

# Ethnic Segregation, Housing Systems and Welfare Regimes in Europe

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**ABSTRACT** *This paper examines the relationship between welfare and (ethnic) segregation across Western Europe (16 countries) until the mid-1990s, including for the first time Southern Europe. It investigates the ways in which the diverse housing systems, embodied in wider welfare regimes, shape and reflect different principles of stratification, and consequently, it reveals the different ways in which the resulting mechanisms of differentiation crucially influence the scale and nature of patterns of ethnic and socio-spatial segregation, particularly among low-income and vulnerable groups. Spatial and social dimensions of segregation are disentangled in each welfare/housing regime (four ideal-typical clusters), as are their roots in the state-market relationship and entrenched distributive arrangements. Differences in mechanisms of social and spatial differentiation are sought in each cluster, while weaving together housing tenures and housing provision analyses and identifying land supply arrangements as a common variable. This opens further investigative lines towards planning realms, hardly regarded in segregation studies, reinforcing the importance of land in the social and spatial division of urban societies.*

**KEY WORDS:** Welfare regimes, housing systems, ethnic segregation

## 1. A European Panorama

The aim of this paper sets upon two threads of enquiry. First, it expands the current European debate in urban comparative studies, which bears on the transatlantic discussion on polarisation and inequality (Hamnett, 1998). It follows the critiques of convergence theories grounded in the globalisation discourse, particularly in housing realms (Wessel, 2000; Kleinman, 2002; Kemeny *et al.*, 2005; Clapham, 2006), and the new focus on the state-market nexus in segregation studies, which addresses processes of social and urban differentiation and places greater attention to the housing system (Murie, 1988; Van Kempen *et al.*, 2000; Marcuse & Van Kempen, 2002). We consider that

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welfare regimes and economic structures as well as other factors are all inter-related. Therefore, it is difficult and possibly unwise to try to isolate just one of these factors. Focusing upon welfare states [and housing systems] is merely a matter of emphasis rather than an attempt to restrict the debate. This focus [is meant] to counterbalance what we regard as the over-attention to social polarisation and segregation as a result of economic restructuring and globalisation processes. (Musterd & Osterndorf, 1998: 1)

Second, this paper joins recent effort in investigating ethnic residential segregation in Southern-European cities (Malheiros, 2002), while avoiding over-generalized findings and models drawn from other cases.

European multiethnic cities have always provided a quite differentiated and complex panorama on segregation, but only in the last decade have European scholars comprehensively explored such complexity and further enriched the debate with multi-dimensional and divergence explanatory perspectives. These have been proved particularly fruitful every time the ethnic segregation debate has come back to the political and urban agenda whilst associated with deprivation, exclusion or social unrest (e.g. polarization thesis, hyperghetto, underclass or recent riots in French suburbs). Of paramount importance is the growing interest in explaining the diversity of segregation patterns—across ethnic groups and across European cities—within comparative perspectives and in isolating driving contextual macro-scale mechanisms of differentiations (Musterd *et al.*, 1998; Van Kempen & Ozuekren, 1998; White, 1999; Peach, 1999; Malheiros, 2002). To start with, ‘ethnic and socio-economic segregation varies among European cities, and still differs strongly from segregation in American cities. . . . In Europe, class rather than race or ethnicity is the major element involved in the patterns of ethnic segregation’ (Musterd & De Winter, 1998: 672). Pluri-ethnic neighbourhoods and lower levels of ethnic spatial segregation are the basic general features of European multiethnic cities when compared with most American counterparts. However, dissimilarities in the ethnic residential distribution—among groups, among Northern-European cities and between Northern and Southern European cities—suggest the absence of a single ‘European model’ of ethnic segregation (Musterd *et al.*, 1998; White, 1999; Malheiros, 2002).

