional role and related mechanisms applied in the development of Ørestad changed over time which we will see in the later periods.

#### The Ørestad development company

In order to develop Ørestad and operate the metro, the City of Copenhagen and the Danish Ministry of Finance jointly created the public-public development corporation the

Ørestad Development Company (Ørestadselskabet I/S) (Majoor, 2008). The purpose of the corporation was to obtain state backed loans to pay for the metro, and then through the development of Ørestad pay it back without spending tax payer money - the corporation was economic independent from the City of Copenhagen (Majoor, 2008). At first glance, the Ørestad development company seems to represent the facilitator role. It is a way for the municipality to capitalise the economic potential of Ørestad by acting as a corporation in the market. It is thus a way for the state to cooperate with investors and thereby they start acting more as facilitator than a planning authority. However, the Ørestad development company created comprehensive plans (The Ørestad Development Corporation (1995) which is more aligned with interventional state-role. We argue that the creation of the corporation itself is a facilitating mechanism but how the corporation itself has acted in the planning appears to be very interventional based on the documents. Since the corporation is neither public nor private and we merely are looking at the role of the state we have chosen to delimit our self from further investigating the corporations and its role.

### Other mechanisms

Following the complete clearances on Nørrebro, back premises of additional neighbourhoods in Copenhagen were demolished. In inner Vesterbro the need for urban renewal was urgent, with buildings in bad condition, lacking light, air, and open spaces affecting the neighbourhoods social lopsidedness and its ability to maintain inhabitants having a substantial income. But the record of complete clearances from Nørrebro gave an understanding of importance of creating a more comprehensive approach and of renovating rather than demolishing; a more gentle approach (Gutzon Larsen and Lund Hansen, 2008). There is an interventional character to the completion of a plan of actions in advance to detailed planning and completion of the individual building and building block renewal. There is further an interventional character to be found in the mechanisms of heavy investments in the urban renewal of inner Vesterbro amounting to 4,3 billion DDK - the largest overall urban renewal effort in Denmark. This approximates to 1,15 million DDK for rebuilding each apartment across all types of ownership where toilet and shower amenities along with central district heating were been the main improvements (City of Copenhagen et al., 2005). Contrary to the aims of the interventional state role of attracting investors, the aim of the urban renewal of Vesterbro was to initiate a development towards a population composition approximating the general composition of Copenhagen. The share of one and two room apartments were with the urban renewal efforts reduced from 39% to 30% to compensate for a lopsidedness in the apartment composition and thus make the neighbourhood more attractive to families (City of Copenhagen et al., 2005). This state-role therefore exceeds the involvement from the interventional role to a super-interventional role. This development correlates to the municipal's goal to establish a sound economic foundation for the development of the capital (Bisgaard, 2010). In below table 4.1 an overview of the structures and mechanisms of the period are presented.

<b>Structures</b>	<p>Emphasis on capital region as growth engine and competitive</p> <p>First political agreement on a municipal plan for Copenhagen</p> <p>Social imbalance as result of post-industrial era</p> <p>Inadequate housing stock quality</p>
<b>Mechanisms</b>	<p><i>Entrepreneurial state role</i></p> <p>Re-imagine the city as a cultural, knowledge and research based city</p> <p>City for international offices</p> <p>Cultural and monumental buildings</p> <p>Inner city and harbour front as attraction for tourists</p> <p>National stadium sold to investor to attract international events</p> <p><i>Interventional state role</i></p> <p>Comprehensive planning for Ørestad</p> <p>Large infrastructural investments</p> <p><i>Other - Super Interventional</i></p> <p>Heavy public funding of building renewal</p> <p>Heavy investments in public spaces and courtyards clearances</p>

Table 4.1: The structures and mechanisms from 1989-1997

## 4.4 Planning in Copenhagen between 1998 and 2001

### 4.4.1 Structures conditioning planning between 1998 and 2001

Neoliberal ideas of attracting investors and gaining economic growth was still the key focuses of this planning period. A strategy set out to achieve this was to convince young people stay in the city when they began to settle as a family by building more housing (Bisgaard, 2010). This was however not in the investors interest who wanted to build for commercial use, and were allowed to do so. This can be seen in the planning of Kalvebod Brygge, Langelinie and Christiansbro. The plans for re-developing the harbour areas were also made in this period with the main potentials in Sydhavn, Nordhavn and the inner Harbour north of Knippelsbro (Bisgaard, 2010). To accommodate and convince investors that developing for residential use was urgent and necessary for Copenhagen to continue this transition, the City of Copenhagen with Holger Bisgaard at the front "succeeded in convincing the Parliament to create subsidies for pension funds to invest in residential rental estates, but despite this it still took a great effort to convince investors" (Interview with Holger Bisgaard, appendix C, line 167, authors' translation). The changes in structures from the last period are especially evident by social problems in Copenhagen had become smaller and investors started to become interested in the city.

### 4.4.2 State role mechanisms from 1998 to 2001

In this period of planning the most prominent state roles were the interventional and the super-interventional, still in form of the renewal of Vesterbro. The entrepreneurial was still

present but not as prevalent as the previous period. In the following we will describe the new mechanisms found in the period but will not dwell further on the super-interventional role.

### Entrepreneurial mechanisms

The entrepreneurial role of this period is mostly shown by the absence of comprehensive planning for an area such as Kalvebodbrygge. The municipal plan from 1997 do point out "top locations" where they wish for urban development to take place, but without specifying further how the areas are to be developed. These were Kalvebodbrygge/Fisketorvet, Christiansbro and Søndre Frihavn (City of Copenhagen, 1997). When comparing this to the local plan of Kalvebod Brygge where it neither is specified how the area aesthetically is to be developed, the City of Copenhagen has not made any comprehensive strategy for the development. In this development there were almost no demands made by the municipality in order to accommodate the investors wishes as much as possible (Bisgaard, 2010)

### Interventional mechanisms

It has been a very deliberate action by the City of Copenhagen to make students stay in Copenhagen after graduation in order to increase their income through taxes. The City of Copenhagen presents in the municipal plan from 1997 twelve points of how they aim to achieve this. Some of the more interventional actions are neighbourhood enhancements as well as creating waiting-lists for families in order to provide better access to private non-profit housing, and to stop the construction of private non-profit housing to intensify the private developed construction of housing for larger families (City of Copenhagen, 1997).

The interventional role of the state becomes even more present in the municipal plan from 2001 where there is a large focus on sustainable public transport and a lift of the public urban spaces. In this plan the City of Copenhagen aims to create new housing close to public transportation stations and areas with amenity value such as Amager Øst and Sydhavn; both in short distance to the water. Moreover the City of Copenhagen wishes to ensure that areas around buildings which are especially worthy of preservation should be improved. In our perspective this is a way to increase the value of housing through the surrounding environment in order to make incitements for private investors to increase the quality of existing housing or building new housing. The same argument can be mentioned for the municipality's initiative to make urban development close to public transportation stations (City of Copenhagen, 2001b). We however know from the interview with H. Bisgaard, that the plans of building housing was not realised until the following period. Investors were simply not interested in building housing in Copenhagen at this time, or as Bisgaard himself puts it: *"When I went about with the plans of the harbour areas in 2000, and said I believed we could build 1000 dwellings in Copenhagen a year, I became a laughing-stock by investors."* (Interview with Holger Bisgaard, appendix C, line 147, authors' translation).

### Other mechanisms

The mechanism of urban renewal programs in Denmark had been maintained as a mainly physical instrument up until 1998, when the idea of Neighbourhood Enhancement Plans (Kvarterløft) from 1996 was incorporated as a new type of decisions with the renewed act on urban renewal programs (Larsen et al., 2003; Andersen and Keilgast, 2003; ?). The new approach was based on former national experiences with physical efforts in urban renewal, but further incorporated improvements on social and economic conditions with physical efforts, inspired by an acknowledgement in the parts of Europe that problematic neighbourhoods suffered from social and economic difficulties as often as physical. Thus, the essence of Neighbourhood Enhancement Plans entailed a holistic view on urban renewal with a broad scope of mechanisms and incorporating citizen involvement in aiming at creating well functioning neighbourhoods and improving the general living conditions (Larsen et al., 2003; Andersen and Keilgast, 2003; City of Copenhagen, 2006). Between 1997 and 2001 three neighbourhoods were pointed out for enhancements in Copenhagen. As with the former mentioned deviating state role where urban redevelopment was the mechanism, the City of Copenhagen maintain a state role closely related to the interventional as they are heavily involved in the process of improving the neighbourhoods. Danish Building and Urban Research (BUILD, fmnr. Statens Byggeforskninginstitut) (Larsen et al., 2003; Andersen and Keilgast, 2003) found in their evaluation of the efforts that business development and the private supply of culture, amusement, and services generally had been put in an order of low priority. The evaluation discovered a parallel development in local jobs on its own to have an especially positive impact in Copenhagen. This highlights the variation from the interventional state role, as the municipality's involvement must be seen not as an effort to enhance the profit of private actors. Instead their efforts to improve public spaces, combining smaller apartments, social efforts on addicts, enhancing culture and sports along with promoting activities in community houses should be seen in light of the changes in the neighbourhoods' reputations from within and from without. The improvements in neighbourhood appreciation is in the evaluation estimated to potentially lead to gentrification of the neighbourhoods located closest to the city centre. The evaluation further points the importance in the perception of how attractive a neighbourhood is to live or invest in to be critical in determining in what direction the neighbourhood develops (Larsen et al., 2003; Andersen and Keilgast, 2003). The state role pursued by City of Copenhagen should thereby be seen as attempting to realise their ambitions of being able to accommodate and keep more families in the city, for the benefit of the municipal economy. An overview of the structures and mechanisms of this period can be found in table 4.2 below:

<b>Structures</b>	Neoliberalism - attracting (foreign) investments
	Low quality housing
	Fewer social problems
<b>Mechanisms</b>	<i>Entrepreneurial</i>
	The development of Kalvebod Brygge and other prime harbour areas
	<i>Interventional</i>
	Neighbourhood enhancement
	Building close to stations and amenity value
	Improvement of urban spaces close to buildings worthy of preservation
	<i>Other</i>
	Neighbourhood enhancement as holistic view on urban renewal

Table 4.2: The structures and mechanisms from 1998-2002

## 4.5 Planning in Copenhagen between 2002 and 2009

### Structures conditioning planning in the period

Neoliberalism in this period is still prevailing but with a new perspective of the knowledge-based economy - the new way of which the City of Copenhagen wish to ensure growth. In this period the construction of new housing really took off in Copenhagen. The plans for the harbour was approved and the housing plan *Housing for all* secured 280 million DKK to be invested in infrastructure in new housing areas (Campbell, 1918). The demography had changed and the focus on ensuring families expanded from a narrow focus on housing to a broader focus on a family friendly city through the constructions of schools and green areas. In 2004 The City of Copenhagen conducted an analysis about *ways of life* in Copenhagen and found that there were five different groups of inhabitants in the city with different wants and different needs. We argue that these five groups counts as structures, even though they are created - probably with a strong bias - by the City of Copenhagen, they still create the foundation of the planning in the period. Even though it is mentioned in the municipal plan from 2005 that it is important to make sure that the more vulnerable groups of citizens are taken into account in planning, it seems very clear that the groups with higher education or part of creative businesses are the main focus (City of Copenhagen, 2005a).

One of the most important planning actions of this period is the development of the port of Copenhagen. The heavy industry and shipping, followed by ferry services, has concentrated in the northern and eastern part of the port as demands for infrastructure have changed with ships growing larger. Meanwhile the military has moved many of its activities away from the port. Indre By along with minor parts of the waterfront of Langelinie, Nyhavn and Slotsholmen have been the main tourist attractions for several years. The now empty waterfront, especially around Indre By, is interpreted as an undeveloped sight for tourists, as visitors more often than the citizens experience the city from the water side.

Additionally, a new type of plan emerged in 2004 named *district renewal plan*

(områdefornyelse) as a part of an overhaul of the City Renewal Act, thus being inherent in the preamble from which it becomes apparent that such plans should cater for private investments. (Transport- og Boligministeriet, 2003)

#### 4.5.1 State role mechanisms from 2002 to 2009

During this period we find the role of the state to be both entrepreneurial and interventional. We also see the first signs of the facilitator role but on a rather small scale. We will throughout the forthcoming analysis of this period analyse how this came to be.

##### Entrepreneurial mechanisms

In the municipal plan from 2005 it is evident that The Royal Danish Opera, the new theater - The Royal Danish Playhouse (Skuespilhuset) - as well as a concert-hall in Ørestad was to create a cultural axis to strengthen the role of the municipality internationally and thus attract businesses (City of Copenhagen, 2005a). These constructions of large cultural monuments are a continuation of what we analysed in the first period and is a way to show investors the activity in the city. The entrepreneurial role can however also be seen through what the planning documents does not say. In the municipal plan of 2005 it is mentioned that Ørestad is to be developed and house mostly family, but without further explanation. If we turn to our interview with Holger Bisgaard we learn that getting investors to build was very difficult at the time and the solution was, among others, building the shopping mall Field's which was not a part of the original plan for the area (Appendix C, line 135; Bisgaard, 2010). Another example is the construction of the Ferring office building, who got the land rather cheaply if they build something with high architectural quality (Appendix C, line 129). Majoor (2008) confirms this notion. He writes that the many good intentions from the comprehensive plan - the interventional planning role - could not be realized due to a lack of interest from investors. The City of Copenhagen then started to act entrepreneurial and to a higher degree let the investors lead the development (Majoor, 2008).

##### Interventional mechanisms

**The harbour** Where the municipal plan creates the overall planning framework for the development in the port areas of Copenhagen, it is however not perceived to be the right framework for creating new activities on and around the water in Indre By. Therefore the City of Copenhagen in 2003 initiated a debate on ideas and perspectives on the city's conquest of the harbour front. Employees, residents, recreational sailors and cruise passengers are with the Blue Plan (City of Copenhagen, 2003a) presented as new groups of users in the harbour coming to experience the city's pulse. The interventional role becomes very apparent as the City of Copenhagen take on a very active role in attracting investments to the urban development outside the inner part of the harbour front when they with the Blue Plan aim to re-imagine it with a urban life by the water. Through



the Blue Plan the municipality initiated that the harbour front adjoining the inner port were viewed as important within a regional sphere while the part further out of the port towards the north-east and south-west is viewed as important within a local sphere. Here the harbour front was already transforming from industrial harbour into urban area. The renewal of the city is especially located in these areas along the harbour, as it has proven to be an attractive effect on residential and commercial building. The Blue Plan supports a narrative of a recreational lifestyle where it, more so than ever, is possible to reside, work, live, and move near and on the water - within the city. The qualities of the harbour is seen as an inherent part of the urban development and that Copenhagen is growing in virtue of its harbour. With the the Blue Plan, the City of Copenhagen aim to prompt a debate in order to prioritise municipal funds. However, in addition to stimulate good intentions and partnerships on converging interests, they aspire for the Blue Plan to:

*"[...] inspire other parties, who e.g. in the course of urban development is spending resources on the harbour."*

(City of Copenhagen, 2003a, p. 18, authors' translation)

This really shows the interventional role of the municipality since the comprehensive planning is done with the purpose of attracting investments. In the inner harbour a crossing is set to be financed by the municipality as it is used by a variety of users. In another part of the harbour a crossing is set to be co-funded by local property owners as a crossing will make their properties more attractive as an area for residential building.

**Attracting families** In the wake of the dot com crisis in 2001/2002 and investors became more interested in building housing and the wish in Copenhagen was that this, to a very large degree, should be for families (Bisgaard, 2010; City of Copenhagen, 2004, 2005a). Moreover in order to attract families the City of Copenhagen in the municipal plan of 2005 had a rather large focus on establishing schools, kinder gardens and leisure activities for kids as well as improving the green areas in the city to make space for exercising and sport (City of Copenhagen, 2005a). Two more specific examples of how the interventional role was linked to the aim of attracting families was the plans for Sydhavn and for Valby (City of Copenhagen, 2003b, 2005a). In the plans for the Sydhavn there is a very precise visualisation of how the municipality aim for the Sluseholm, Teglværkshavnen and Teglholmen to look, and how they wish for families to settle in the area.

*"It is the intention to establish a new multifunctional area on the Sluseholm of a high standard and create a family friendly housing environment where the cultural, public and spectator oriented functions are integrated in the area."*

(City of Copenhagen, 2003b, p. 7, authors' translation)

The same can be said for the development of Valby which also is based on a very comprehensive plan for the area and thus interventional. In the municipal plan from 2005 it mentioned that the hope is that both public and private investments can be used to create a holistic urban development (City of Copenhagen, 2005a). Moreover, new schools and kinder gardens must be placed centrally in Valby (City of Copenhagen, 2005a, 2009b).



Again the comprehensive plans are made with an attempt to create areas for families and attract investors and thus that they represent interventional mechanisms.

**Planning for the knowledge-based city** Copenhagen strove through planning to become a knowledge based city with good conditions for creative businesses. In this matter the City of Copenhagen acts mostly interventional. In the municipal plan of 2005 both Den Hvide Kødby (The White Meat Packing District) and Refshaleøen are pointed out as areas that should be comprehensively planned in order to attract creative businesses (City of Copenhagen, 2005a). In the municipal plan strategy 2007 and municipal plan 2009 the focus increases further. In these documents the City of Copenhagen aims to accommodate the creative businesses through, among other things, attracting cultural events and hosting these in the public urban spaces of Copenhagen (City of Copenhagen, 2009b). In addition, the municipality strove to attract creative businesses through creating diversity and a more "open" city. This might be one of the reasons for the continual focus on creating a vibrant, sustainable and diverse city in the municipal plan of 2009. In this period the City of Copenhagen very much had a mindset of creating an attractive city through very comprehensive planning:

*"The urban redevelopment of Copenhagen must happen through re-development and densification of existing, worn down areas into modern multinational urban districts and urban neighbourhoods. Diversity must be ensured and the quality of the city re-development through planting a holistic view on the development. The historical and architectural values must be used in creating an identity and quality. Moreover, there must be planned for urban spaces, activities, institutions and collective transportation among others."*

(City of Copenhagen, 2009b, p. 58, authors' translation)

The order in which (re)development projects are started and completed are also very comprehensive in the municipal plan from 2009. This is made to ensure the economy in the different projects but also so the investors knew the priorities of the municipality. From our interview with Ole Hjorth we know that investors look at the order of development projects when investing. On this topic he says:

*"If there in the municipal are areas pointed out as an area with perspective or a future urban development area, then the potential of this area changes because one can change it from being rails to being buildings. There is a change in value"*

(Interview with Ole Hjorth, appendix B, line 75, authors' translation)

### Conservative mechanisms

In this period the first signs of the conservative role can be found. It is seen in cases of *vulnerable housing areas* which are private non-profit housing where larger groups of people with social problems live. One of the initiatives to mitigate this issue is to create flexible renting in order to attract other demographic groups in order to stabilise the the

areas (City of Copenhagen, 2005a, 2009b). It should however be mentioned that this is just one of many initiatives to solve the issue but this logic of the middle class being able to stabilise the areas is a clear sign of the City of Copenhagen acting on the objective of the conservative state role.