Deeper conceptualizations of segregation are sought. For instance, patterns of ethnic concentration and of ethnic dispersal co-exist and do occur concurrently within the same city and at the same time. The current increase in forms of ethnic spatial segregation as well as in processes of ethnic de-segregation and dispersal does not automatically represent, respectively, social exclusion or social integration, neither in the case of native social groups, nor in the case of ethnic groups (special issue in *Urban Studies*, 1998, 35(3) and (10); Maloutas, 2004). Dispersal and de-segregation results from a wide array of processes, ranging from upward social mobility (e.g. Black Caribbean and Black minorities in London; Phillips, 1998) and changes in the housing tenure insertion (e.g. Turks’ housing career in German cities; Van Kempen &

Ozuekren, 1997), to exclusionary processes driven by gentrification and urban renewal programmes in inner city areas (e.g. in Paris, Simon, 2002, 2005; in Amsterdam, Van Kempen & Van Weesep, 1998) or by the nature of the housing provision (e.g. in Paris, Preteceille, 2004; in the UK, Murie, 1998).

Furthermore, the growing success of ethnic entrepreneurships in pluri-ethnic neighbourhoods has revealed the active role of ethnic clustering dynamics and local survival strategies, often operating beyond the orthodox market paradigms (Mingione, 1999; Kesteloot, 1998). This additionally emphasizes the advantages of ethnic residential concentration both in terms of 'modes of socio-economic integration' (Kloosterman *et al.*, 1999) and in terms of electoral power (Body-Gendrot & Martinello, 2000), thus counterbalancing that widespread negative perception of spatial segregation, so often unquestioningly equated to deprivation and exclusion.

Particularly in the late-1990s, attention has been placed to the fact that the specific arrangements of the housing system, the degree of income redistribution, and the access to citizenship and to (de)commodified services (education, health, etc.) are central factors that affect and shape patterns of segregation, while simultaneously being part of the wider conception of the welfare regime (Murie, 1998; Domburg-De Rooij & Musterd, 2002; Allen, 1998, 2004). In this light, the underlying argument suggests that differences in the patterns of ethnic residential segregation, encountered between American and European cities, and across different European cities, should depend considerably on the different types of welfare arrangements and redistributive mechanisms, adopted at national, regional or municipal level (Murie & Musterd, 1996; Musterd & De Winter, 1998). For the first time in segregation studies, welfare regimes are added to the more traditional range of explanatory factors (Van der Wusten & Musterd, 1998) and ground-breaking studies have actually identified direct relationships between some dimensions of welfare and segregation (Domburg-De Rooij & Musterd, 2002; Arbaci, 2002).

However, a thorough comparison between welfare regimes, housing systems and segregation patterns across European cases has not been fully developed, though often suggested, whilst Southern-European cases have hardly been considered in the construction of a 'European metaphor of segregation' (Musterd *et al.*, 1998). The relationship welfare regime/housing system has been already developed in comparative housing studies, by looking either at housing tenures (Kemeny, 1995; Balchin, 1996), or at housing provision and land supply (Barlow & Duncan, 1994). Still, findings from both housing strains have hardly been interrelated and/or systematically extended to comparative (ethnic) segregation studies, including those addressing housing realms (Musterd & De Winter, 1998; Murie, 1998). Moreover, there is a general disregard of the impact of land supply arrangements on patterns of residential segregation, as segregation studies tend to pass by planning realms and land issues are overlooked in the current debate on the production of inequality.

In light of this broader panorama, this paper intends to carry forward these lines of enquiry and explores the relationship between welfare and segregation, by looking

at the different types of housing systems in Western Europe until the mid-1990s and by including for the first time the Southern-European cases as part of the narrative. While bridging findings from housing and segregation comparative analyses, this paper focuses (i) on the ways in which the diverse housing systems, embodied in wider welfare regimes, shape and reflect different principles of socio-spatial stratification, and consequently, (ii) on the ways in which the mechanisms of differentiation, resulting from tenure and provision arrangements, crucially influence the scale and nature of patterns of ethnic and socio-spatial segregation, particularly among low-income and vulnerable groups. It builds on the premise that in Europe, 'in many occasions, class differences have taken over the role of ethnic differences, with almost identical segregation effects' (Musterd & Ostendorf, 1998: 14). Spatial and social dimensions of segregation are thus disentangled in each welfare/housing regime (four ideal-typical clusters), as are their roots in the state-market relationship and entrenched distributive arrangements. Four different tales are revealed. These illustrate the extent to which welfare regimes differently affect the socio-urban stratification of European cities, and how the planning system is critical in such processes of differentiation through the public ownership, control and negotiation of land supply.

The paper starts by establishing the threefold relationship between welfare, housing and (ethnic) segregation and by looking at a wide range of European cases in the mid-1990s. Four welfare clusters are introduced as an ideal-typical analytical tool, aimed to develop a divergence comparative platform across 16 European countries. This is 'a method of analysis which seeks to explain the position of specific countries along the dimensions of decommodification, stratification and programme design which comprise the ideal-typical formulation of the concept' of welfare (Allen, 2004: 102). The central part of the paper places the accent on the stratification component, driven by and related to the housing system within each welfare cluster. It then demonstrates the ways in which the resulting mechanisms of differentiation differently affect the degree of social and spatial segregation in each cluster, whilst examining (i) housing tenures arrangements (unitary/dualist regime), and (ii) forms of housing production and promotion (land supply, construction industry, profit regimes). By identifying land supply arrangements as a common variable, the paper additionally reveals how both facets depend mutually on each other, and on the type of welfare regime to which they belong. Bridging conclusions are drawn on the impact of diverse housing systems on patterns of (ethnic) residential segregation and used to reinterpret the early-1990s European panorama, previously presented.

The purpose is to develop an overarching comparative framework where each European country can equally share the discussion and put into perspective their distinctive and cardinal features, by using the analysis of housing/welfare regimes as an analytical starting point. Given (i) the methodological difficulties in comparing data across countries (variation of level of scale at which data are available, variation of information over time) and (ii) the different definitions of population categories (depending on the types of registration, citizenship and form of naturalization), the

analysis is built upon comparative analyses already developed separately in segregation (Musterd *et al.*, 1998; Malheiros, 2002) and housing research (Balchin, 1996; Kemeny, 1995; Barlow & Duncan, 1994). Additionally, the attention to land supply opens further investigative lines towards planning realms, reinforcing the importance of land issues in the social and spatial division of urban societies.

## **2. European Shift toward Contextual Divergence Perspectives: Welfare, from Housing to Segregation**

Since the early-1990s, welfare analyses have regained vital attention in Europe, becoming essential grounds of discussion in the critiques of convergence theories and the call for contextual and divergence perspectives. Its onset dates back to the 1980s, when the old concept of convergence—bearing on the theory of industrialism and in the Western model of the Fordist city—has been replaced by new convergence theories, mostly drawn from US-based studies and referring to globalisation ‘as a key factor promoting both retrenchment of welfare states and their convergence’ (Kleinman, 2002: 343). Convergence perspectives have been dominant worldwide in the definition of central theoretical arguments in urban, segregation and housing research until the blossoming of contextual divergence discourses in European academic and political arenas during the 1990s (Kemeny & Lowe, 1998; Wessel, 2000).

### *The Onset*

Current debates on segregation cannot be understood in isolation from the transatlantic debate that began with US-based ‘macro-developments’ urban analyses (Van Kempen & Ozuekren, 1998), since the concept of underclass and the mismatch thesis of Wilson (1987) and particularly Sassen’s polarization thesis (1991) have become worldwide leading references in the re-conceptualization of the changing (post-Fordist) societies and alleged new spatial order, grounded on the analysis of ‘divided cities’ (Fainstein *et al.*, 1992) and ‘dual city’ (Mollenkopf & Castells, 1991). Wilson’s and Sassen’s theories have highly contributed to a far reaching understanding of ‘patterns of segregation and concentration change... in response to the complex interaction of a variety of structures and developments on different spatial levels’ (Van Kempen & Ozuekren, 1998: 1644), whilst exposing how macro-scale global processes impact local situations, patterns and developments. However, the aggregation and overgeneralization of findings extrapolated from these theories has promoted an oversimplified context-indiscriminate notion of post-Fordist societies associated, for instance, with (i) the weakening of welfare provisions and the role of the state, and with (ii) the formation of a socially polarised ‘hour-glass society’ (Lipietz, 1996) which is reflected in a more spatially polarised city (dualist conception of urban order) and which is leading to greater inequalities, poverty and segregation (hyperghettoes and enclaves). Both phenomena and especially ‘polarisation and its causes were formulated as universal phenomenon’ (Andersen, 2004: 146), asserting a convergence in societal and

urban trends, particularly among advanced industrialised economies, due to global political-economic restructuring. In this dualist conception of urban order, the social and spatial dimensions of the given processes (polarization, inequality, segregation) have frequently been considered interchangeable. Particularly, spatial segregation has unquestioningly been equated with social segregation, thus accentuating the negative perception of ethnic concentration, as embodied in the underclass and hyperghetto argument and in US-based inner cities' segregation analyses (Massey & Denton, 1993). This has further legitimised ethnic dispersal programs, as the panacea for integration, thus reviving those assimilationist paradigms of integration, reminiscent of the Chicago School urban theory (Alba & Nee, 2003).