### Facilitator mechanisms

In the municipal plan from 2009 we first see the municipality having the facilitating role. In the plan there is an initiative named *process* which is made to create a more smooth processes between the municipality and investors/developers (City of Copenhagen, 2009b). The topic is divided into five different sub categories that clearly shows the process from idea to the finished plan. The categories consists aspects such as guidance and contact with the relevant local committees (lokaludvalg) about the project. Since the aim is to create a better dialogue and smoother process more than it is to act as "a planning authority" we believe that this gives evidence to the municipality acting facilitating. The structures and mechanisms of the period is summed up in table 4.3 below:

<b>Structures</b>	Neoliberalism - attracting (foreign) investments Becoming a knowledge based city Five different ways of life in Copenhagen Limited financial space but a better economy than before
<b>Mechanisms</b>	<i>Interventional</i>
	Creating an attractive harbour front in Indre By to bring investments Building housing, schools and cultural activities for families. Comprehensive plans of the white Meat Packing District and Refshale aimed at creative businesses
	<i>Entrepreneurial</i>
	The construction of Fields and the surround part of Ørestad
	<i>Conservative</i>
	Aiming to attract middle class citizens to disadvantaged neighbourhood to create more stable areas
	<i>Facilitator</i>
	Initiative to smooth processes between municipality and investors

Table 4.3: The structures and mechanisms from 2002-2009

## 4.6 Planning in Copenhagen from 2010 onward

### 4.6.1 Structures conditioning planning in the period

It comes to no surprise that we again find neoliberal ideals of attracting international investments and workers to be a dominating structure of the time. There has however been a slight shift in how this is to be obtained - using sustainability as a brand (City

of Copenhagen, 2011, 2015). The focus on sustainability has increased and has gone from merely being considered in regards to public transportation and energy supply (City of Copenhagen, 2009b, 2001b) to now also including aspects of social and economic sustainability (City of Copenhagen, 2011, 2015). Most likely the focus on sustainability is not only implemented with neoliberal ideas behind it, but these are present. Copenhagen is no longer a city inhabited by people with social issues. On the contrary there is an increased focus on ensuring affordable housing for the working class in order to keep up a degree of diversity in the city (City of Copenhagen, 2011). Even though it sounds very contradicting to ensuring affordable housing the government passed the so called ghetto law in order to change the demography in private non-profit housing areas inhabited by non-western immigrants and people outside the workforce with shorter educations (The Danish Government, 2010). This national law becomes very relevant for Copenhagen since 10 of the 29 private non-profit housing areas, from the ghetto list, are placed in Copenhagen, most of them in Bispebjerg, Nørrebro and Husum-Tingbjerg (The Danish Government, 2010). Therefore, plans for developing these areas start to be prioritized in planning. Another key structure in the urban development is the introduction of City & Port. The corporation was formed in latter part of the previous period but its role in developing Nordhavn first really becomes apparent in this planning period.

#### 4.6.2 State role mechanisms from 2010 and onward

We will in the following conclude that the facilitator role becomes more important in planning than previous but the interventional role is still the most dominating. From the previous period the focus on planning for families continue and will therefore not be described in the following. The entrepreneurial role is no longer to be found in the documents. As the discussion of the ghetto areas become more active the conservative role likewise becomes more visible in the planning.

#### Interventional mechanisms

**Neighbourhood plans** One of the interventional actions that we see in this period is the creation of neighbourhood plans (bydelsplaner). The 12 local committees - one for each neighbourhood - did in 2017 make a plan presenting the current status of the neighbourhood as well as the events and changes that is to happen in the different areas. Since we are analysing the broader aspects of the planning strategy in Copenhagen the content of each plan is out of the scope for this particular analysis. This also means that each of the neighbourhood plans might show aspects of different planning roles but the action of creating such specific plans we argue is an interventional action. In the following chapter 5 the neighbourhood plan for Bispebjerg will be dealt with in more detail.

**Sustainability in the city** The major focus on creating sustainable urban development is mainly shown through what we interpret as comprehensive planning - creating bike paths by example. As mentioned in the section on structures it is done with a purpose to brand Copenhagen on an international level and thus attracting investments. In the municipal plan from 2011 the City of Copenhagen writes:

*"Copenhagen's prominent position in the cycling area is part of "branding Copenhagen internationally as a modern and environmental friendly metropolis with a focus on humans and effective solutions"*

(City of Copenhagen, 2011, p. 13, authors' translation)

There are other different examples of the connection between economic growth and sustainable development. The construction of a new metro line is likewise done in order to increase sustainability as well as providing a good foundation for companies and the development of Nordhavn has to act as an international role model for environmental sustainability as well as a lab for clean-tech companies who wish to try out new solutions (City of Copenhagen, 2011, 2015).

### The Conservative Role

The conservative role is mostly present in the way that the ghetto-issues are attempted to be solved. This we have also experienced in previous periods but has become more prominent in this period with ghetto law and the report *Ghettoen tilbage til samfundet* (The ghetto back to society). The conservative action of solving social issues by attempting to change the demography of the areas, was done through not allowing specific groups to gain residency in the area and allow others easier access (The Danish Government, 2010). In later years the conservative role has become even more apparent. In order to ensure a change in the demography it is now required that in some cases the housing must be demolished or selling off private non-profit housing in order to have private actors build instead (The Danish Government, 2018).

**The Facilitator role** The facilitator role in this period is properly best described with the role of City & Port. They are described in the literature as a Public Asset Corporation who's purpose is to act as a private developer in the market but its surplus goes towards paying off the large metro debt (Noring et al., 2020). City & Port stems from The Ørestad Developing Company and therefore they likewise a tricky to include in this analysis but since they still exist we know a little more about them. They are responsible for the development of the former industrial harbour areas, and in doing so they find a financial partner such as pension funds who they develop the area along side with. They have also created very comprehensive plans for - among others - Nordhavn and the new Fælledby. These master-plans might represent the interventional role, but we argue that since they are created so closely with investors it still is a sign of the facilitating role.

<b>Structures</b>	Neoliberalism - attracting (foreign) investments
	Becoming a knowledge based city
	Sustainable development to brand the city
	Ensuring affordable housing
	The so-called ghetto law
<b>Mechanisms</b>	<i>Interventional</i>
	The creation of neighbourhood plans
	Development of Nordhavn
	Construction of bike-paths
	Construction of new metro lines
	<i>Conservative</i>
	The initiative to fix social problems in ghetto areas
	<i>Facilitator</i>
	The role of City & Port in the urban development

Table 4.4: The structures and mechanisms from 2010 onward

## 4.7 Summarising changing state roles in Copenhagen planning

In the following we will sum up the different roles that the state has played in the gentrification events described in the beginning of the chapter. It should be said that through this analysis we have experienced, that the state can play multiple different roles simultaneously. Especially from the interview with Holger Bisgaard it became evident that even though in the planning documents that it seemed like the municipality acted interventional in reality they also had aspects of the entrepreneurial and facilitating role (Interview with Holger Bisgaard, appendix C, line 121). It is important to remember this nuance as we proceed to analyse Nordvest in the next chapter.

In the beginning of this analysis we experienced that in especially five areas the income had increased significantly: Vesterbro, Indre By, Østerbro, Amager Vest and Christianshavn. In the following we will sum up for each of the areas what role the state mainly have played in gentrifying these areas. In figure 4.5 below we have created an overview of the different roles with the employed model of our scientific stand - critical realism - and presented the changes in structures, the mechanisms and the events of gentrification.

## Structures, mechanisms and events of gentrification in Copenhagen

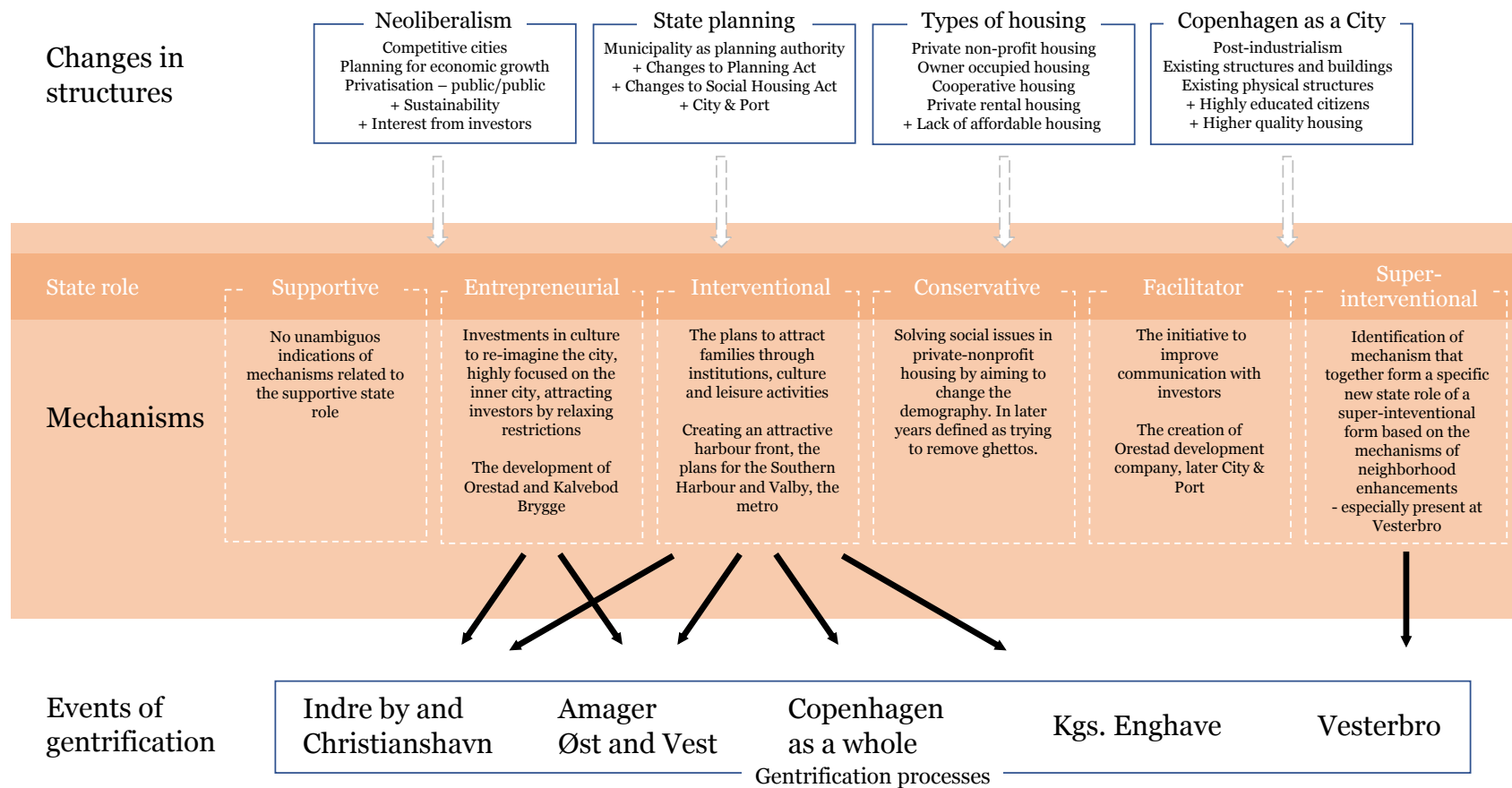


Figure 4.5: The summarised state roles in Copenhagen planning, illustrated with the analytical framework employing the model of critical realism but updated with changes in structures, observed mechanisms, and events of gentrification. (Own figure with inspiration from Xue (2012) p. 449)

In the following we sum up the changes in structures as well as the mechanisms for each area affected by events of gentrification.

Through this time period the structures that creates the preconditions for planning today have changed. Mostly the demography and the physical structures of Copenhagen are very different than in 1989. Many housing units have been torn down and provided more space in the city. The metro has changed the public transportation system and is now the center of much of the future planning. The demography is also very different which can be seen in the percentage of inhabitants that are part of Goul Andersen et al. (2021)'s definition of upper class and upper middle class which in Copenhagen is around 39% and in the rest of the country is around 15% (Goul Andersen et al., 2021). Moreover a large focus on sustainability has entered the urban planning also in regards of neoliberal aspects of increasing competitiveness to other cities. Investors have gained massive interest in the Copenhagen real estate marked which in 1989 was far from the case (Bisgaard, 2010; Cushman & Wakefield | RED, 2019). In this regard, the state planning we have changed both in the planning act with the introduction of municipal plans as well as to law changes in regards to vulnerable private non-profit housing areas. The types of housing has not changed in the period, however there has become a lack of affordable housing which has not been seen before.

#### **Amager Vest - Entrepreneurial and Interventional mechanisms**

The development of Ørestad is likely the reason for the large increase in earned income and educational level. In this development the state has played both an interventional and entrepreneurial role. We would argue that the creation of the metro was very interventional whereas the rest of the development in reality seems to have been of an entrepreneurial character. The gentrification events in the area have however not been very significant and the income level has only increased to four percentage point higher than the national average. It is in the early 2000's that the income level start rising which aligns to the time of the initial development of Ørestad. Since the increase in income is due to the construction of a completely new area and not because people have been pushed out we find it hard to conclude that direct gentrification has happened in Amager Vest.

#### **Indre By and Christianshavn - Interventional and Entrepreneurial**

We have decided to place Christianshavn and Indre By in the same topic since the main planning initiatives regarding the development in the harbour, both areas are involved. The mechanisms which have affected gentrification events in this area are both the interventional and the entrepreneurial. As seen on figure 4.7 the entrepreneurial role has been expressed by the development of Kalvebod Brygge and investments in cultural monuments and the interventional role can be seen in the creation of the attractive harbour front. Indre By is the neighbourhood with the second highest rise in income but in the late 80's the neighbourhood was also one of the wealthiest in Copenhagen. In the early 2010's the income in the neighbourhood departed massively from the other neighbourhoods however in the newer plans we do not find a large focus on Indre By. A reason to this might be the type of housing in Indre By, which will be analysed in the forthcoming section regarding housing affordability. Christianshavn has also seen a large jump in earned income which started to accelerate in the mid 1990's which is also when the City of Copenhagen started the focus on the development of the harbour.

**Vesterbro - Super interventional**

Vesterbro has experienced the largest gentrification. It has gone from being a worn down neighbourhood to become highly attractive neighbourhood to live in. In Vesterbro the state has also played the most significant role by acting what we define as super-interventional. It is also very clear that in the early 1990's where the large lift of Vesterbro started the average income of its inhabitants accelerated and went from the poorest to the fourth wealthiest neighbourhood.

**Kongens Enghave - Interventional**

The state has mostly acted interventional in this area which can be seen in the development of Sluseholm and Teglsø. Very comprehensive planning has been made. However this increase is also based on these new areas, and the story is pretty much the same as the development of Ørestad - we can not for sure see that gentrification has happened since so much new housing has been built.

**Copenhagen - (light)-Interventional** Copenhagen as whole has both seen an increase in income and a decrease in working class inhabitants thus events of gentrification. It has especially been the interventional or the light-interventional role that has shaped the plans for Copenhagen as a whole. Both in regards to the increased focus on creating good conditions for families as well as the neighbourhood enhancements that has affected the events of gentrification as a whole but is difficult to pin-point on a neighbourhood level. We can now conclude that gentrification has happened in Copenhagen and that the state has played a significant role in the events of gentrification. We now wish to analyse how housing affordability for the working class might have been affected by these state-led gentrification processes.

Through the analysis of the plans we have found examples of the facilitating role as well as the conservative role. However, we have not seen these having an especially gentrifying effect up until 2015 which is why they in figure 4.5 do not point towards any events of gentrification. These roles will be more significant in chapter 5.

## 4.8 Housing affordability in Copenhagen

In 1989 the working class was the largest social class in Copenhagen and even though we do not have access to the housing prices dating that far back, we would argue that this shows that housing to a large degree has been both accessible and affordable for this groups - the adequacy might a point up for discussion.

As the working class has left the city and citizens from more affluent classes now inhabits large parts of the city, the question is how housing affordability has been affected by the gentrification of Copenhagen. The analysis of housing affordability will depart from the aforementioned two approaches to assess housing affordability.



### 4.8.1 Ratio-income approach

We have in figure 4.6 visualised whether or not housing in Copenhagen is affordable for the working class using the the ratio-income approach, in accordance to conditions set out by the ratio-income approach. To asses the housing affordability in Copenhagen we must also compare it to the national levels, as to explore if the tendencies are general or merely related to Copenhagen.

#### Ratio Income Approach

Denmark	2015	2016	2017	2018	2019
Private-nonprofit housing	25%	25%	25%	25%	25%
Private rental (non-condominium)	26%	26%	27%	27%	27%
Private rental (condominium)	31%	31%	32%	33%	33%

*Affordability for a working class single in 60 m<sup>2</sup> apartment*

Copenhagen	2015	2016	2017	2018	2019
Private-nonprofit housing	30%	31%	31%	30%	30%
Private rental (non-condominium)	28%	29%	30%	31%	32%
Private rental (condominium)	36%	37%	39%	41%	42%

*Affordability for a working class single in 60 m<sup>2</sup> apartment*

Denmark	2015	2016	2017	2018	2019
Private-nonprofit housing	14%	14%	14%	14%	14%
Private rental (non-condominium)	15%	15%	15%	16%	16%
Private rental (condominium)	17%	18%	18%	19%	19%

*Affordability for a working class couple in 70 m<sup>2</sup> apartment*

Copenhagen	2015	2016	2017	2018	2019
Private-nonprofit housing	17%	17%	18%	17%	17%
Private rental (non-condominium)	16%	16%	17%	18%	19%
Private rental (condominium)	20%	21%	23%	24%	25%

*Affordability for a working class couple in 70 m<sup>2</sup> apartment*

Figure 4.6: Ratio-income (Own figure, data from appendix N)

When looking at housing affordability with the ratio-income approach a single working class citizen - we could call him Arne - would be able to afford most types of apartments on a national level, apart from private rental of condominiums. In Copenhagen however, Arne

would not be able to afford housing since 2017 as the threshold for housing affordability using the ratio-income approach is 30%. The picture is very different when we look at couples. Both on a national level as well as in Copenhagen, renting an apartment would be affordable, though other housing types than private non-profit appears to increase in price throughout the years. However as mentioned in chapter 2 the ratio-income approach has some limitations since it fails to take other expenditures than housing into consideration, as well as the composition of the household. Though, as this is the most applied approach to assess housing affordability globally the output as described above is not to be neglected.

However, as the aforementioned challenges of data-scarcity in regards to assess housing affordability through the residual-income approach are not applicable in a Danish context, we will in the following proceed to assess housing affordability through this approach.

### 4.8.2 Residual-income approach

#### Minimum budget

To analyse the housing affordability question two different budgets have been applied to investigate the differences in housing affordability whether the household is surviving through a minimum expenditure budget or a living through a reference budget. Figure 4.7 below illustrates the housing affordability for the working class in different household compositions on a minimum budget.

<b>Copenhagen</b>	Single without children - 60 m <sup>2</sup>	Single with 1 child - 70 m <sup>2</sup>	Single with 2 children - 80 m <sup>2</sup>	Couple without children - 70 m <sup>2</sup>	Couple with 1 child - 80 m <sup>2</sup>	Couple with 2 children - 90 m <sup>2</sup>	Couple with 3 children - 100 m <sup>2</sup>
Private non-profit housing	4,459 DKK	1,702 DKK	- 1,373 DKK	14,535 DKK	11,023 DKK	6,820 DKK	3,199 DKK
Private rental (non-condominium)	4,149 DKK	1,340 DKK	- 1,786 DKK	14,173 DKK	10,610 DKK	6,355 DKK	2,682 DKK
Private rental (condominium)	2,579 DKK	- 491 DKK	- 3,880 DKK	12,342 DKK	8,517 DKK	4,000 DKK	66 DKK

*Affordability for a working class on a minimum budget*

<b>Denmark</b>	Single without children - 60 m <sup>2</sup>	Single with 1 child - 70 m <sup>2</sup>	Single with 2 children - 80 m <sup>2</sup>	Couple without children - 70 m <sup>2</sup>	Couple with 1 child - 80 m <sup>2</sup>	Couple with 2 children - 90 m <sup>2</sup>	Couple with 3 children - 100 m <sup>2</sup>
Private non-profit housing	6,135 DKK	3,458 DKK	464 DKK	17,487 DKK	14,055 DKK	9,932 DKK	6,391 DKK
Private rental (non-condominium)	5,720 DKK	2,974 DKK	- 90 DKK	17,003 DKK	13,502 DKK	9,309 DKK	5,699 DKK
Private rental (condominium)	4,705 DKK	1,790 DKK	- 1,444 DKK	15,819 DKK	12,149 DKK	7,787 DKK	4,008 DKK

*Affordability for a working class on a minimum budget*

Figure 4.7: Residual income on a minimum budget (Own figure, data from appendix O)

The case of a working class single with two children, living in Copenhagen, is not affordable but for the rest of the working class it is, regardless of being in a relationship or having children. However when investigating the space in the monthly budget for singles with one child, they have very little room for unforeseen expenses - only 1.340 DKK in private rental and 1.702 DKK in private non-profit housing at the minimum budget. Furthermore, the limits of the budget becomes even more apparent when investigating the budget left after housing expenses and other expenditures for couples with three children when residing in *private-rental condominium* as they only are left with 66 DKK. The housing affordability

issue appears to be most insistent in Copenhagen, as the budget in Denmark overall leaves further change to unforeseen expenses or an increased lifestyle.

In table 4.8 below the amount of square metres different working class household can afford have been calculated. When comparing Copenhagen to the rest of the country even though it might be affordable in Copenhagen, the working class could live in much larger apartments outside of Copenhagen. It also shows how big a compromise the working class have to make regarding space if they wish to reside in Copenhagen. Such tendencies raises concerns of a just city. If a city is to be just, residents should be able to fulfil themselves without compromising on their quality of life. Both in regards to physical space but also in regards space in the budget.

<b>Copenhagen</b>	Single without children	Single with 1 child	Single with 2 children	Couple without children	Couple with 1 child	Couple with 2 children	Couple with 3 children
Private non-profit housing	119 m <sup>2</sup>	93m <sup>2</sup>	62 m <sup>2</sup>	263 m <sup>2</sup>	226 m <sup>2</sup>	181 m <sup>2</sup>	143 m <sup>2</sup>
Private rental (non-condominium)	112 m <sup>2</sup>	87 m <sup>2</sup>	58 m <sup>2</sup>	246 m <sup>2</sup>	212 m <sup>2</sup>	169 m <sup>2</sup>	133 m <sup>2</sup>
Private rental (condominium)	84 m <sup>2</sup>	65 m <sup>2</sup>	44 m <sup>2</sup>	186 m <sup>2</sup>	160 m <sup>2</sup>	127 m <sup>2</sup>	101 m <sup>2</sup>

*Size of apartment the working class can afford on a minimum budget*

<b>Denmark</b>	Single without children	Single with 1 child	Single with 2 children	Couple without children	Couple with 1 child	Couple with 2 children	Couple with 3 children
Private non-profit housing	151 m <sup>2</sup>	121 m <sup>2</sup>	87 m <sup>2</sup>	330 m <sup>2</sup>	289 m <sup>2</sup>	238 m <sup>2</sup>	195 m <sup>2</sup>
Private rental (non-condominium)	137 m <sup>2</sup>	110 m <sup>2</sup>	79 m <sup>2</sup>	229 m <sup>2</sup>	262 m <sup>2</sup>	215 m <sup>2</sup>	177 m <sup>2</sup>
Private rental (condominium)	112 m <sup>2</sup>	90 m <sup>2</sup>	64 m <sup>2</sup>	244 m <sup>2</sup>	213 m <sup>2</sup>	175 m <sup>2</sup>	144 m <sup>2</sup>

*Size of apartment the working class can afford on a minimum budget*

*Figure 4.8: Size of apartment the working class can afford on a minimum budget (Own figure, data from appendix O)*

If the city is to be just it would be logical to also view affordability in this perspective and this would mean that analysing affordability from a perspective of a reference budget might be more appropriate. Figure 4.9 shows how housing affordability look in Copenhagen and Denmark for the working class on reference budget.

<b>Copenhagen</b>	Single without children - 60 m <sup>2</sup>	Single with 1 child - 70 m <sup>2</sup>	Single with 2 children - 80 m <sup>2</sup>	Couple without children - 70 m <sup>2</sup>	Couple with 1 child - 80 m <sup>2</sup>	Couple with 2 children - 90 m <sup>2</sup>	Couple with 3 children - 100 m <sup>2</sup>
Private non-profit housing	- 410 DKK	- 4,601 DKK	- 8,974 DKK	6,355 DKK	1,748 DKK	- 4,017 DKK	- 9,557 DKK
Private rental (non-condominium)	- 720 DKK	- 4,963 DKK	- 9,387 DKK	5,993 DKK	1,335 DKK	- 4,482 DKK	- 10,074 DKK
Private rental (condominium)	- 2,290 DKK	- 6,794 DKK	- 11,481 DKK	4,161 DKK	- 758 DKK	- 6,837 DKK	- 12,691 DKK

*Affordability for a working class on a reference budget*

<b>Denmark</b>	Single without children - 60 m <sup>2</sup>	Single with 1 child - 70 m <sup>2</sup>	Single with 2 children - 80 m <sup>2</sup>	Couple without children - 70 m <sup>2</sup>	Couple with 1 child - 80 m <sup>2</sup>	Couple with 2 children - 90 m <sup>2</sup>	Couple with 3 children - 100 m <sup>2</sup>
Private non-profit housing	1,266 DKK	- 2,845 DKK	- 7,138 DKK	9,307 DKK	4,780 DKK	- 905 DKK	- 6,365 DKK
Private rental (non-condominium)	851 DKK	- 3,329 DKK	- 7,691 DKK	8,823 DKK	4,227 DKK	- 1,528 DKK	- 7,057 DKK
Private rental (condominium)	- 164 DKK	- 4,513 DKK	- 9,045 DKK	7,638 DKK	2,874 DKK	- 3,050 DKK	- 8,749 DKK

*Affordability for a working class on a reference budget*

*Figure 4.9: Residual income on a reference budget (Own figure, data from appendix O)*

It becomes apparent that it is only couples with maximum one child that might be able afford living in Copenhagen on a reference budget. It confirms the tendencies indicated in the analysis of the minimum budget; paying rent in Copenhagen is going to be close to impossible if the working class does not live on a very tight budget or have a partner. When investigating the two tables below in figure 4.10 it becomes apparent if the working class moves outside the city they can live in much larger apartments than if they reside in Copenhagen.

<b>Copenhagen</b>	Single without children	Single with 1 child	Single with 2 children	Couple without children	Couple with 1 child	Couple with 2 children	Couple with 3 children
Private non-profit housing	55 m <sup>2</sup>	9 m <sup>2</sup>	0 m <sup>2</sup>	154 m <sup>2</sup>	103 m <sup>2</sup>	37 m <sup>2</sup>	0 m <sup>2</sup>
Private rental (non-condominium)	51 m <sup>2</sup>	8 m <sup>2</sup>	0 m <sup>2</sup>	144 m <sup>2</sup>	97 m <sup>2</sup>	34 m <sup>2</sup>	0 m <sup>2</sup>
Private rental (condominium)	39 m <sup>2</sup>	6 m <sup>2</sup>	0 m <sup>2</sup>	109 m <sup>2</sup>	73 m <sup>2</sup>	26 m <sup>2</sup>	0 m <sup>2</sup>

*Size of apartment the working class can afford on a reference budget*

<b>Denmark</b>	Single without children	Single with 1 child	Single with 2 children	Couple without children	Couple with 1 child	Couple with 2 children	Couple with 3 children
Private non-profit housing	79 m <sup>2</sup>	28 m <sup>2</sup>	0 m <sup>2</sup>	208 m <sup>2</sup>	151 m <sup>2</sup>	77 m <sup>2</sup>	5 m <sup>2</sup>
Private rental (non-condominium)	71 m <sup>2</sup>	25 m <sup>2</sup>	0 m <sup>2</sup>	189 m <sup>2</sup>	137 m <sup>2</sup>	69 m <sup>2</sup>	5 m <sup>2</sup>
Private rental (condominium)	58 m <sup>2</sup>	20 m <sup>2</sup>	0 m <sup>2</sup>	154 m <sup>2</sup>	112 m <sup>2</sup>	57 m <sup>2</sup>	4 m <sup>2</sup>

*Size of apartment the working class can afford on a reference budget*

Figure 4.10: Size of apartment the working class can afford on a reference budget (Own figure, data from appendix O)

This analysis clearly indicates that private non-profit housing is the cheapest of the three housing options to reside in for the working class, and few households are close to making the cut for whether the housing is affordable. As the numbers are an expression of an average budget, housing size, and income some flexibility might be applied in reality. For instance one could argue that a single working class could cut some expenses at the reference budget in order to reside in affordable private non-profit housing. However, the issue of the just city raise concerns again. More so, the ability of settling in the city as a single parent or couples with more than two children is unaffordable thus creating further concerns to the justice of the city.

When investigating where the working class reside and where the largest share of private non-profit housing is located, there seem to be an overlap. In figure 4.11 bellow we have made two maps. One of which illustrates where the working class resides today and one which illustrates the share of private non-profit housing.



Figure 4.11: Shares of private non-profit housing and working class citizens (Own figure, data from appendix K and I)

There seem to be a large overlap between the placement of private non-profit housing and where the working class has residence. This is also where we come back to the point of why Indre By might have increased its income level as much as it has. There are little-to-none private non-profit housing units in the neighbourhood and most of the housing is owner-occupied housing and private rental. This means that the price of the housing is almost solely dependant on private market powers which makes it very expensive. This can result in inhabitants of the neighbourhoods needing very large incomes to pay rent. The same may be argues for Vesterbro but we know that a very large amount of housing is cooperative-housing, which previously have been a housing type with great affordability, but this has changed during the last decades (see 5.2.3. We are yet to answer the question of whether or not the working class can afford owner-occupied housing. A working class single can afford an apartment of a little less than 19 m<sup>2</sup> in Nordhavn where the prices are the highest and 32 m<sup>2</sup> in Brønshøj where the prices are the lowest. On a national level this number is 35 m<sup>2</sup>. The exact calculations can be found in Appendix M. Even in Brønshøj the size of the apartment is not seen as adequate in relation the definition of Rockwool Fonden (2015) and is thus not affordable.

Figure 4.12 provides an overview of the types of housing each neighbourhood consists of in 1997 and in 2020. It is notable that the areas where we have identified gentrification processes to be most significant - Indre By/Christianshavn and Vesterbro - have almost no private non-profit housing. An area like Nørrebro which has become very popular and some would say culturally gentrified still contains inhabitants from the working class which might be because of they relatively high amount of private non-profit housing.

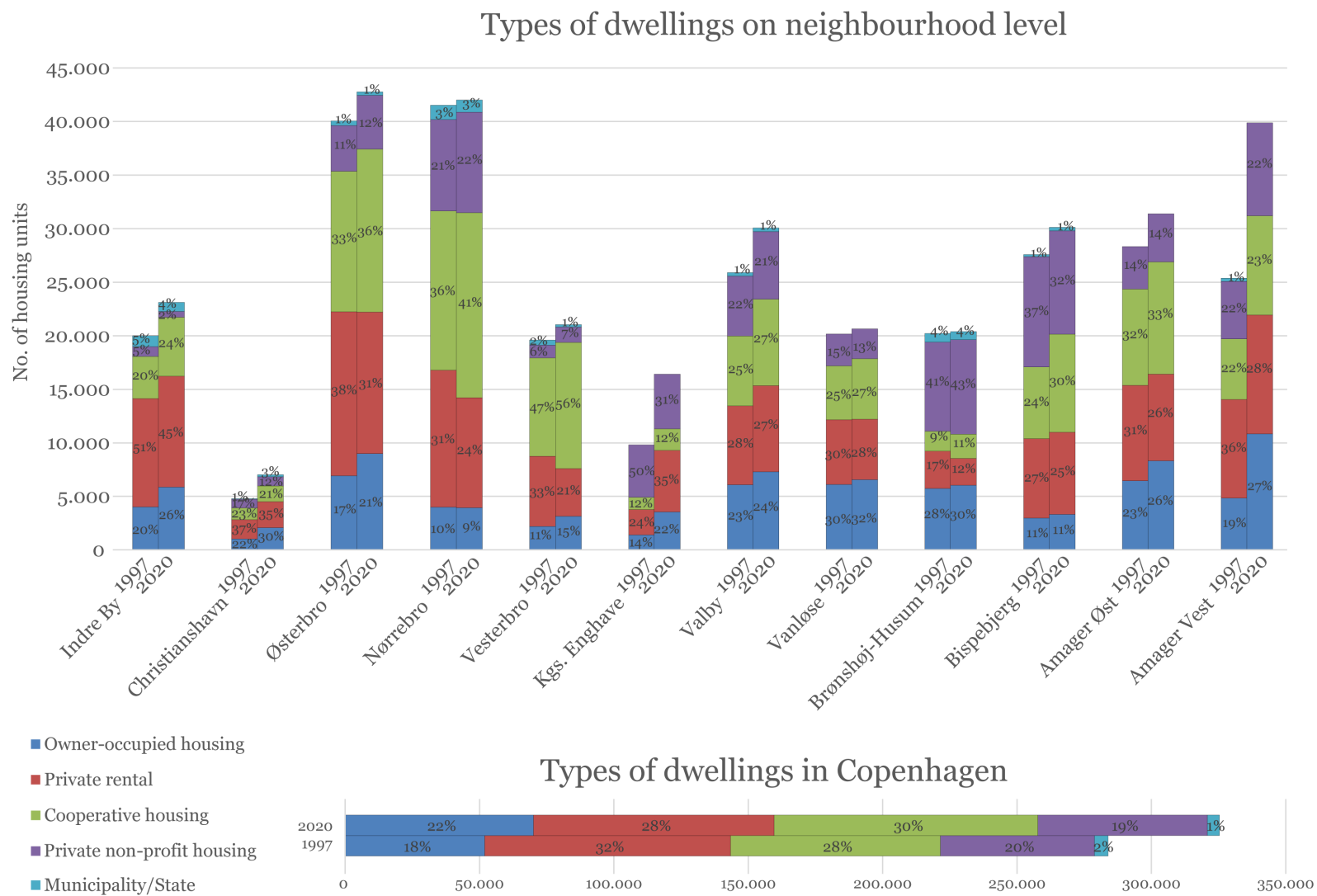


Figure 4.12: Overview of the different types of housing on a neighbourhood level from 1997 and 2020. (Own figure, data from appendix K)



## 4.9 Partial conclusion for the second sub-question

In answering the second sub-question: *How has the state played a role in gentrification processes in Copenhagen and how has it affected housing affordability for the working class?* we conclude that even though the overall educational and income level have increased since 1990 in Denmark, it fails to explain the extraordinary increase happened in Copenhagen. Instead this increase has happened due to state-led gentrification processes causing the working class to almost only be present in private non-profit housing areas in the outskirts of the city.

The City of Copenhagen has played a significant role in these processes, especially through the entrepreneurial state role and different variations of the interventional state role. It has been an ambition of the municipality to change the demography in the city. When turning to *the just city* Copenhagen might be at a point now where state-led gentrification processes should slow down to not create further exclusivity and homogeneous in the city. This becomes evident when assessing housing affordability in Copenhagen as the continuous state-led gentrification process have led to increasing housing prices making them also exclusively available to more affluent classes than the working class - apart from private non-profit housing and a few instances of private rental.

The state have acted through multiple state roles in gentrification processes of Copenhagen. We have discovered that when the state actively decides to renew an urban area the gentrification processes can be very fast and rather brutal as especially seen on Vesterbro. However we have also come to find that our previous understanding of interventional role is insufficient in a welfare-state context where the state almost always plays a significant role in the urban development and thus also a significant role in gentrifying processes. Within the welfare state context the state can also play a super-interventional role where the purpose no longer is to attract investments but to attract more affluent citizens through comprehensive urban development. The remaining state roles, apart from the supportive state role, have also contributed to state-led gentrification processes but not in as intensive as the entrepreneurial and interventional state roles.