In the same period, leading housing researchers have strongly argued in favour of convergence, following Harloe's influential work (1985). These have interpreted the changes in housing policies in most European countries as part of analogous trends led by the widespread pursuit of 'free market efficiency' and (re)commodification, given the politico-economic restructuring of welfare states. Universal subsidies for housing and for the social sector have no longer been considered necessary in the policy programmes, as shown by the drastic reduction of the social rental sector and non-profit housing agencies (building societies, housing associations and cooperatives). A process started in the 1980s in the UK—with the *right to buy* and reduction in social housing provision—and later spread across the continent (Cole, 2006). Thus, the state withdrawal from the promotion of social housing, the fostering of home ownership, the privatisation of the social housing stock and the shift from direct housing subsidies (bricks-and-mortar/supply side) to indirect subsidies (person oriented/demand side) have been frequently portrayed as an inevitable convergent trend across Western countries towards analogous housing systems, namely liberal housing systems. Several scholars regarded these changes as an irreversible historical process, implying that social rental housing is a 'transitional tenure' (Harloe, 1985, 1995), whose role and meaning was confined only to the post-war housing crisis, and which is thus obsolete (Ball *et al.*, 1988).

### *The Shift*

Contrastingly, the mid-1990s marks the blossoming of important theoretical breakdowns in Europe, providing additional and more diversified interpretations of the changing urban societies. 'It soon appeared to be difficult to find examples of income polarisation in Europe; in most cases income became more unequally distributed' (Andersen, 2004: 146). In fact, polarisation was not increasing in most European cities, as professionalisation was the dominant change in the occupational structure, accounting for cases of upward mobility from the bottom echelon and an expansion, rather than the shrinking, of the middle echelon (Hamnett, 1998; Preteceille, 2004). 'Nevertheless, it remains an empirical fact that . . . economic restructuring has enhanced social inequalities, even if they are not related to globalisation processes'

(Kesteloot, 1998: 126). The alleged retrenchment of welfare states has been exposed not as the inevitable outcome of external global processes and of unmediated operation of market forces, but as the result of crafted political decisions, since the state continues to play a crucial and active role in the socio-economic and urban changes (Hamnett, 1998; Marcuse & Van Kempen, 2002). The convergence argument and dualistic perception of the Post-fordist urban order have gradually been replaced by context-bound perspectives (Wessel, 2000), acknowledging that the diverse politico-economic and urban contexts - while also filtering the impact of globalization—have brought about divergences in trends and outcomes. ‘Subsidiarity, co-ordination and recognition of diversity within the [European] Union have replaced harmonization and grand projects as dominant terminology’ (Kleinman, 2002: 346).

A sharp debate on the presence of social polarisation and (hyper)ghettoization processes in Europe cities has quickly shifted the attention onto the increase in inequalities and the formation of new urban poverty or advanced marginality (Wacquant, 2002), shedding light on causes, mechanisms and changes and on the diversity of cases (Musterd & Ostendorf, 1998; Musterd *et al.*, 1998; White, 1999). Frequently, this has led to an unpacking of the spatial and social dimension of the processes under scrutiny and questioning the notion of a uniform spatial reconfiguration of Western urban societies (Kesteloot, 1998: 126–127). Given the differences in economic, demographic and urban development processes, and particularly ‘in welfare arrangements, global economic pressures do not have the same effect in changing patterns and problems in [all] cities. . . . Differences in these arrangements limit convergence and mediate global pressures so that local outcomes differ significantly. In this debate there has been only limited discussion of what the critical feature of welfare states are in relation to urban changes. The tendency has been to refer to Esping-Andersen’s stimulating and coherent account of welfare,’ (Murie, 1998: 111) becoming since the early-1990s a theoretical catalyst in several fields of investigation, particularly in housing.