# Analysis of gentrification and affordability in Nordvest 5

---

In this chapter we proceed to answer our third and final sub-question: *How can state-led gentrification processes come to affect housing affordability in Nordvest?* The final sub-question in hand allows for an analysis of current urban development processes within a Copenhagen neighbourhood. The neighbourhood of Nordvest, as a part of the administrative neighbourhood of Bispebjerg experienced the lowest increase of annual average earned income in the period of 1987-2019 for a neighbourhood in Copenhagen. The 13% increase that Bispebjerg in this period experienced is at best modest, compared to a city average of 40%, as we recall from section 4.1.1 on page 56 in regards to Changes in annual average earned income.

In order to examine how processes of state-led gentrification can come to affect the neighbourhood we bring into play the answer of the second sub-question. We apply, as a set of analytical spectacles, the developments above where we linked state roles to gentrification processes in a welfare state based on the employment of the model of critical realism. Thereby we are able to identify structures confining current planning and the mechanism set as central to the current urban development in Nordvest - but of most significance we are able with an outset in our conclusions from the second sub-question to render probable implications of the current planning mechanisms on future possible state-led gentrifying processes and thereof a future housing affordability issue. But before we can assess the future implications of the planning at hand we must establish an understanding of the current structures affecting the planning in Nordvest.

## 5.1 Present structures in Nordvest

To understand the structures implicating the development in Nordvest we must turn our attention to the structure laid out in the current municipal plan of 2019. Here it becomes obvious that the City of Copenhagen continues down a similar path as previously seen (City of Copenhagen, 2019a). This means, that great attention is put to the neoliberal ideal of especially continuous growth in almost all its facets (Purcell,



2002). It becomes particularly present in terms of monetary growth through sustainability projects and population growth within the administrative boundaries exemplified by the development of a new artificial island, Lynetteholmen, in Øresund that is set to house around 35,000 residents (City of Copenhagen, 2019a). Apart from Lynetteholmen, the City of Copenhagen have pointed out several future development areas as part of the order of succession, with the areas being brownfield development areas in close proximity to the waterfront. As a part of this future development, the City of Copenhagen encourages early dialogue with involved parties, such as citizens but especially with developers and land owners (City of Copenhagen, 2019a). These development sites are a response to changing demographics of Copenhagen and to respond to the urgency of housing demand, as the supply have failed to match the demand throughout the previous planning periods (City of Copenhagen, 2019a).

Another structure affecting the future planning of Nordvest is the revised so-called *Ghetto Law* introduced in section 4.6.2, which is interesting in especially Nordvest as it is set out to intervene in socially vulnerable private non-profit housing areas with a certain share of immigrants and descendants, as is the case in Nordvest.

### 5.1.1 Neighbourhood structures in Nordvest

The structures of Nordvest are of course sub-structures to the overall planning structures set out by the City of Copenhagen, but as we have zoomed in on details going from Copenhagen to Nordvest, we wish to analyse the defining planning structures in Nordvest more carefully. This will be done with great emphasis on structures regarding state-led gentrification. As so, our primary focus will be on the neighbourhood Nordvest, as this neighbourhood is the most prone to state-led gentrification due to passed neighbourhood plans.

The neighbourhood of *Nordvest* is characterised by private non-private housing (24%) and high shares of private rental (32%) and cooperative apartments (34%). The high concentration of private non-profit housing amounts to 100% in some of the old tax brackets which are still used as geographical boundaries. Additionally these brackets also contain high levels of unemployment (between 22-33%) as well as a low educational level, as indicated by our definition of working class. Nordvest is furthermore characterised by its old industrial sites, in which some are still active and some have been converted to house creative firms, coffee bars and restaurants. Additionally, the typology of ground floor retail and remaining floors as residential continues from the edge of Nørrebro into the two main streets of Nordvest, making it a vibrant area for going out. Nordvest is also the neighbourhood in which most contemporary development is taking place in Bispebjerg, which we shall return to in the forthcoming analysis of the planning mechanisms put into service.

## 5.2 Mechanisms in Nordvest

Nordvest has since 1997 been involved in continuous state-initiated local development plans which will briefly be analysed. The section's primary analysis will depart from the

contemporary development plans from which we will analyse and discuss the different state-led mechanisms that have affected, and are affecting the development Nordvest. Moreover these mechanisms will lay the foundation for assessing whether there is a potential for gentrification processes to happen in the neighbourhood. In addition to the mechanisms of state-initiated local development plans, other mechanisms, such as those stemming from the aforementioned structure of the Ghetto Law, will be analysed to understand the ongoing processes.

### 5.2.1 Previous planning in Nordvest

The early state-initiated local development plans in Nordvest encountered here are plans that are no longer in effect for the contemporary development of Nordvest, amounting to plans from 1997 up until 2015. The plans in question are listed in section 3.4.2 table 3.2.

The entity of these plans are to cater for a development making it attractive for families to stay in Nordvest, preventing them from moving when they are able to do so, as well as attracting new citizens with greater resources. The mechanisms of these plans varies during the period. They evolve from on the one hand undertaking a large development project of constructing 1.200 new family homes through a public-private partnership with a private developer (?), thus engaging in core neoliberal ideas and the facilitator and the interventional state-role. This is done to engage in other more complex partnerships with private non-profit housing associations. Through these partnerships comprehensive development plans are made to attract investments in the areas in close proximity to the private non-profit housing areas ((?). The state mechanisms in such partnerships can be tricky to pin point to a specific role, as the state, through various legislation, somewhat controls savings from the housing associations through the mediation of The National Building Foundation (Landsbyggefonden).

At the same time the City of Copenhagen performs a light version of the interventional role. Compared to the super interventional role in the redevelopment of Vesterbro, the municipality is subsidising sanitary renewals in private rental apartments. These are supplemented by investments from the owners themselves, in line with alterations of the act on urban renewal subsequent to the redevelopments of Nørrebro and Vesterbro.

Additionally the City of Copenhagen have occasionally carried out mechanisms related to an entrepreneurial state role as they have build a new integrated cultural centre and library in Nordvest as part of the plan *A little more Nordvest* (City of Copenhagen, 2009a), a strategy focused on elaborating the cultural life in Nordvest. The new buildings characteristic architecture, representing a stack of books, was the result of a architectural competition to create a cultural landmark in Nordvest, highlighting the neighbourhoods vivid cultural life (City of Copenhagen, 2010a).

All mechanisms considered throughout the period of these plans, the mechanisms comes in lighter version than similar plans for other neighbourhoods in Copenhagen, such as Vesterbro in particular. The agenda from the City of Copenhagen regarding mechanisms when developing the neighbourhood of Nordvest appears to engage in partnerships to a greater degree, to primarily not exchange the citizens but instead create possibilities to

enhance the neighbourhood from within. This might be due to the alteration in the urban renewal act, limiting the states ability to fund private building enhancements. Further explanation may be found in the fairly large share of private non-profit housing in which gentrification processes are likely to play out differently. Such mechanisms and behavioral patterns will continue as scope for the proceeding analysis of the contemporary plans and the mechanisms hereof. Together with the quantitative data regarding the increased income from especially figure 4.2 and the share of working class seen in figure 4.4 both in in chapter 4, the mechanisms in the period paints a picture that the planning in Nordvest has not lead to gentrification processes. The question is now whether we can foresee gentrification processes happening in the future through the current planning of Nordvest.

### 5.2.2 Contemporary planning in Nordvest

The contemporary planning in Nordvest analysed in this subsection revolve around planning documents and initiatives currently in effect or having had decisive influence up until recently. The plans taken into account are listed in section 3.4.2 table 3.2

With the contemporary planning the City of Copenhagen appears, to a large extend, to continue two traits from their prior planning activities in the neighbourhood.

Firstly, they maintain the aim at enhancing the neighbourhood from within, by focusing on improving the skill-base of the neighbourhoods inhabitants and keep students starting a family. This is in contrast to solely attracting a more affluent group of people from elsewhere as we have seen with other neighbourhoods in the past. Such strategy have been a key component in the recent local plan 581-Rentemestervej (City of Copenhagen, 2019d), the so-called SSI-plot, as Signe Dehn Sparrevohn states:

*"My experience is that the dialogue has been great regarding what is being build, to also cater for the existing local environment, by creating a welcoming courtyard with openings to the surrounding area."*

(Interview with Signe Dehn Sparrevohn, appendix E, line 112, authors' translation).

This aligns with the main motive of the latest area renewal plans which have been to base initiatives on an encounter of the fixing of priorities by the currently residing citizens (City of Copenhagen, 2012a, 2016b). From here, and in correspondence with the community council (lokalråd) (City of Copenhagen and Bispebjerg Lokaludvalg, 2017), a strong focus is directed towards improving public spaces for the benefit of the area as a whole. Moreover the construction of a more variegated stock of dwellings is set to play a prominent role in enabling a development where starting a family or advancing to be more affluent does not have to entail for one to move away from Nordvest.

Secondly, the municipality proceed their emphasis on lighter, less intrusive versions of urban renewal by facilitating committing partnerships as a primary mechanism. With both of the latest area renewal plans, and in particular with the strategy plan for Bispebjerg (City of Copenhagen et al., 2015), the City of Copenhagen come to assume a light version of the facilitating state role. One mechanism of this role is seen as they motivate landowners to engage in associations of landowners to investment in improvements of private common

roads (private fællesveje). Another way the role is apparent is through the mechanism of encouraging the private non-profit housing associations present in the neighbourhood to apply for multi-billion DDK pledges from The National Building Foundation for the simultaneous renovation of the neighbourhoods share of private non-profit housing stock. With the latest area renewal plan the municipality allocated 0,8 million DDK for an information campaign on how residents of private rental dwellings lacking toilet, shower, or adequate heating conditions can apply for building renovation (byggningsfornyelse) within the Urban Renewal and Development of Cities Act (Lov om byfornyelse og udvikling af byer). Thus, it is eventually up to the individual resident or owner to initiate renovation - only being available if the dwellings meet the determined conditions (City of Copenhagen, 2016b). In addition the municipality has brought three of the associations together to collectively invest in improvements of recreational belts, with the ambition of synthesizing cloudburst mitigation, social and physical plans along side area plans into one assembled physical snatch (City of Copenhagen et al., 2015).

In spite the fact that these mechanisms are well aligned with our defined state role as facilitating, the role of the City of Copenhagen in this case deviate from the typical facilitator role since the allocation of profit is not private developers funds but non-profit housing foundation funds. It generally seems to be far less of an apparent objective for the planning in Nordvest to be catering for private investments and profit. Private developer projects are welcomed and appreciated but very little attention is given to attract it to the neighbourhood - thus the City of Copenhagen has a light-facilitator role.

Within the last few years, a number of local plans in Nordvest have for instance been accompanied by a supplement to the municipality plan (City of Copenhagen, 2016a, 2019b,d, 2020b), as projects for building housing in a larger former industrial area in the neighbourhood is approved and appreciated by the municipality. They are however not categorised as part of the order for urban development in the municipal plan or for that matter even pointed out to be a perspective area for future development (City of Copenhagen, 2015, 2019a). Such planning characteristics in Nordvest also become evident when exploring how the community council conceive the approach of the developers, as Signe Dehn Sparrevohn explains: *"They [the developers, red.] always push the limit close to the line, and sometimes across, of what the existing local plans and municipal plans legislate."* (Interview with Signe Dehn Sparrevohn, Appendix E, line 99, authors' translation)

In spite of this municipal approach, development is happening in Nordvest. Signe Dehn Sparrevohn highlights how investors, who have been sitting on plots in Nordvest for many years, are now starting to build (Interview with Signe Dehn Sparrevohn Appendix E, line 53). These investors are those Ole Hjorth label as risk-assuming investors (Interview with Ole Hjorth Appendix B, line 32). They can be assumed to have followed the idea of the rent gap, presented in the literature review on gentrification illustrated by figure 2.1, where the potential ground rent now is at a level where it is attractive for them to redevelop. As an example of this, the announced project on the plot formerly housing the head quarter of the international facility service company ISS is emblematic of this development of the area. As a lighter version over the conservative role, the municipality is providing the legal local planning framework enabling the construction of the project,

contributing to enable housing for a more affluent class of people. We see this as part of the urban manifestation of the sustained neoliberal structure in the municipality's applied mechanism, where the basis for a economic potential is valued. For this reason it is rather the local neighbourhood council that has been attempting to set some sort of direction for the development in Nordvest, as they through dialogue has insisted on the promotion of family oriented housing, implemented in the mentioned project as building cooperatives (City of Copenhagen, 2019d). This impression is supported by Sparrevohn. She emphasises how the municipal planning in Nordvest pronouncedly is handled from case to case, without any overall strategy (Interview with Signe Dehn Sparrevohn, Appendix E, line 23). Further underpinning this argument, is that the local neighbourhood council have had the original local plan 261 for the former industrial area, dating back to 1996, secondly assessed by a professional urban planner. The conclusions are clear. In two cases from 2015, the municipality have been overturned in dispensing from the local plan 261 for the construction of a grocery store and for youth housing respectively. Both have been reasoned with the dispensation being in conflict with the principles of the local plan, which cannot be dispensed from, hence the danish planning act §19 subsection 1 (The Nature Protection and Environmental Board of Appeal, 2015a,b). Based on an overall assessment, the urban planning professional evaluate that a new strategic stand on the neighbourhoods housing composition as well as preservation considerations of the area's collective character in overall terms are needed (Bendixen, 2020). Thus, it is due to the local neighbourhood council's involvement in setting a direction in the development of Nordvest, that the municipality have initiated a preservative local plan for the industrial heritage of the area (Appendix F).

Two other mechanisms influencing the direction of the development in Nordvest have been stemming from higher plan levels. With the recent local plans in Nordvest from 2020 and 2021 the City of Copenhagen has enforced the option of demand for private non-profit housing (City of Copenhagen, 2020b, 2021d) stemming as a mechanism from guidelines directives with the municipality plan of 2019 applicable for local plans in school districts with less than 30% private non-profit housing (City of Copenhagen, 2019a). The option of demanding 25% private non-profit housing with local plans was introduced with changes to the Danish Planning Act dating back to 2015, but has consequently first been implemented in local planning in Copenhagen from 2020. Hans Thor Andersen suggests an explanation to this behaviour:

*"One could think it might be frustrating for a developer to miss potential profit by committing to sell at a reduces price. Additionally, it [private non-profit housing, red.] cause a bad impression. You never know who is going to move in. It could be people reducing the prices, and suddenly its inhabited by people who should not be there."*

(Interview with Hans Thor Andersen, appendix A, line 172 authors' translation)

As the sector of private non-profit housing has been entangled with national political discussions on immigration over the past 20 years, a mechanism from a national level affect the development of Nordvest which is that the entire neighbourhood is designated as a *vulnerable housing area* according to the Social Housing Act. The designation is based on the area meeting two of four criteria on proportion in employment or education,

proportion of sentenced, proportion only possessing a primary education, and average gross income being less than 55% of the average gross income in the region. As a result the municipality has by a succession of national governments been given a handful of mechanisms to intervene in the private non-profit sector, that previously have proven to be far more difficult to dismantle than the social housing sectors in countries such as Sweden and United Kingdom, as the Danish social housing system is robust, due to the sectors private nature (Noring, 2019). With the designation in Nordvest, the municipality is allowed to a certain degree to engineer the demographics of the private non-profit housing estates with what has been named flexible renting. They are by example able to preventing the private non-profit housing associations from accepting renters receiving social benefits. For a thorough discussion on how changes in the governing and financing of affordable housing in Denmark is impacting the private non-profit housing sector see Luise Noring (2019). They stress that:

*"the fact that these reforms have also been driven by a political desire for greater social mixing and less segregation (Alves 2019) points to the potential conflicts that arise when the state makes use of an ostensibly private sector to pursue social and welfare-oriented interests"*

?, p. 14oringb

The objective from both the national state and the City of Copenhagen appears to be relying on other, more or less, private actors to help solve social issues with the mechanism of cultural integration by installing the middle class in the challenged areas of Nordvest. This objective correlate with the one of the conservative state role, while the mechanisms put to use to achieve it is two folded. On one hand, in line with the conservative state role, the mechanism of letting private developers build what they come up with is practiced and current plans in force are amended to encompass the projects. On the other hand the City of Copenhagen takes on a continuous facilitating role towards the private non-profit housing associations, to attract investments - not for the accumulation of profit, but for the conservative state role objective of installing the middle class, as established above.

### 5.2.3 State-led gentrification in Nordvest?

We will in this section combine the findings of mechanisms and state-roles analysed in the previous analysis of the second sub-question, with the analysis above of mechanisms and state-roles in recent planning in the neighbourhood of Nordvest. This framework will then be applied to predict how, if so, state-led gentrification processes might behave in the future in Nordvest.

The mechanisms which led to gentrification processes in Vesterbro, see section 4.3.2, were characterised by an aggressive urban renewal approach by the City of Copenhagen labeled as a *super-interventional*. Since these processes re-shaped Vesterbro, the City of Copenhagen appears to have changed some of the mechanisms in the most recent urban renewal plans concerning Nordvest, and, thus, also the state-role in gentrification processes have changed.

Today, the City of Copenhagen appears to have changed their role, see section 5.2.2 above,

to lighter versions of the *conservative* and the *facilitating* state roles with mechanisms indicating the preferred outcome to be an enhancement of existing citizens instead of a direct substitution to a more affluent social class.

The above mechanisms enforced through mainly the light conservative and light facilitator state role might lead to a degree of gentrification in Nordvest, albeit slower than previously experienced in other now-gentrified neighbourhoods in Copenhagen. The reason for this slower state-led gentrification in Nordvest might be found in the learning from events previous drastically re-shaping former working class neighbourhoods. These events have then partly re-defined the contemporary structures, thus changing the environment in which the mechanisms are carried out, and thus also the state-roles.

Another reason which might have influenced the state-roles is the aforementioned relative large and concentrated shares of private non-profit housing, in which the largest share of working class are residing (see figure 4.11 on page 86, section 4.8), acting as a stronghold against gentrification processes. This stronghold for housing for the working class is currently under pressure from the renewal of the ghetto law, as discussed above. The share of working class in the private non-profit housing areas might sustain the pressure for a while, but might eventually experience a reconfiguration of the class of the residents with the mechanism of flexible renting, as when applying potential residents holding educational certificates, steady income, Danish ethnicity etc, are prioritised. In order to sustain the share of private non-profit housing the City of Copenhagen has in the most recent approved local plans in Nordvest (City of Copenhagen, 2020b, 2021e,d) required 25% of the built dwellings to be private non-profit housing. As this will be the approach for planning new development projects in Nordvest under the municipal plan of 2019, the current share of 24% of private non-profit housing will more or less be sustained.