International housing research (Barlow & Duncan, 1994; Kemeny, 1995; Balchin, 1996; Doling 1997; Allen *et al.*, 2004; Kemeny *et al.*, 2005) has in fact started examining the relationships between typologies of welfare regimes and typologies of housing systems along two separated strains (housing tenures and housing provision) and frequently looking at path-change or path-dependency over the last 50 years (Maznetter, 2001). Harloe’s convergence theory on ‘social housing as temporary tenure’ has thus been sharply criticized, for instance, by demonstrating the importance and the positive effects of *balanced housing tenure arrangements (shared proportion among tenures)*, resulting from highly redistributive strategies in housing policy-design (tenure-neutral subsidy system) via shared and substantial levels of universal transfers across all tenures and social groups (Balchin, 1996; Priemus, 2001). One of the underlying arguments suggests that a balanced housing tenure system—in which a social rented sector plays a complementary role in a unitary rental system—provides the conditions for less polarized access to the housing market, accounting for the low

levels of socio-tenure differentiation (social and tenure mix) and low levels of ethnic residential segregation, as recorded in several Northern-European cities (*ibid.*).

This distinctive standpoint has contributed to open diverse analytical strands and deeper conceptualisations of segregation and adjoining social issues, including political models and practices of integration (Heckmann & Schnapper, 2003). This has underlined 'the importance of [developing] a European approach towards segregation' (Musterd *et al.*, 1998: 6) and a diversified body of references that exposes the diversity of cases and 'the contextual complexity of patterns, processes and mechanisms' (Maloutas, 2004: 15). The renewed interest on the diversity of welfare and housing regimes has widened the attention to mechanisms of differentiation working at different levels, particularly to those causal mechanisms producing inequality (Musterd & Ostendorf, 1998; Murie, 1998; Musterd *et al.*, 1999; Madanipour *et al.*, 1998). Interdisciplinary, multi-layered and comparative analyses have become imperative in understanding segregation across European multiethnic cities, reinforcing the relevance of the spatial and historical dimensions (Musterd & De Winter, 1998; Kemeny & Lowe, 1998; White, 1999; Wessel, 2000; Kazepov, 2005; Kemeny *et al.*, 2005).

### **3. Welfare Clusters and Patterns of Segregation: Housing Systems as a *Trait De Union***

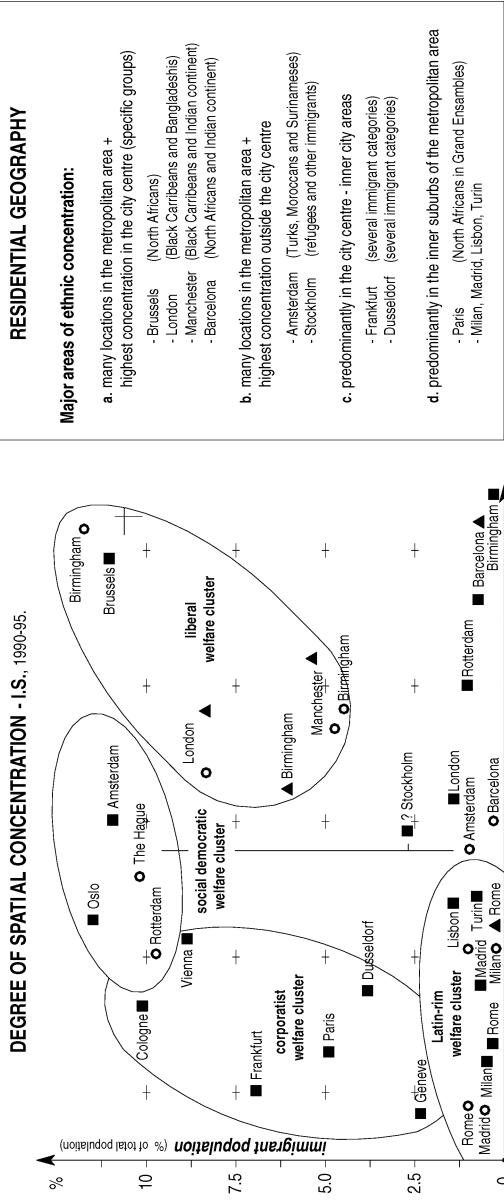
#### *3.1 Ethnic Urban Segregation and European Welfare Regimes*