However, it is important to take into account that new build private non-profit housing is more expensive than the older private non-profit housing (Noring, 2019). This might raise housing affordability concerns for the working class as the rent on private non-profit housing built after 2000 is 23% higher than compared to private non-profit housing built prior to 2000. The consequences of this increase in rent can be seen in figure 5.1 below.

	Single without children - 60 m <sup>2</sup>	Single with 1 child - 70 m <sup>2</sup>	Single with 2 children - 80 m <sup>2</sup>	Couple without children - 70 m <sup>2</sup>	Couple with 1 child - 80 m <sup>2</sup>	Couple with 2 children - 90 m <sup>2</sup>	Couple with 3 children - 100 m <sup>2</sup>
Privat non-profit housing built before 2000	4,444 DKK	1,684 DKK	- 1,393 DKK	14,517 DKK	11,003 DKK	6,797 DKK	3,174 DKK
Privat non-profit housing built after 2000	3,394 DKK	459 DKK	- 2,793 DKK	13,292 DKK	9,603 DKK	5,222 DKK	1,424 DKK

*Housing affordability on a minimum budget*

	Single without children - 60 m <sup>2</sup>	Single with 1 child - 70 m <sup>2</sup>	Single with 2 children - 80 m <sup>2</sup>	Couple without children - 70 m <sup>2</sup>	Couple with 1 child - 80 m <sup>2</sup>	Couple with 2 children - 90 m <sup>2</sup>	Couple with 3 children - 100 m <sup>2</sup>
Privat non-profit housing built before 2000	- 425 DKK	- 4,619 DKK	- 8,994 DKK	6,337 DKK	1,728 DKK	- 4,040 DKK	- 9,582 DKK
Privat non-profit housing built after 2000	- 1,475 DKK	- 5,844 DKK	- 10,394 DKK	5,112 DKK	328 DKK	- 5,615 DKK	- 11,332 DKK

*Housing affordability on a reference budget*

*Figure 5.1: Housing affordability from a ratio-income approach for different working class family types in private non-profit housing built before and after the year 2000, on a minimum and reference budget respectively (Own figure, data from Appendix O)*



The figure illustrates that the limit for housing affordability in private non-profit housing has moved closer in the newer build housing stock, but has yet to exceed the limit compared to the average for all private non-profit housing in Copenhagen, as previously illustrated in section 4.8 *Housing affordability in Copenhagen* in figure 4.7 and 4.9. Furthermore, the data used in figure 5.1 is limited to only illustrate before and after 2000, hence only an average of the rental price and not a more precise price on the private non-profit housing built in the most recent year.

Other housing types than private non-profit housing might experience other degrees of gentrification processes as other factors influence the price and the availability for the working class. Private rental which amounts to 32% (Appendix L) of the housing stock, could experience gentrifying processes both in the existing housing stock and through brownfield gentrification processes, where old industrial sites are transformed into residential dwellings, in which new, most probably more affluent, people will move in as the rent in new build is higher than in existing dwellings. The processes of gentrification in private rental apartments becomes interesting in Nordvest, as 89% of the dwellings were first inhabited prior to 1992, and 11% after 1992. This before or after 1992 distinguishment is relevant as certain regulations deciding the paid rent varies. Dwellings inhabited before 1992 are less prone to sudden increases in rent as the landlord have to determine the rent on cost-determined terms, and furthermore are more limited in remodelling the apartment and then increase the rent. Or so were the intentions of the so-called *Blackstone intervention* taking effect from 2019, cf. Executive Order of Law on Temporary Regulation of Housing Conditions and the task force appointed by the Ministry of Transport investigating housing regulations (Ministry of Transport, 2019). Prior to this intervention the housing stock regulated on cost-determined terms was an attractive business case, as the dwellings quickly could be remodelled, thus, made eligible for determining the rent based on comparable apartments and increase the rent at a higher pace than rent calculated on cost-determined terms. We have yet to experience the *Blackstone intervention* in full effect, as, especially foreign, real estate corporation were scared off and then later the uncertainties during the COVID-19 pandemic might have affected the market behaviour (Interview with Ole Hjorth Appendix B, line 143. But Ole Hjorth suggests: "*In real estate circles, the Blackstone intervention is perceived as a populist political intervention which in reality won't have any effect on these cheap apartments*" (Interview with Ole Hjorth Appendix B, line 141, authors' translation) The rent on dwellings inhabited after 1992 are determined by comparable apartments, thus making them prone to higher rent prices as the market value increases.

It is too soon to evaluate the intervention to its full extend, but nevertheless the dwellings prone to remodelling by large real estate corporations, will get fewer and fewer as the remodelling progresses, and thus leaving fewer low-rent apartments available on the market. This might have a long term effect on who can afford to pay the higher rent, and thus leaving out certain classes of society from the private rental market - as we have shown in section 4.8 *Housing affordability in Copenhagen* and Figure 4.9 *Residual income on a reference budget*.

Additionally, the aforementioned brownfield development in which the City of Copenhagen acts through the light facilitator and light conservative state role by enabling the



development of primarily private rental apartments on an ad-hoc basis (Interview with Signe Dehn Sparrevohn, appendix E, line 23), will fall in the category of dwellings inhabited after 1992 and thus base the paid rent on market conditions and/or comparable private rental apartments. As argued for earlier, this might result in a more affluent class than the working class moving into the neighbourhood, as the working class no longer are able to afford the rent. Lastly, these mechanisms on the rental market combined may over time result in gentrification processes in Nordvest, thus re-shaping the demographic composition.

Cooperative housing is the largest housing share in Nordvest, amounting to 34% of the housing stock. Cooperative housing is an odd size to analyse as the information on trading is scarce - even the City of Copenhagen has admitted to the complexity of the cooperative housing in their analysis of the housing market and availability (City of Copenhagen, 2018a). Furthermore, the former Chief Planner at The City of Copenhagen, Holger Bisgaard argues, albeit its flaws, cooperative housing was a mean to secure housing affordability, but

*"The centre-right government liberalised the cooperative housing. It was the worst ever, it destroyed them [cooperative housing,red]"*

(Interview with Holger Bisgaard, appendix C, line 232, authors' translation).

This intervention have caused the prices of cooperative housing to have skyrocketed, since they now are being traded on market terms. Furthermore the Project Director at the Knowledge Centre for Housing Economics, Curt Liliegreen, argues that cooperative housing on top of affordability issues also face an accessibility problem as *"It is an insider-outsider problem. Many of the cooperative housing apartments can not be accessed without a network"* (Interview with Curt Liliegreen, appendix D, line 93, authors' translation). Lastly, private real estate developers rarely build new cooperative housing dwellings, as the private developer have to sell each apartment individually, thus making the uncertainty and complexities of turning a profit greater (City of Copenhagen, 2018a).

The remaining type of housing in Nordvest is the owner-occupied housing, which amounts to 10% of the housing stock in Nordvest. Albeit this share is relatively small compared to the rest of Copenhagen (22%) (Appendix L), the share of this housing stock is on the rise as new development in Nordvest are developing owner-occupied housing through the legislation approved by the light facilitating and light conservative roles of the City of Copenhagen, see sub-section 5.2.2 *Contemporary planning in Nordvest* above. As we have discovered earlier in section 4.8 *Housing affordability in Copenhagen* the prices for owner-occupied apartment in Bispebjerg is on a rise, and in 2019 a working class single could buy 29m<sup>2</sup>. Even though Nordvest is characterised by small apartments, an apartment that size might not be considered adequate. When investigating the same numbers it becomes evident that in order to buy a 60m<sup>2</sup> in Nordvest one has to have an annually earned income of 500.681 DKK (Appendix M) - more than double of what an average working class earns. Such tendencies on the owner-occupied apartment market indicates a future recomposition in the demography as new working class singles can't buy adequate sized apartments, meaning this type of dwelling only is available for more affluent classes or couples.

Lastly, the recent approved local plan on Rentemestervej (City of Copenhagen, 2019d) suggests a new type of housing, building cooperatives (Byggefællesskaber), on the land currently being developed by a Danish real estate corporation. The tendencies of this new typology to the housing stock suggests possibilities to new ways of living, and maybe housing affordability - or at least possibilities of creating economic models for tender procedures favouring reduced prices for building cooperatives (Realdania By & Byg, 2019).

### 5.3 Partial conclusion for the third sub-question

In this chapter we have aimed to answer our third sub-question: *How can state-led gentrification processes come to affect housing affordability in Nordvest?* We can conclude that the City of Copenhagen is approaching planning in Nordvest with a light version of mechanisms related to the facilitator state role - in particular evident in the approach towards bringing the private non-profit housing associations together to invest. As the investments are not for profit, the objective from the facilitator state role is not pursued. In dealing with risk-assuming developers they have rather leaned towards a lighter interpretation of the mechanisms with both the conservative and the facilitator state in order to foster generation of profit as well as attracting a more affluent class through marked mechanisms. This highlights how they have pursued the mechanisms of these two state roles in parallel in both separated and united arenas and combined it with the overall objective of the conservative state role, as the City of Copenhagen act for other actors to take responsibility of the development in Nordvest.

When we combine these findings of mechanisms and state roles in the contemporary case of Nordvest with our spectacles of findings from answering the second sub-question, we become able to render a probable impact on the future of Nordvest from the state planning activities. Initially these two roles have historically not been the dominating ones in the gentrifying processes in Copenhagen. However these roles are much in accordance with the fourth and fifth wave of gentrification described in chapter 4.

The larger share of private non-profit housing in Nordvest, housing the substantial part of the working class, can on one hand be seen to have a calming effect on gentrification tendencies. On the other hand increasing entanglement with national immigration debates has put this sector under pressure, initiating a reconfiguration of the tenant composition. In the last two years, with the municipal plan of 2019, the City of Copenhagen have been demanding 25% private non-profit housing with local plans, which indicate an attempt to uphold the current share of private non-profit housing in Nordvest. This will potentially calm gentrifying tendencies, even though newly constructed private non-profit housing rent is fairly close to market prices.

Higher rent is also to be expected from private rental dwellings. The newly build dwellings will suffer from high ground prices or risk-assuming investors wanting to cash in on their investments in old industrial plots allowed by the municipality's *laissez-faire* attitude on developments in the former industrial area. The smaller existing housing stock from after 1992, will be likely to follow the currently rising market prices in Nordvest. The older private rental housing stock will be less prone to sudden increases with the rent being cost-determined. The effects of recent legislative measures are yet to be seen, but will likely calm

a potential remodelling of the tenant composition. The impacts on cooperative housing is as stated difficult to assess, while new developments are fairly unlikely. Finally the share of owner occupied dwellings are likely to rise with the current mechanisms deployed by the City of Copenhagen. The prices are heavily rising, indicating that adequate owner occupied housing in Nordvest will only be available to a class twice as affluent as the working class.

Concludingly, the state-led gentrification processes in Nordvest might occur in a slower pace than previously experienced in now-gentrified neighbourhoods in Copenhagen. This is partly due the development primarily being initiated by the market, and as such behaves on a more ad hoc basis. However the state does still actively enact state-led gentrifying processes through the mitigation of private non-profit housing regulations.

# Discussion 6

---

We will in the following chapter create a discussion departing from our main research question: *How is Copenhagen affected by state-led gentrification and how can planning accommodate a development ensuring housing affordability?* Upon this topic we wish to draw on our findings from chapter 4 and 5 as well as further nuance these findings with additional insights from the qualitative interviews conducted. In continuation hereof, we will discuss differences in the applicability of state roles in gentrification theory to a welfare state in comparison to the governmental setting of North America and Great Britain on which the theory is based.

## 6.1 Is there a housing affordability issue in Copenhagen?

In order to address the research question, first we should aim to obtain an understanding of whether there in fact is a housing affordability issue in Copenhagen - especially for the working class - and if there is, what are the conditions for housing affordability? This question differs substantially depending on the type of housing we are looking at. An owner-occupied apartment will in most of Copenhagen not be affordable for the working class single. In Nordvest a couple should be able to purchase an apartment that has a reasonable size but in the rest of the city their economical means will fall short. An important argument to be made in this regard is whether or not it is a right to own an apartment or if rental apartments are sufficient, as they can provide adequate living condition. However, such tendencies creates further economical inequality between classes in a society, or as Hans Thor Andersen puts it:

*"Finally, there is the matter of renting rather than owning. It is slightly cheaper to rent than to buy, but then you do not get a share of the financial gain. So the owners have become rich on behalf of the renters. And this create consequences for the balance in society."*

(Interview with Hans Thor Andersen Appendix A, line 151, authors' translation)

Since owner-occupied housing in Copenhagen only accounts for 22% of the total housing in the city (Appendix K), and the fact that half of the Danish population lives in rental housing, we accept both the rental and owner-occupied housing sector to be able to offer affordable housing and access to the city.

Whether or not there is a housing affordability issue also significantly depends on the relationships status and the spending of the working class. Couples are more

privileged compared to singles in regards to housing affordability, while children increases expenditures both in terms of demand for an adequate housing size as well as higher everyday expenses. In practice the working class have to either chose to limit their expenses significantly or reduce their living floor space in order to find affordable housing in Copenhagen. Both of theses ways of coping raise the question of whether or not a limited budget and space can create injustice in the city. On one hand it can be argued that it is not controversial for a family with a lower income to live less luxuriously and in smaller housing. When comparing the housing affordability of the working class on a reference budget in Copenhagen with the average of Denmark, neither are affordable - however the working class still have shelter. This indicates that it must be more or less normal for a working class family to have lower expenses than the reference budget suggests. However, it is important to recognise that the reference budget used as indicator is not a luxurious budget by any means, but simply a budget covering normal everyday expenses without having to buy everything on sale.

There is however still a rather large gap between the living floor space available in the budget for a working class family between Copenhagen and Denmark, which indicates that the compromise of space and expenses to be made in Copenhagen are larger than elsewhere in the country. Is this then unjust? We can not define what exact budget is a "just" budget, but it does raise the question of justice having to limit ones budget as well as living floor space to a bare minimum to be able to live in Copenhagen. When it comes to the aspect of having a family in the city, the potential of injustice seems most apparent. If the working class have to move outside Copenhagen to start a family it creates a very large limitation and limits the mobility of the families. Especially as the City of Copenhagen the past 15 years have aimed to plan for families through e.g. new schools and larger family-sized apartments. With such municipality-led emphasis on making Copenhagen attractive for families, one might wonder if there is certain type of family that are not as prevailing in the planning put forward. This is not specified in any of the plans but there has been a desire to increase the income from taxes on a municipal level, thus attracting families with higher incomes. These are some indications of the municipality not planning for working class families which we would argue is unjust.

## 6.2 Has Copenhagen experienced gentrification during the past 30 years?

The working class is to a certain degree beginning to experience lacking housing affordability in Copenhagen. Moreover, as explored in chapter 4 and 5 over the past three decades, fewer and fewer working class citizens are living in Copenhagen, regardless of the whole discussion on a lack of housing affordability. The question is, if this necessarily is a clear sign of gentrification and if so, should this be viewed as a negative development. It can be argued that the overall changes in demography seen in Copenhagen is not gentrification, since it merely has followed the trends at a national level. If inhabitants on a national level in general have a higher income and longer educations it does not mean that a more affluent class are moving in on behalf of lower income citizens. It means that a general demographic change is happening and we can not define it as gentrification. The

demographic development in Copenhagen has however been varying substantially between neighbourhoods, as argued for in section 4.1.1 on page 56. When discussing gentrification it then seems apparent to look at a neighbourhood level since gentrification can happen on a very local scale. In Copenhagen there has been neighbourhoods where the annual average earned income in periods has increased tremendously and where the working class ensuing has moved out - and other neighbourhoods where very little has changed regarding income levels. This supports the argument that even if Copenhagen on average has followed the national rise in earned income, there are still signs of gentrification because a more affluent class in some areas has moved in. This is, as previously discussed in chapter 5, what is happening in Nordvest at the moment. Signe Dehn Sparrevohn puts it this way:

*"Then you move them [the socially vulnerable, red.] to Bellahøjhusene or Ryparken, where they encounter new problems they have not encountered before."*

(Interview with Signe Dehn Sparrevohn Appendix E, line 141, authors' translation)

This indicates a shift in policy and price levels from where the social vulnerable were a part of the environment in Nordvest, tendencies are now showing that they are moving further out towards the periphery of Copenhagen. However, it is interesting that they are staying within the City of Copenhagen and have not moved outside the municipality. This might suggest, that gentrification is occurring for the social vulnerable - but with displacement within the municipality - whereas one can wonder where the working class is moving when housing gets unaffordable in Nordvest, as they might "go under the radar" of securing affordable housing within the municipality - or so it seems.

When going through the former planning documents it was evident that there was a broad consensus that something had to be done in order to improve both the social and physical conditions in Copenhagen. This raises the question of whether or not gentrification necessarily is negative or if it is simply a condition for improving a deprived city like Copenhagen was. From a neoliberal perspective - which has ruled in the past 30 years - gentrification would not be viewed as negative if it ensured economic growth and a better competitive edge over other cities. Since this has been the purpose of much of the planning in Copenhagen the demographic change that has followed can be viewed as very positive from a municipal economic point of view, since people who has longer educations and better salaries creates a wealthier city that is able to keep a check on its balances. If we however take on the glasses of the just city, gentrification would be absolutely negative. If we for starters take into consideration the capacities of the inhabitants of Copenhagen improving their housing, it might be seen as a positive, while it is a negative that it has been at the expense of housing affordability. If we recall Fainstein (2016)'s definition of the just city, capacities can not be traded off against each other and, thus, the trade off between housing quality and affordability is unjust. Furthermore, with the demographic changes there is a risk of a lack in appropriation of the city for lower income inhabitants. When people with a higher purchasing power moves into the city, goods and services are accommodate to their needs. If we look at areas like Vesterbro and the inner part of Nørrebro the amount of restaurants and cafe's in a high price range seems rather large. This might in the future result in it being challenging for working class inhabitants to take part in the production of space and, thus, loses the right to the city. These tendencies

have yet to characterise the city at large, but it suggest concerning trends - especially in Indre By and the adjoining neighbourhoods. Additionally, it is also a question of what kind of city we strive to be a part of in the end - do we want homogeneous cities where the working class only visits to work? Holger Bisgaard puts it this way:

*"Rich cities are boring cities. The most differentiated cities are the cities we travel to. The more homogeneous a city is the more boring it is, and we frequent them less. That is why nobody travels to cities in Switzerland."*

(Interview with Holger Bisgaard Appendix C, line 249, authors' translation)

The attractiveness of differentiated compositions has also been apparent in Copenhagen as developments often have followed creative souls and their search for cheap rent around the city. When the areas develop from the attractiveness to the creative environment has made the prices increase in line with the rent gap theory. This development has been from Indre By, to Vesterbro, to Nørrebro and then to Nordvest. The creatives are then likely to move further out of the city next, in search for the next cheap rent (Interview with Ole Hjorth, appendix B).