Van der Wusten & Musterd (1998: 214) have suggested an intriguing correlation between welfare regimes and segregation patterns, which can be used as an analytical starting point. After comparing levels of segregation and types of welfare regimes across a large spectrum of cities, they concluded that

Chicago and Port Elizabeth may be the extremes at one end of the scale [given the high segregation levels and residual welfare] while Hamburg, Stockholm and Amsterdam are at the opposite end [given the low segregation levels and comprehensive welfare]. The welfare regime apparently makes a difference. . . . The cases in between represent cities in welfare state systems of intermediate quality. Nevertheless, various aspects of the impact of the welfare state regimes on socio-economic inequality and segregation are less than obvious or are even obscure.

Accordingly, a synthetic European panorama on levels of ethnic spatial segregation has been framed in Figure 1, drawing on data from well-established comparative investigations (Musterd *et al.*, 1998; Malheiros, 2002). The left and right part of Figure 1 shows, respectively, the *degree of spatial concentration* (Index of Segregation, IS) and the *residential geography* of Caribbean, North-African and Indian continent groups,<sup>1</sup> across selected European cities. The focus has been narrowed towards these groups





○ CARIBBEANS : Antilleans and Surinamese for Dutch cities; Black Caribbeans for U.K. cities; Dominican Republic for Barcelona; S. Salvador for Milan; Latin Americans for Rome and Madrid; Brazilians for Lisbon.  
 ■ NORTH AFRICANS : Turks and Moroccans; Algerians for Paris; Turks and ex-Yugoslavians for Cologne and Vienna; Moroccans for Italian and Spanish cities; Africans for Lisbon and Geneva; Non-Westerners for Oslo; Black Africans for U.K. cities.  
 ▲ INDIAN CONTINENT : Indian Continent ethnic groups for U.K. cities; Bangladeshes for Rome; Pakistanis for Barcelona.

Sources: compiled by author, data from Musterd et al. (1998); Malheiros (2002); Peach (1998); Daley (1998); Friedrics (1998); Giffinger (1998); Ataçi (2007).

Figure 1. Indices of segregation (IS) and major areas of concentration for selected ethnic groups in selected European cities, 1990–1995.

because (i) they are one of the most dominant low-income ethnic groups present in the majority of the selected cities; (ii) they score the highest IS among ethnic groups within each city; (iii) they share similar bottom-end insertion in the labour market; and (iv) their residential concentration, or spatial segregation, is often perceived as the clearest spatial indicator of deprivation and exclusion (ibid.; Peach, 1998; Daley, 1998; Friedrichs, 1998; Giffinger, 1998; Arbaci, 2007).

Observing the *degree of concentration*, there is no direct correlation between the proportion of the ethnic group (% of total population) and the level of spatial segregation (IS), even excluding the Southern-European cities given their recent immigration flows and substantial proportion of undocumented migrants. Moreover, the level of spatial segregation is unrelated to the population size of the cities. Cities of around one million inhabitants (Frankfurt, Cologne, Milan, Amsterdam, Birmingham, Brussels or Barcelona) score a range of IS, as do cities with less than half a million population (Geneva, Vienna, Turin, Rotterdam, Oslo, Manchester), or cities and metropolitan areas with more than two million inhabitants (Paris, Madrid, Rome, Lisbon, London).

In contrast, if we cluster the cities according to their welfare state regimes as distinguished in Table 1, it is possible to identify a relationship between levels of spatial segregation (IS) and welfare clusters. This relationship is additionally corroborated by the *residential geography* of the selected ethnic groups (Figure 1, right part). Cities characterized by liberal welfare regime score the highest levels of segregation, especially in the city centre areas. At the other extreme, cities characterized by a corporatist welfare regime, followed by cities with a Latin-rim regime, score the lowest levels of segregation, and the areas of ethnic overrepresentation are located either in the inner city or in the inner suburbs. Cities within the social-democratic cluster are an intermediate case, with the highest concentrations outside the city centre. Although the patterns of ethnic spatial segregation in Southern-European cities are not as consolidated as in Northern-European cities, the position of Southern-European cities closed to the corporatist welfare cluster is not so surprising. Latin-rim welfare regimes are in fact a variant of conservative corporatist welfare regimes, both rooted in the Bismark model.