In regards to our research question we find it particularly interesting how the state has played a role in these processes of development in Copenhagen. Therefore we turn to discuss the role of the state in the following section.

### 6.3 The role of the state

Now we have assessed that both a lack of housing affordability and gentrification processes are, and have been over the past decades, to some degree a reality in Copenhagen. This leads us to the question of why this has happened and how the state has played a role in this development of the city. In the contemporary debates regarding housing affordability in Copenhagen, the argument of supply and demand is often being mentioned. Ole Hjorth emphasises this argument:

*"In my opinion it is a matter of supply and demand.[...] The issue in Copenhagen is that there is a larger demand than the supply can fulfil. [...] And when you are in a situation as such the price of an article rises - in this case a dwelling. So it can easily be accessed as a classic supply and demand problem."*

(Interview with Ole Hjorth Appendix B, line 155-167, authors' translation)

If the housing is no longer affordable it means that the demand for housing is larger than the supply why the price increases and the solution must be to build more housing. There might be some truth to the supply and demand logic - the population of Copenhagen is becoming larger every year which results in lack of housing, but does it necessarily entail the full explanation power of causes leading to a lack of housing affordability? In order to provide an answer we will take a look the role the state has played in providing housing

over the past decades, as well as currently. The state has as shown in chapter 4 and 5 played a very active role in the increase on the supply side, but the focus has very much been on building homes for families, as well as constraining the construction of private non-profit housing. This means that even though the supply of housing has gone up, the supply of less costly housing has not to the same degree. Curt Liliegreen substantiates this interpretation:

*"What we have seen with private non-profit housing is that there in the last 10-15 years has been built very few private non-profit housing in Copenhagen. There has been much talk about building private non-profit housing, but it has not happened. One of the explanations is that they have been delayed. Different planning measures have been initiated in order to get more private non-profit housing in Copenhagen, but they have not been delivered. So the main problem here is that there has not been built enough. In fact almost nothing to be perfectly punctual. It is something the municipality has a hard time acknowledging and does not want to talk about, but that is the way things are."*

(Interview with Curt Liliegreen Appendix D, line 67, authors' translation)

However, since the municipal plan of 2019, there has been an increasing focus on building private-non profit housing, as the mechanism of demanding 25% private non-profit housing within a local plan area has been put to use. These homes might however not be "cheap" for many years to come, Curt Liliegreen argues:

*"The new-building in the last 20 years is not affordable. It is if you have a high income, but it needs to be defined exactly. It gets increasingly difficult for the vulnerable, because there is not being built new small private non-profit housing and because some of the cheaper older private rental has been refurbished."*

(Interview with Curt Liliegreen Appendix D, line 79, authors' translation)

This reading correlates with the development we have uncovered in the role of the City of Copenhagen. Since initiating the attempt to re-erect Copenhagen, the focus has shifted from building housing for ordinary people to facilitating the development of harbour areas for paying of the debt of the metro. We argue that it entails that they to a large degree accommodates the needs of the investors from performing mechanisms related to the entrepreneurial, interventional and facilitating state role.

For the same reasons investors have been very hesitant through the years in contributing to building private non-profit housing (Interview with Hans Thor Andersen Appendix A, line 172).

### 6.3.1 The role of the state in contemporary planning

In the contemporary planning in Copenhagen there seems to be two different approaches to urban development. The first one is the one we have seen in Nordvest, where the state to



a large degree has a mix of the conservative and the facilitating planning role. The other is the one taken on by especially City & Port in the development of old industrial areas to new urban areas where we see the state play both a facilitating and an interventional role.

When looking back at the past 30 years of planning it recurs that when the state is heavily involved in urban development, changes to the urban realm can be very substantial and fast which - if that is the purpose - can result in a demographic replacement as well as a lack of housing affordability and gentrification. When looking at Nordvest the role which the state plays is rather limited. There are no comprehensive plans for developing the area. A more sporadic development is happening where opportunistic investor investors are building modern housing without a greater interference from the state. This could result in a less fierce gentrifying development of the area. It is however now that many investors are tearing down their former buildings in order to construct new housing, as is especially the case in former industrial neighbourhoods of Copenhagen such as Nordvest. As Signe Dehn Sparrevohn states:

*"We now experience all the empty lots are being developed. And the next thing to happen is to demolish and rebuild with higher density"*

(Interview with Signe Dehn Sparrevohn Appendix E, line 95, authors' translation)

This indicates that the investments are ripe for harvesting, meaning that the prices on housing in the area now are high enough for the investors to capitalize on the potential ground rent. One can speculate whether risk-assuming investors are equally set on constructing very expensive housing. Nevertheless, the private non-profit housing remains, as a barrier against very expensive housing. Right now we see a lighter conservative role where there might be an overall wish to change the demography in Nordvest, but we do not see very strong initiatives that directly are related to the conservative role in planning. However, if the conservative objective becomes more prominent the large amount of private non-profit housing might be at risk. This is not an unrealistic scenario. There is a strong political wish to remove ghetto areas and in Nordvest the private-non profit housing estates are all currently defined as a vulnerable housing area, which means that in the future there is a risk of it developing into a ghetto. The risk of becoming a ghetto provides an incentive to change the demography of the area which undoubtedly creates a gentrifying effect.

In the other branch of urban development in Copenhagen we see the state having a much larger role in the development in the shape of City & Port. Here there are both strong signs of the facilitator and the interventional role. As mentioned earlier the large interventional role has previously resulted in some degree of gentrification processes and lacking housing affordability. With that in mind the development led by City & Port could result in urban areas that are not available for the working class. Nordhavn is an example of this. As of now only very few estates of private non-profit housing are built and the remaining housing is on average the most expensive in Copenhagen (Appendix K and M). To be fair it should be mentioned that Nordhavn has yet to be finished so there might still be more private non-profit housing in the making. The fact that urban development driven by City & Port does not create housing affordability for the working class is also a point that Hans Thor Andersen makes:

*"By creating City & Port, the City of Copenhagen is now in billion-large debt, and if this is not to become a liability for the citizens of the municipality, City & Port ought to have an income. The more the building lots can be densified, the more income goes to the seller [City & Port, red.] and they are not going to let such an opportunity go by. Not at all. Then billions are lost. [...] The City of Copenhagen has set itself in a trajectory, some would call it neoliberalism, but it is no longer the welfare-model which is the decisive force."*

(Interview with Hans Thor Andersen, appendix A, line 156, authors' translation)

He argues that first and foremost when the City of Copenhagen decided to build a metro and since City & Port should be the ones to pay off the massive debt, the corporation does not have a choice but to sell the building rights to the highest bidder. We would like to further support this argument with the mix of the facilitating and interventional role. When City & Port develops an area, they do it in very close collaboration with an investor like PensionDanmark as seen in Fælledby (City & Port). Of course this is a way to ensure financial stability in the development of an area and thus ensure that City & Port themselves does not need to make such large investment. On the other hand such a close collaboration also results in the investor having great influence on the project. The pension funds are managing peoples pensions and must ensure a profitable investment. This can lead to affordable housing being under-prioritised if it in any way compromises the possible profit obtained from the development. The counter argument is that from a neoliberal point of view this way of developing areas to a large degree lets the market drive the development and the only way to create affordable housing is to build more. Hans Bisgaard has another point of view:

*"I believe, in clear hindsight, that the neoliberal way of thinking from the current National Government, the current Minister of Housing, the current Lord Mayor, and especially the former Lord Mayor about affordable housing is nonsense. The market has never ever created cheap housing. Other means need to be employed."*

(Interview with Holger Bisgaard Appendix C, line 183, authors' translation)

The interventional role is also apparent and comprehensive plans for developing areas is a way that City & Port increases the land value - if investors see a comprehensive plan they are more prone to invest. Together with the facilitating role it seems very unlikely that the areas developed by City & Port in any way will result in affordable housing for the working class. When encountering the housing affordability issue from a supply and demand perspective, where a trickle-down effect is said to supply affordable housing, Hans Thor Andersen says:

*"It would be the first time for it to succeed - anywhere. Those who build, and are set to make a profit from it, only do it if they are certain to get their money back. They do not build, if they are concerned, that they will loose on it. Then the building stops"*

(Interview with Hans Thor Andersen Appendix A, line 200, authors' translation)

Holger Bisgaard agrees by stating that:

*"They [the developers, red.] will stop building before the dwellings become affordable. You have to be aware of this. [...] I do not believe that there will be affordable housing by leaving it to the market."*

(Interview with Holger Bisgaard Appendix C, line 212 and ??, authors' translation)

But how do we then by the means of planning get closer to an urban development that can ensure housing affordability to avoid vivid processes of gentrification?

## 6.4 How planning can accommodate a development ensuring housing affordability

We have now argued that the role of the state in the current planning in Copenhagen in some cases seems to lead to a lack of housing affordability especially in regards to the facilitator and interventional role. In the following we are going to discuss how, through planning, the state might ensure housing affordability. If we recall our approach to the just city we agree with Fainstein (2016) that within the current political and economic institutions a more just city can be obtained. In the current discussions on creating more affordable housing in Copenhagen especially two arguments prevail - the supply of housing must increase and more private non-profit housing must be build. To a large degree these arguments make sense. More and more people are moving to Copenhagen and the demand of housing do increase tremendously, thus, more housing is needed. This can nevertheless not stand alone - even though the neoliberal argument would be that if housing is too expensive it is simply because we are not building enough. This argument might to some degree be true but this is also where housing differentiates from smartphones or t-shirts because housing is limited by the scarce resource of land. The development of Copenhagen is limited by the amount of space suitable for housing construction which means that the supply of housing is dependant on the available land, and not solely by the demand. If we try and accept this market logic a low supply raises the prices and without an infinite amount of land it will be the wealthiest who are able to buy or rent an apartment in Copenhagen. Therefore, we can acknowledge the argument that we need to build more housing in Copenhagen, but not if it is done merely from a market perspective.

This is were the private non-profit housing becomes essential. In the municipal plan from 1997 the focus on building private non-profit decreased and did not really become a focus again before the municipal plan from 2011. This has resulted in relatively few new private non-profit housing units which can be one of the explanations from the increased pressure on affordable housing for the working class. From the academic literature we have learned that private non-profit housing when newly constructed are more expensive than after a number of years (Noring et al., 2020). That also becomes apparent in chapter 5 where we compared housing constructed before and after 2000 and saw a substantial difference in the rent. A continual construction of private non-profit housing therefore is one of the main ways that the city can remain affordable to live in. The inclusion of the possibility to demand 25% private non-profit housing in local plans, included in the municipality plan

of 2019 is certainly a step in this direction. We are however to see how developers are to deliver these, as they are often postponed to very end of construction on sites (Andersen, 2021).

Another way that housing affordability possibly can be obtained through planning is changing the role of City & Port. As of now, they work under the neoliberal logic, which is they have to sell the properties to the highest bidder (Noring et al., 2020). If this was to be changed City & Port could potentially plan for building cooperatives or smaller apartments that might bring in less profit but a more affordable housing and thus a more just city. If the purpose of City & Port changed in such a manner that they would not have to make profit-optimisation, the City of Copenhagen would potentially end in a financial dilemma. Either they would have to pay of the metro debt later than expected or through tax payer money pay off part of the debt. The exact consequences this suggestion would have for the metro debt is outside the scope of this thesis, but doing nothing can very well result in expensive areas without lack of diversity and accessibility for the working class.

The final way that planning could ensure a higher degree of housing affordability is a slightly more speculative one because it would somewhat shake the planning system - a more comprehensive regional planning. Right now we see that the demand for housing in Copenhagen is so massive that politicians as well as planners are creating an artificial island - Lynetteholmen - in order to gain more land where housing can be developed. This is done at tremendous financial (and potentially environmental) costs which has to be paid back by selling of the land to investors (Bredsdorff, 2021). From the City of Copenhagen's point of view this makes sense due to the fact that the more citizens they attract the larger the tax base and the better welfare services and urban development they can provide, as have been the prevailing line of thought since the re-erection was initiated. Hans Thor Andersen emphasises this interpretation:

*"For the City of Copenhagen it is about getting as many inhabitants as possible, in order to be a more crucial political factor and is thought to be better off economically. Had we had a reform of municipal structures, that had created a municipality for the entire metropolitan area of Copenhagen, then Lynetteholmen had never been created."*

(Appendix ??, line ?? authors' translation)

This competition for residents among the municipalities in the metropolitan area of Copenhagen maintains the constant need of building housing inside the municipal borders instead of "sharing" the development with the surrounding towns. If a more comprehensive regional planning was introduced the amount of land available for development would increase and the wealth of Copenhagen would to a higher degree benefit and popularise other areas.

## 6.5 Theoretical reflections on gentrification in a welfare-state context as waves or tsunami

We will in this section discuss our theorising of state led gentrification in a Danish welfare-state context, as the current literature on gentrification theory is dominated by Anglo-American contributions. This discussion will depart from the established theories on gentrification and how these are amendable, if so, to a Danish context.

The widely used theorising of gentrification by Hackworth and Smith (2001), as we also have drawn up on in our literature review in section 2.3 on page 16, suggests gentrification to happen in terms of waves over time. As we went over, Lees et al. (2008c) and Aalbers (2019) have build onto their work to identify a fourth and fifth wave.

In our attempt to investigate state involvement in gentrification processes in a Danish context, the theorising on gentrification has been subject to modifications, as the state in a welfare-society has a more dominant role in planning. In the method in section 3.4.1 on how we apply the our theoretical framework, we derived the state roles from the waves in the literature in order to identify the mechanisms emblematic of each role. In figure 6.1 below we have illustrated how these state roles have been present in the planning of Copenhagen over the years. Below the timeline are for reference specified the waves as they are presented within the literature (Hackworth and Smith, 2001; Lees et al., 2008c; Aalbers, 2019).

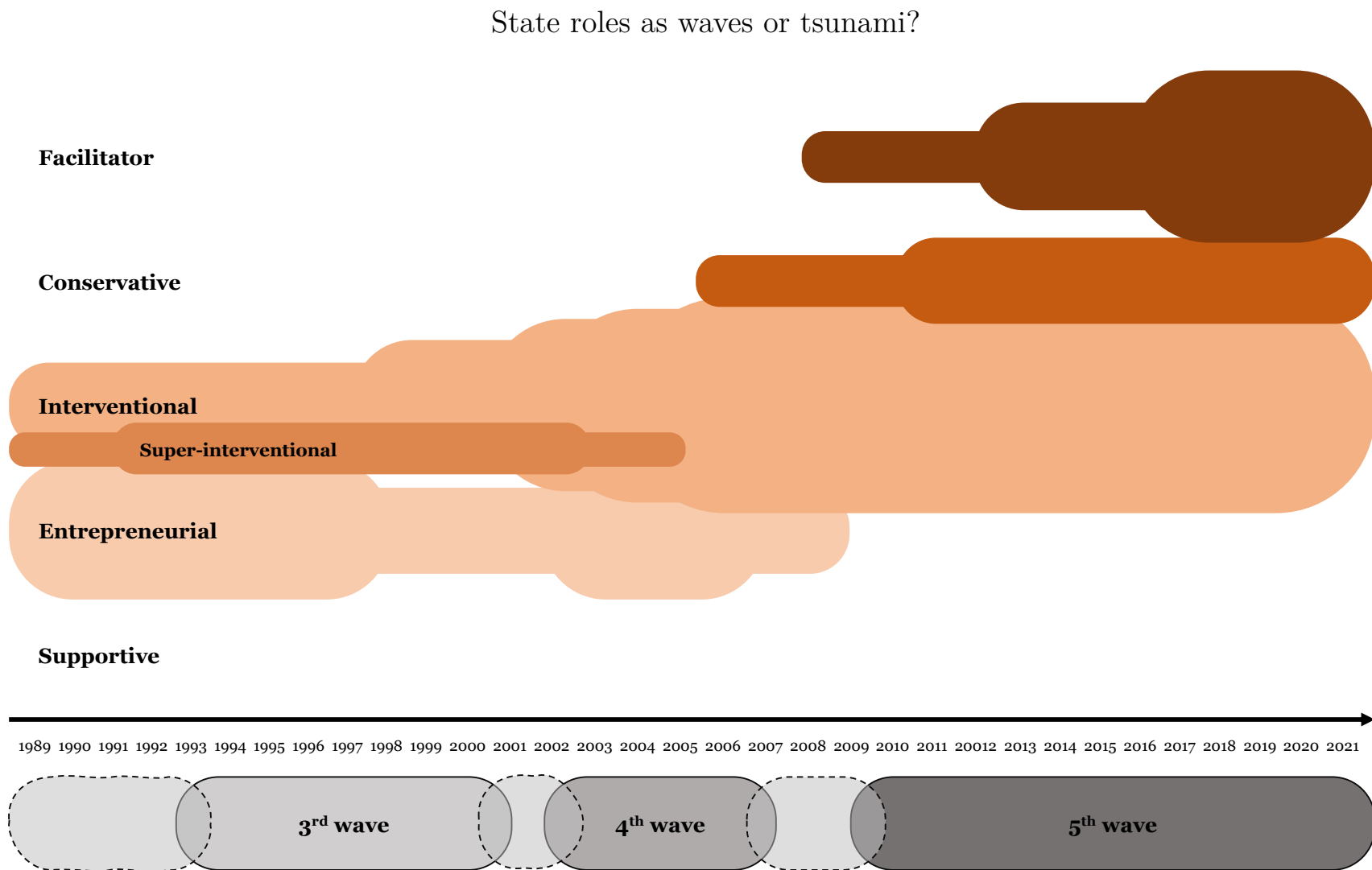


Figure 6.1: The summarised state roles in Copenhagen planning, illustrated as

Since Hackworth and Smith (2001) identifies the first wave of gentrification in New York to be around 1968 and we in this thesis have focused on the period after 1989, the first and second wave do not appear in the waves presented for reference. Likewise we have not identified any state involvements indicating a supportive role, derived from the first wave. This might in turn come down to our search for state involvement from larger efforts and municipal plans, while the supportive role has an sporadic individuality to it. The first reference period is therefore the transitions period between second and third wave. This is one of the mayor differences we see between the literature and our findings. The transition periods between the waves in the literature, highlight modifications to the previous wave of state involvement as an answer to a recession. In Copenhagen we do see changes happen with recessions, but they do not seem to create major changes to the existing approaches, but rather foster inventions of new approaches to run along side the existing ones. This is in line with what (Hackworth, 2019) have later come to suggest, as he in hindsight suggest that the waves are to be interpreted as a tsunami instead, see section 2.3.2 on page 26 for further elaboration on his thoughts. The analogy of a tsunami rather than individual waves offer a far better explanation to the developments we have seen in the role of the state in Copenhagen. As figure 6.1 come to illustrate, the different state approaches appear as supplements for the tsunami of state involvement in gentrification to grow in size.

The timing of prevailing state approaches in the welfare context seem to very much align to the waves for reference. The predominant state roles identified in the first period of our analysis are the entrepreneurial role as we have derived from the second wave. This seem to be within reasonable alignment, as the third wave is not set to appear in the US until a few years later and the developments with the first few waves were seen to appear with a delay outside the US. The interventional role is however early to be spotted in Copenhagen context, which might come down to a generally large involvement of the state in urban development. The observation of super-interventional state role underpins this very argument. The interventional mechanisms are simply so closely aligned with the role of the state in a welfare-society, that a whole different level in the interventional involvement of the state is discovered. What sets the interventional mechanisms performed in the early 1990's apart from earlier state initiatives in Copenhagen is however the neoliberal rationale and commitment to attract interest and investments from around the world. We see this interventional role continue to dominate, while it in the last ten years have been supplemented by a facilitator role. The first appearance of the facilitator role was in the repercussions of the latest financial crisis. This on par emergence firmly cement the global character of current urban development as (Aalbers, 2019) suggests with the fifth wave. The conservative role derived from the fourth wave is less of a directly transferable state involvement. Lees et al. (2008c) themselves also suggest that the approach is particular to a US context. As so, we have not identified clear cut conservative state involvements. We have however been able to identify the objective of the approach to be present in up to several instances of state involved approaches to vulnerable and low-income housing areas, resembling the approach of the fourth wave.

# Reflections 7

---

We will in this chapter reflect on the consequences of our methodology; collected empirical data, the approaches to process our data, our theoretical approach and how it has affected the answer of our posed research question.

Our research design, see chapter 3 *Research design and methodology* and figure 3.1 on page 35, have been constructed as a linear approach. Thus, to answer each sub-question posed, a conclusion is made and applied in the answer of the following question as a set of lenses to analyse our empirical data with, a hermeneutical spiral. This is to always synthesise the knowledge obtained to further explore the hidden mechanisms shaping processes, as we acknowledge with our scientific stand of critical realism, there is more to the world than we know, but we can attempt to try and expand our knowledge shaping the world.

One of our main data collection approaches have been document analysis by deductively applying our theoretical framework in the analysis of official planning documents from the City of Copenhagen. As we have proceeded deductively from our theoretical framework we have in the planning documents been searching for mechanisms confirming our understanding of state-led behaviour and its consequences. This entails slight blindsidedness to mechanisms in opposition to state-led gentrification measures, thus not actively searching for alleviating mechanisms. Additionally, our main source of empirical data shaping the answer of the second sub-question and thus also implicitly our third sub-question are planning documents. This results in the interventional state-role automatically being present as comprehensive planning is an expression of the interventional state-role. Therefore the interventional state-role has been prevailing through our analysis of planning documents. To accommodate this potential blindsidedness this matter, it has been important to challenge throughout our conducted interviews. Further the nature of the third sub-question where we investigate contemporary state influences on the development situated in a Copenhagen neighbourhood, have allowed us to include more aspects of the development, in comparison to the historical approach in the second sub-question. This is due to the fact that it has been easier to address contemporary state involvement in development process happening in front of us. If time had been of no issue it could have been advantageous to conduct in-depth analysis of the actual result and process of each of the planning initiatives from late 1980's and onward, in order to get an even deeper understanding of the role of the state. In the time frame of this master thesis this would nevertheless have been impossible.

Parts of our focus in the applied interview-guides have been to obtain information and reflections of past planning from the interviewees. Such focus might be challenged by



its retrospective character, as memories tend to be reshaped over time, thus we have actively tried to challenge these notions by weighing up the planning documents in contrast. Additionally, more interviews might have supplemented the analysis further, and especially an interview with the City of Copenhagen could have supplemented the notions put forward in the answer of our third sub-question. Though defeats of arranging an interview on multiple occasions must be accepted.

# Conclusion 8

---

In the following conclusion we will answer our research question: *How is Copenhagen affected by state-led gentrification and how can planning accommodate a development ensuring housing affordability?* To answer the question we have first through a literature review come to an understanding that the state in an Anglo-American context can play five different roles depending on the state's initiative and relation to the market in urban (re)development. These roles are: 1) *supportive*, 2) *entrepreneurial*, 3) *interventional*, 4) *conservative* and 5) *facilitator*. These roles have been extracted from the waves of gentrification as well as the ideas of neoliberalism. We have through our analysis of the Copenhagen planning over the past 30 years found that the state has such a significant role in the urban development that the understanding of the interventional role had to be expanded and thus we have created a sixth role - the super-interventional state. From the academic literature it also becomes apparent that as the state plays an active role in gentrification processes it fosters challenges on housing affordability and thus the notion of a just city.

Between 1989 and 2015 the neighbourhoods of especially Vesterbro and Indre By has experienced gentrification, but also in the development of Amager Vest and Kgs. Enghave has gentrification processes taken place. The entrepreneurial, interventional and super-interventional state roles have been prevailing state roles in the gentrification of the aforementioned neighbourhoods. Overall in areas where the state has intended to create large urban changes to attract the more affluent families, the working class has to some degree been pushed out. We can conclude, that when the state plays a very active gentrifying role - no matter the planning mechanisms related to the specific role - the speed and brutality of the gentrification increases. The past decades of gentrifying mechanisms have in fact led to a lack of housing affordability for the working class in Copenhagen. Working class singles and couples with more than a single child will today have a very hard time finding affordable housing in Copenhagen, if they are not to give up their capacities of adequate living space and expenditures on other things than housing. This clearly shows an injustice in the city. In the Copenhagen of today few working class citizens are residing in the city and those who are, mainly reside in areas with large amount of private non-profit housing.

To explore what role state-led gentrification plays in the contemporary planning of Copenhagen there are two main branches to look at: The development of brown/green field areas which are not directly pushing people out of the city, but still changes the demography and then the re-development of existing areas, like Nordvest. In the development of new urban areas the state through City & Port plays a facilitator role as well as a very active interventional role. In Nordhavn we have seen this result in the highest

housing prices of Copenhagen. In Nordvest the picture is rather different. The state's involvement in the neighbourhood is to a light degree conservative and facilitating. The state has in Nordvest not created very comprehensive initiatives to change the demography of the area, and due to the large amount of private non-profit housing, the private developers - even though very active in former industrial areas - has not yet created a very fast nor brutal gentrification. If however the state, as they have signified the intention of, enforce further pressure to replace the inhabitants of the private non-profit housing through the conservative role and to a larger degree starts collaborating with investors through a more active facilitating role gentrification in Nordvest is a risk in the future.

If planning is to accommodate a development preventing gentrification, evading a deficit of housing affordability appears important. Ensuring that private non-profit housing are built seems like the prevailing tool - this is important in new urban development areas, as it is in re-developments in existing urban areas in order to spread out the affordable housing across the entire city. We have also experienced a tremendous rise in cooperative housing prices which before has been seen as an affordable type of housing. Regulating this type of housing so it no longer follows the private renting market would also be an initiative that could increase the amount of affordable housing. These are the solutions that we suggest that can be done within the current governmental framework in the context of Denmark. Other more dramatic, and maybe more effective solutions would require a change to the planning structures as we know them today and whether or not the welfare-state of Denmark is ready to such changes - is all speculation.

# Bibliography

---

- Aalbers, 2019.** Manuel B Aalbers. *Introduction To The Forum: From Third To Fifth-Wave Gentrification*. Tijdschrift voor economische en sociale geografie, 110(1), 1–11, 2019. doi: 10.1111/tesg.12332.
- Aarhus Kommune, 2021.** Aarhus Kommune. *Indkomstskala for økonomisk friplads 2021*, 2021. URL [aarhus.dk/media/50008/indkomstskala-2021.pdf](https://aarhus.dk/media/50008/indkomstskala-2021.pdf).
- Whitney Airgood-obrycki, Alexander Hermann and Sophia Wedeen. The Rent Eats First Rental Housing Unaffordability in the US Rental Housing Unaffordability in the US. 2021.
- Andersen and Keilgast, 2003.** Hans Skifter Andersen and Louise Keilgast. *De syv første kvarterløft. Sammenfattende evaluering af udvikling 1997-2002*, 2003.
- Ib Andersen. Spørgeteknikker. In *Den Skindbarlige Virkelighed*, pages 167–184. Samfundslitteratur, København, 5th edition, 2013.
- Andersen, 3 2021.** Signe Julie Andersen. *Opførelse af almene boliger halter: Nu vil borgmester have ændret loven*, 2021. URL <https://www.tv2lorry.dk/koebenhavn/opfoerelse-af-almene-boliger-halter-nu-vil-borgmester-have-aendret-loven>.
- Bendixen, 4 2020.** Marianne Bendixen. *Byplanfaglig vurdering af Lokalplan 261 med tillæg 1, 2 og 3*, 2020.
- Bisgaard, 2010.** Holger Bisgaard. *Københavns Genrejsning 1990-2010*. København, 2010.
- Blackstone, 2021.** Blackstone. *Real Estate*, 2021. URL <https://www.blackstone.com/our-businesses/real-estate/>.
- Bourassa, 1993.** Steven C. Bourassa. *The Rent Gap Debunked*. Urban studies (Edinburgh, Scotland), 30(10), 1731–1744, 1993. ISSN 0042-0980. doi: 10.1080/00420989320081691.
- Bredsdorff, 6 2021.** Magnus Bredsdorff. *Her er kritikernes 10 største problemer med Københavns kunstige halvø*, 2021. URL <https://politiken.dk/indland/kobenhavn/art8230879/Nu-kommer-Lynetteholm.-Her-er-de-10-største-problemer>.
- Alan Bryman. Ethnography and participant observation. In *Social Research Methods*, chapter 19, pages 430–467. Oxford University Press, New York, fourth edition, 2012a. ISBN 978-0-19-958805-3.
- Alan Bryman. Interviewing in qualitative research. In *Social Research Methods*, chapter 20, pages 468–499. Oxford University Press, New York, fourth edition, 2012b. ISBN 978-0-19-958805-3.

- Alan Bryman. Research designs. In *Social Research Methods*, chapter 3, pages 44–78. Oxford University Press, New York, fourth edition, 2012c. ISBN 978-0-19-958805-3.
- Campbell, 1918.** Harry Campbell. *The housing question*. British Medical Journal, 2 (3016), 450, 1918. ISSN 00071447. doi: 10.1136/bmj.2.3016.450-b.
- City & Port.** City & Port. *Hvem står bag?* URL <https://faelledby.dk/om-os/>.
- City of Copenhagen, 2001a.** City of Copenhagen. *Boliger for alle - boligpolitisk strategiplan for Københavns Kommune 2001-2004 - II*, 2001. URL [https://www.kk.dk/sites/default/files/edoc\\_old\\_format/0Ekonomiudvalget/30-05-200015.00/Dagsorden/23-05-200313.57.35/A61AA6F03110409DC1256D2F0041B293.htm](https://www.kk.dk/sites/default/files/edoc_old_format/0Ekonomiudvalget/30-05-200015.00/Dagsorden/23-05-200313.57.35/A61AA6F03110409DC1256D2F0041B293.htm).
- City of Copenhagen, 2021a.** City of Copenhagen. *KKBOL4: Boliger efter roder, ejerforhold, størrelse og ibrugtagningår*, 2021. URL <https://kk.statistikbank.dk/statbank5a/default.asp?w=1920>.
- City of Copenhagen, 2018a.** City of Copenhagen. *Analyse af tilgængeligheden på boligmarkedet i København Københavns Kommune 2018*. København, 2018. ISBN 2017001422. URL [https://planinfo.erhvervsstyrelsen.dk/sites/default/files/media/publikation/analyse\\_af\\_tilgaengeligheden\\_paa\\_boligmarkedet\\_i\\_koebenhavn\\_koebenhavns\\_kommune\\_2018.pdf](https://planinfo.erhvervsstyrelsen.dk/sites/default/files/media/publikation/analyse_af_tilgaengeligheden_paa_boligmarkedet_i_koebenhavn_koebenhavns_kommune_2018.pdf).
- City of Copenhagen, 2021b.** City of Copenhagen. *Områdefornyelse Bispebjerg Bakke 2021-2026*, 2021. URL <https://www.kk.dk/omfbispebjergbakke>.
- City of Copenhagen, 2006.** City of Copenhagen. *Byfornyelsens forløb med status, strategier, oversigter m.m.*, 2006. URL [https://www.kk.dk/sites/default/files/edoc\\_old\\_format/0Ekonomiudvalget/10-10-200615.15.00/Dagsorden/09-10-200609.47.21/BilagAByfornyelsensforl\T1\ob.PDF](https://www.kk.dk/sites/default/files/edoc_old_format/0Ekonomiudvalget/10-10-200615.15.00/Dagsorden/09-10-200609.47.21/BilagAByfornyelsensforl\T1\ob.PDF).
- City of Copenhagen, 2003a.** City of Copenhagen. *Den blå plan for Københavns Havn juni 2003*, 2003.
- City of Copenhagen, 1999.** City of Copenhagen. *Lokalplan 305 Kalvebod Brygge Nord II*, 1999.
- City of Copenhagen, 2021c.** City of Copenhagen. *KKIND3: Personer over 14 år efter distrikt, enhed, køn og indkomsttype*, 2021. URL <https://kk.statistikbank.dk/statbank5a/default.asp?w=1920>.
- City of Copenhagen, 2020a.** City of Copenhagen. *Status på København*, Copenhagen, 2020a. URL [https://www.kk.dk/sites/default/files/status\\_paa\\_koebenhavn\\_2020.pdf](https://www.kk.dk/sites/default/files/status_paa_koebenhavn_2020.pdf).
- City of Copenhagen, 1989.** City of Copenhagen. *Københavns Kommuneplan 1989*, 1989.
- City of Copenhagen, 1993.** City of Copenhagen. *Københavns Kommuneplan 1993*, 1993.

- City of Copenhagen, 1997.** City of Copenhagen. *Københavns Kommuneplan 1997*, 1997.
- City of Copenhagen, 2001b.** City of Copenhagen. *Københavns Kommuneplan 2001*, 2001.
- City of Copenhagen, 2005a.** City of Copenhagen. *Københavns Kommuneplan 2005*, 2005.
- City of Copenhagen, 2011.** City of Copenhagen. *Københavns Kommuneplan 2011*, 2011.
- City of Copenhagen, 2015.** City of Copenhagen. *Københavns Kommuneplan 2015*, 2015.
- City of Copenhagen, 2019a.** City of Copenhagen. *Københavns Kommuneplan 2019 Verdensby med ansvar*, 2019.
- City of Copenhagen, 2016a.** City of Copenhagen. *Lokalplan 261 med tillæg 1, 2 og 3 Provstevej*, 2016.
- City of Copenhagen, 2019b.** City of Copenhagen. *Lokalplan 261 Tillæg 4 Provstevej*, 2019.
- City of Copenhagen, 2003b.** City of Copenhagen. *Lokalplan 310 Teglværkshavnen*, 2003.
- City of Copenhagen, 2010a.** City of Copenhagen. *Lokalplan 444 Birkedommervej*, 2010.
- City of Copenhagen, 2019c.** City of Copenhagen. *Lokalplan 575 Kampsportens hus*, 2019.
- City of Copenhagen, 2019d.** City of Copenhagen. *Lokalplan 581 og kommuneplantillæg 30 Rentemestervej*, 2019.
- City of Copenhagen, 2020b.** City of Copenhagen. *Lokalplan 597 og kommuneplantillæg 3 Lygten II*, 2020.
- City of Copenhagen, 2021d.** City of Copenhagen. *Lokalplan 603 Drejervej*, 2021.
- City of Copenhagen, 2021e.** City of Copenhagen. *Forslag til lokalplan Glentevej*, 2021. URL [https://omkommunen.randers.dk/media/37733/lp-640\\_scandia\\_20170612\\_lille.pdf](https://omkommunen.randers.dk/media/37733/lp-640_scandia_20170612_lille.pdf).
- City of Copenhagen, 2005b.** City of Copenhagen. *Lokalplan 398 Ørestad Syd med tilæg 1 og 2*, Copenhagen, 2005b.
- City of Copenhagen, 2009a.** City of Copenhagen. *Lidt mere Nordvest*. 2009.
- City of Copenhagen, 2009b.** City of Copenhagen. *Københavns Kommuneplan 2009 Den tænkende storby*. Copenhagen, 2009. ISBN 9788791916151.

- City of Copenhagen, 2007.** City of Copenhagen. *Københavns Kommuneplanstrategi 2007 Den tænkende storyby*, Copenhagen, 2007.
- City of Copenhagen, 2012a.** City of Copenhagen. *Områdefornyelse Fuglekvarteret Kvarterplan 2013-2018*, 2012. ISSN 2311-1763.
- City of Copenhagen, 6 2016b.** City of Copenhagen. *Områdefornyelse Nordvest Kvarterplan 2016-2021*, 2016.
- City of Copenhagen, 2004.** City of Copenhagen. *Københavns Kommuneplanstrategi 2004 Fremtidens København og Københavnerne*, 2004.
- City of Copenhagen, 2010b.** City of Copenhagen. *Københavns Kommuneplanstrategi 2010 Grøn vækst og livskvalitet*, 2010.
- City of Copenhagen, 2014a.** City of Copenhagen. *Københavns Kommuneplanstrategi 2014 Den sammenhængende by*, 2014.
- City of Copenhagen, 2018b.** City of Copenhagen. *Københavns Kommuneplanstrategi 2018 Verdensby med ansvar*, 2018.
- City of Copenhagen, 2012b.** City of Copenhagen. *Udviklingsplan Bispebjerg/Nordvest*, 2012.
- City of Copenhagen, 2014b.** City of Copenhagen. *Udviklingsplan for omkring Bispebjerg Kirkegård*, 2014.
- City of Copenhagen and Bispebjerg Lokaludvalg, 2017.** City of Copenhagen and Bispebjerg Lokaludvalg. *Bydelsplan for Bispebjerg 2017-2020*, 2017.
- City of Copenhagen et al., 2005.** City of Copenhagen, Byfornyelse København and SBS Sanerings- og Byfornyselselskabet af 1970. *Indre Vesterbros fornyelse Planlægning og gennemførelse*, City of Copenhagen, Copenhagen, 2005. URL [http://www.hestestalden.net/500A\\_Indrevesterbro\\_Hovedrapport\\_Planlaegning1991-2001.pdf](http://www.hestestalden.net/500A_Indrevesterbro_Hovedrapport_Planlaegning1991-2001.pdf).
- City of Copenhagen et al., 2015.** City of Copenhagen, fsb, AKB and AAB. *Strategiplan Bispebjerg Byens Grønne Bakke*, 2015.
- Cushman & Wakefield | RED, 2019.** Cushman & Wakefield | RED. *Winning in Growth Cities 2019/2020*, Cushman & Wakefield, 2019. URL [https://cushwakecolombia.com/wp-content/uploads/2020/01/2019-Winning\\_in\\_Growth\\_Cities\\_Report\\_CW.pdf](https://cushwakecolombia.com/wp-content/uploads/2020/01/2019-Winning_in_Growth_Cities_Report_CW.pdf).
- Cushman & Wakefield | RED, 2020.** Cushman & Wakefield | RED. *Dynamic Analysis Tool*, 2020.
- Danermark et al., 2005.** Berth Danermark, Mats Ekstrom, Liselotte Jakobson and Jan Ch Karlsson. *Berth Danermark, Mats Ekstrom, Liselotte Jakobson and Jan Ch. Karlsson*. Routledge, 2005. ISBN 0203996240.

- Danish Housing and Planning Authority, 2021.** Danish Housing and Planning Authority. *Husleje (kr./m<sup>2</sup>) fordelt på område, bygnings opførelsesår og udlejningstype*, 2021. URL [https://boligstat.dk/SASStoredProcess/guest?&\\_PROGRAM=/Boligstat/OutputFrontEnd&menu=4](https://boligstat.dk/SASStoredProcess/guest?&_PROGRAM=/Boligstat/OutputFrontEnd&menu=4).
- Danmarks Statistik, 2021a.** Danmarks Statistik. *INDKP107: Indkomster for personer over 14 år efter område, enhed, køn, uddannelsesniveau og indkomsttype*, 2021. URL <https://www.statistikbanken.dk/statbank5a/SelectVarVal/Define.asp?MainTable=INDKP107&PLanguage=0&PXSid=0&wsid=cftree>.
- Danmarks Statistik, 2021b.** Danmarks Statistik. *BYGV05B*, 2021. URL [www.statbank.dk/BYGV05B](http://www.statbank.dk/BYGV05B).
- Danmarks Statistik, 2021c.** Danmarks Statistik. *Forbrugerprisindeks*, 2021. URL <https://www.dst.dk/da/Statistik/emner/priser-og-forbrug/forbrugerpriser/forbrugerprisindeks#:~:text=Formåletmedforbrugerprisindexseterat,betalerforvarerogtjenester>.
- Danmarks Statistik, 2021d.** Danmarks Statistik. *EJEN77*, 2021. URL [statistikbanken.dk/EJEN77](http://statistikbanken.dk/EJEN77).
- Dewilde, 2018.** Caroline Dewilde. *Explaining the declined affordability of housing for low-income private renters across Western Europe*. Urban Studies, 55(12), 2618–2639, 2018. ISSN 1360063X. doi: 10.1177/0042098017729077.
- Engels, 1872.** Friedrich Engels. *PART ONE HOW PROUDHON SOLVES THE HOUSING QUESTION*. The Housing Question, pages 10–23, 1872.
- Fainstein, 2016.** Susan S. Fainstein. *Financialisation and justice in the city*. Urban studies (Edinburgh, Scotland), 53(7), 1503–1508, 2016. ISSN 0042-0980. doi: 10.1177/0042098016630488.
- Fainstein, 2005.** Susan S. Fainstein. *Cities and diversity: Should we want it? Can we plan for it?* Urban Affairs Review, 41(1), 3–19, 2005. ISSN 10780874. doi: 10.1177/1078087405278968.
- Fainstein, 2014.** Susan S. Fainstein. *The just city*. International Journal of Urban Sciences, 18(1), 1–18, 2014. ISSN 12265934. doi: 10.1080/12265934.2013.834643. URL <https://doi.org/10.1080/12265934.2013.834643>.
- F.C. Copenhagen.** F.C. Copenhagen. *Parkens Historie*. URL <https://www.fck.dk/telia-parken/telia-parkens-historie>.
- Federspiel, 2015.** Gorrissen Federspiel. *Ændring af planloven – op til 25 % almene boliger i nye lokalplanområder*, 2015. URL <https://jurainfo.dk/artikel/aendring-af-planloven-op-til-25-almene-boliger-i-nye-lokalplanomraader>.
- Flyvbjerg, 2006.** Bent Flyvbjerg. *Five misunderstandings about case-study research*. Qualitative Inquiry, 12(2), 219–245, 2006. ISSN 10778004. doi: 10.1177/1077800405284363.



- Goul Andersen et al., 2021.** Jørgen Goul Andersen, Niels Ploug, Lars Andersen, Lars Olsen and Sune Caspersen. *Rige Børn Leger Bedst*. Gyldendal, København, 1st edition, 2021.
- Gutzon Larsen and Lund Hansen, 2008.** Henrik Gutzon Larsen and Anders Lund Hansen. *Gentrification—Gentle or Traumatic? Urban Renewal Policies and Socioeconomic Transformations in Copenhagen*. Urban studies (Edinburgh, Scotland), 45(12), 2429–2448, 2008. doi: 10.1177/0042098008097101.
- Hackworth, 2019.** Jason Hackworth. *Gentrification As A Politico-Economic Window: Reflections On The Changing State Of Gentrification*. Tijdschrift voor economische en sociale geografie, 110(1), 47–53, 2019. ISSN 0040-747X. doi: 10.1111/tesg.12330.
- Hackworth and Smith, 2001.** Jason Hackworth and Neil Smith. *The changing state of gentrification*. Tijdschrift voor economische en sociale geografie, 92(4), 464–477, 2001. ISSN 0040-747X. doi: 10.1111/1467-9663.00172.
- Hammel, 1999a.** Daniel J. Hammel. *Re-establishing the Rent Gap: An Alternative View of Capitalised Land Rent*. Urban studies (Edinburgh, Scotland), 36(8), 1283–1293, 1999. ISSN 0042-0980. doi: 10.1080/0042098992999.
- Hammel, 1999b.** Daniel J Hammel. *Gentrification and land rent: A historical view of the rent gap in Minneapolis*. Urban geography, 20(2), 116–145, 1999. ISSN 0272-3638. doi: 10.2747/0272-3638.20.2.116.
- Harvey, 2008.** David Harvey. *The right to the city*. New Left review, (53), 23, 2008. ISSN 0028-6060.
- Heylen and Haffner, 2010.** Kristof Heylen and Marietta Haffner. *A Budget Approach for Comparing Housing Affordability*. Comparative Housing Research - Approaches and Policy Challenges in a New International Era, (March), 2010.
- Initiativgruppen om hovedstaden, 1989.** Initiativgruppen om hovedstaden. *Hovedstaden - Hvad vil vi med den?*, 1989.
- Jacobs, 1961.** Jane Jacobs. *The death and life of great american cities*. Vintage Books, 1961.
- Jonathan Woetzel et al., 2014.** Jonathan Woetzel, Sangeeth Ram, Jan Mischke, Nicklas Garemo and Shirish Sankhe. *Affordable housing executive summary*, McKinesy Global Institute, 2014. URL [https://www.mckinsey.com/~media/McKinsey/FeaturedInsights/Urbanization/Tacklingtheworldsaffordablehousingchallenge/MGI\\_Affordable\\_housing\\_Executivesummary\\_October2014.pdf](https://www.mckinsey.com/~media/McKinsey/FeaturedInsights/Urbanization/Tacklingtheworldsaffordablehousingchallenge/MGI_Affordable_housing_Executivesummary_October2014.pdf).
- Jørgensen et al., 12 2019.** Peter Jørgensen, John Hansen, Flemming Christiansen, Gitte Rønberg and Jens Højer Jensen. *Tag en flyvetur over Københavns boliger og se: Er amerikanske Blackstone kommet til din gade? Eller er svenskerne?*, 2019. URL <https://politiken.dk/indland/art7439520/Er-amerikanske-Blackstone-kommet-til-din-gade-Eller-er-svenskerne>.

- Larsen et al., 2003.** Jacob Norvig Larsen, Hans Skifter Andersen and Louise Keilgast. *By og Byg Dokumentation 040 Kvarterløft i Danmark Integreret byfornyelse i syv danske bydele 1997-2002*, 2003.
- Loretta Lees, Tom Slater and Elvin Wyly. The Birth of Gentrification. In *Gentrification*, chapter 1, pages 3–38. Taylor & Francis Group, New York, 2008a. ISBN 978-0-415-95036-7.
- Loretta Lees, Tom Slater and Elvin Wyly. Producing Gentrification. In *Gentrification*, chapter 2, pages 39–88. Taylor & Francis Group, New York, 2008b. ISBN 978-0-415-95036-7.
- Loretta Lees, Tom Slater and Elvin Wyly. Contemporary Gentrification. In *Gentrification*, chapter 5, pages 163–194. Taylor & Francis Group, New York, 2008c. ISBN 978-0-415-95036-7.
- Lees et al., 2016.** Loretta Lees, Hyun Bang Shin and Ernesto López-Morales. *Planetary Gentrification*. Polity Press, Cambridge, UK, 1st edition, 2016.
- Lilius, 2021.** Johanna Lilius. *'Mentally, we're rather country people' - planssprøgn om the quest for urbanity in Helsinki, Finland*, 2021.
- Majoer, 2008.** Stan Majoer. *Progressive planning ideals in a neo-liberal context, the case of Ørestad Copenhagen*. International Planning Studies, 13(2), 101–117, 2008. ISSN 13563475. doi: 10.1080/13563470802291978.
- Malmberg et al., 2012.** Gunnar Malmberg, Karin Hedin, Eric Clark and Emma Lundholm. *Neoliberalization of Housing in Sweden: Gentrification, Filtering, and Social Polarization*, 2012.
- Marcuse, 2014.** Peter Marcuse. *Reading the Right to the City*. City, 18(1), 4–9, 2014. ISSN 13604813. doi: 10.1080/13604813.2014.878110. URL <http://dx.doi.org/10.1080/13604813.2014.878110>.
- Ministry of Transport, 2019.** Ministry of Transport. *Ekspertgruppens rapport om boligreguleringslovens § 5 stk. 2*, Ministry of Transport, København, 2019. URL <https://www.trm.dk/publikationer/2019/ekspertgruppens-rapport-om-boligreguleringslovens-5-stk-2/>.
- Næss, 2015.** Petter Næss. *Critical Realism, Urban Planning and Urban Research*. European Planning Studies, 23(6), 1228–1244, 2015. ISSN 14695944. doi: 10.1080/09654313.2014.994091.
- Napoli, 2017.** Grazia Napoli. *Housing affordability in metropolitan areas. The application of a combination of the ratio income and residual income approaches to two case studies in sicily, Italy*. Buildings, 7(4), 2017. ISSN 20755309. doi: 10.3390/buildings7040095.
- Nielsen and Haagerup, 2017.** Rikke Skovgaard Nielsen and Christian Haagerup. *The Danish Social Housing Sector: Recent Changes and Future Challenges*. Critical Housing Analysis, 4(1), 142–149, 2017. ISSN 2336-2839. doi: 10.13060/23362839.2017.4.1.333.

- Nielsen and Martino, 2012.** Rikke Skovgaard Nielsen and Mark Esben Martino. *Socioøkonomiske konsekvenser af byfornyelsesindsatser Erfaringer fra Svømmehalskvarteret på Frederiksberg*. Samfundsøkonomen, 2012(2), 46–51, 2012.
- Noring, 2019.** Luise Noring. *Public asset corporation: A new vehicle for urban regeneration and infrastructure finance*. Cities, 88(December 2018), 125–135, 2019. ISSN 02642751. doi: 10.1016/j.cities.2019.01.002. URL <https://doi.org/10.1016/j.cities.2019.01.002>.
- Noring et al., 2020.** Luise Noring, David Struthers and Adam Grydehøj. *Governing and financing affordable housing at the intersection of the market and the state: Denmark's private non-profit housing system*. Urban Research and Practice, 00(00), 1–17, 2020. ISSN 17535077. doi: 10.1080/17535069.2020.1798495. URL <https://doi.org/10.1080/17535069.2020.1798495>.
- Olesen, 2014.** Kristian Olesen. *The neoliberalisation of strategic spatial planning*. Planning Theory, 13(3), 288–303, 2014. ISSN 14730952. doi: 10.1177/1473095213499340.
- Parken.** Parken. *Stadions Historie*. URL <https://parkenstadion.dk/stadions-historie/>.
- Peck and Tickell, 2002.** Jamie Peck and Adam Tickell. *Neoliberalizing space*. Economy: Critical Essays in Human Geography, pages 475–499, 2002. doi: 10.4324/9781351159203-22.
- Plouin, 2019.** Marissa Plouin. *Affordable Housing and Homelessness Challenges across the OECD*, OECD Directorate for Employment, Labour and Social Affairs, 2019. URL [https://www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2019/06/OECD\\_Affordable-housing-and-homelessness\\_FINAL.pdf](https://www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2019/06/OECD_Affordable-housing-and-homelessness_FINAL.pdf).
- Purcell, 2002.** Mark Purcell. *Excavating Lefebvre : The right to the city and its urban politics of the inhabitants*. GeoJournal, 58(2), 99–108, 2002.
- Realdania By & Byg, 2019.** Realdania By & Byg. *Byggfællesskaber Byggfællesskaber Beboerdrevet boligbyggeri i byudvikling*. 2019.
- Realkredit Danmark, 2020.** Realkredit Danmark. *Boligbyrden er stadig lav i en historisk kontekst – men afdragsbyrden er på et relativt højt niveau i Storkøbenhavn*. 2020. URL <https://www.rd.dk/PDF/Omos/Analyser/2020/Bolig-og-afdragsbyrden.pdf>.
- Realkreditrådet, 2021.** Realkreditrådet. *BM011: Ejendomspriser på boligmarkedet efter postnr., ejendomskategori og priser på realiserede handler*, 2021. URL <https://rkr.statistikbank.dk/statbank5a/SelectVarVal/Define.asp?MainTable=BM011>.
- Rockwool Fonden, 2015.** Rockwool Fonden. *Minimums- og referencebudget 2015*, 2015. URL <http://budgetberegner.rff.dk/>.
- Rodríguez-Pose and Storper, 2020.** Andrés Rodríguez-Pose and Michael Storper. *Housing, urban growth and inequalities: The limits to deregulation and upzoning in*

- reducing economic and spatial inequality*. Urban studies (Edinburgh, Scotland), 57(2), 223–248, 2020. ISSN 0042-0980. doi: 10.1177/0042098019859458.
- Sager, 2009.** Tore Sager. *Planners' role: Torn between dialogical ideals and neo-liberal realities*. European Planning Studies, 17(1), 65–84, 2009. ISSN 09654313. doi: 10.1080/09654310802513948.
- Sager, 2011.** Tore Sager. *Neo-liberal urban planning policies: A literature survey 1990–2010*. Progress in Planning, 76, 147–199, 2011.
- Schultz Jørgensen, 2021.** Peter Schultz Jørgensen. *Ta' Byen Tilbage*. Bogværket, Nykøbing Sj., 1st edition, 2021. ISBN 978-87-92420-56-5.
- Smith, 2002.** Neil Smith. *New Globalism, New Urbanism: Gentrification as Global Urban Strategy*. Antipode, 34(3), 427–450, 2002. ISSN 0066-4812. doi: 10.1111/1467-8330.00249.
- Smith, 1979.** Neil Smith. *Toward a Theory of Gentrification A Back to the City Movement by Capital, not People*. Journal of the American Planning Association, 45 (4), 538–548, 1979. ISSN 0194-4363. doi: 10.1080/01944367908977002.
- Smith and Williams, 2007.** Neil Smith and Peter Williams. *Gentrification of the city*. Routledge library editions. The city. Sociology of the city. Routledge, London, 2007. ISBN 0-415-61167-9.
- Stigler, 1954.** George J. Stigler. *The Early History of Empirical Studies of Consumer Behavior*, 1954. URL <https://www.journals.uchicago.edu/doi/pdfplus/10.1086/257495>.
- Stone et al., 2011.** Michael Stone, Terry Burke and Liss Ralston. *The residual income method: A new lens on housing affordability and market behaviour*. 176. 2011. ISBN 9781921610844.
- Stone, 2006.** Michael E. Stone. *What is housing affordability? The case for the residual income approach*. Housing Policy Debate, 17(1), 151–184, 2006. ISSN 10511482. doi: 10.1080/10511482.2006.9521564. URL `stone06`.
- Teuben and Neshat, 2019.** Bert Teuben and Razia Neshat. *Real Estate Market Size 2019*, MSCI, 2019. URL <https://www.msci.com/documents/10199/035f2439-e28e-09c8-2a78-4c096e92e622>.
- The Danish Government, 2018.** The Danish Government. *Ét Danmark uden parallelsamfund*, 2018. URL <https://www.regeringen.dk/nyheder/ghettoudspil/>.
- The Danish Government, 2010.** The Danish Government. *Ghettoen tilbage til samfundet et opgør med parallelsamfund i Danmark*, 2010.
- The Nature Protection and Environmental Board of Appeal, 11 2015a.** The Nature Protection and Environmental Board of Appeal. *Afgørelse i sag om Københavns Kommunes dispensation fra Lokalplan 261 med tillæg 1 til etablering af dagligvarebutik på Rentemestervej 17*, 2015. URL <https://docplayer.dk/>



**Yip and Tran, 2016.** Ngai Ming Yip and Hoai Anh Tran. *Is 'gentrification' an analytically useful concept for Vietnam? A case study of Hanoi.* Urban Studies, 53(3), 490–505, 2016. ISSN 1360063X. doi: 10.1177/0042098014566364.