Overall, Figure 1 suggests that there is a relationship between the type of welfare regime and the degree of spatial segregation of low-income ethnic groups, thus supporting Van der Wusten's & Musterd's initial premise. Amongst the multiple ways in which welfare regimes can affect and shape the patterns of segregation (income redistribution, citizenship, access to education, health, social housing, etc.; see, Domburg-De Rooij & Musterd, 2002), housing systems and entrenched mechanisms of differentiation might be one of the driving determinants, as they reflect and produce those principles of stratification embedded in the welfare regime (Schmidt, 1989; Murie, 1998; Allen, 1998; 2004). Housing systems are characterized by a *specific arrangement and composition of housing tenures*, according to the level of universal transfers (tax and subsidy system targeting owner-occupation, social rental sector and private rental sector), as well as by *specific forms of housing provision*

**Table 1.** European welfare regimes and housing systems until the mid-1990s: Mapping four clusters as an ideal-typical theoretical tool

Social democratic welfare cluster	Corporatist welfare cluster	Liberal welfare cluster	Latin Rim welfare cluster
Relationships between the social partners in circumstances of relative labour scarcity	Groups with reciprocal rights and obligations, built on traditional family values and class differential	Society composed of atomised individuals	Variant of corporatist, but weaker state provision
Seeks to ensure that the social conditions of full employment support the well-being of society	Seeks to ensure the participation of all within the material, social and moral order of society	Seeks to ensure that each person attains a minimum material standard of well-being	No history of full employment (minimum proletarianization, family enterprises and self-employment, informal labour markets)
Universalism and decommodification extended to all classes	Familiarism and fragmentation in social insurance	Low level of universal transfers, residualism	Similar to corporatist as relies on family welfare, status differentiation and patrimony traditions
Equality of high standards welfare for all	Preservation of status differentials by reinforcing the rights attached to classes and professions	Limited benefits (safety net) for low income, working-class, state dependants	Similar to liberal as stressing residual benefits, limited areas of decommodification
No concept of minimum needs	State replaces the market as welfare provision (but recent obsession with free market and commodification),	State encourage the market over other forms of organization, obsession with free market and commodification	Income polarisation counterbalanced by Christian social policy (family, patrimony) and informal access to employment and resources.
In housing: tenure-neutral subsidy system. Archetypal: Sweden Denmark, Finland, Norway, Netherlands (1960s trans. from corp.)	In housing: partial tenure-neutral subsidy system. Archetypal: Germany Austria, Belgium, Italy, Switzerland (trans. to lib.) France (soc-dem. basis/1990s trans. to lib.)	In housing: biased tenure subsidy system Archetypal: (U.S., Canada, New Zealand, Australia) UK (1979 trans. from soc-dem.) Ireland, Spain (from Lat. rim.), Switzerland (from corp.)	In housing: biased tenure subsidy system Archetypal: Greece, Portugal Spain (1990s trans. to lib.) Italy (hybrid with corp.)

(Continued on next page)

**Table 1.** European welfare regimes and housing systems until the mid-1990s: Mapping four clusters as an ideal-typical theoretical tool (Continued)

Social democratic welfare cluster	Corporatist welfare cluster	Liberal welfare cluster	Latin Rim welfare cluster
<i>Housing system</i>			
<i>Unitary rental system:</i> <sup>a</sup> housing tenure balance, <sup>c</sup> predominance of social rental sector (except Finland, Norway).  State promotion of various forms of rented and cooperative housing on long-term basis.  Sweden: Social rental sector leads the rental market, (municipal housing companies compete with private market in order to damp rents and provide good quality housing on secure tenancy terms).  Netherlands: Social rental sector dominates the rental market, Very mature social rented sector (market rents determined by the cost structure).	<i>Unitary rental system:</i> <sup>a</sup> housing tenure balance, <sup>c</sup> predominance of private rental sector.  State promotion of private and social rented h. as temporary measure to remedy market imperfection.  Forms of housing self-production. Germany/Switzerland: Social rental sector only influences private rental markets by marginally dampening profit rents.  Belgium: Housing system similar to liberal cluster, or rather, Latin rim cluster.	<i>Dualist rental system:</i> <sup>b</sup> housing tenure polarisation (imbalance), <sup>c</sup> predominance of owner occupation.  State fosters home ownership and free market housing provision.  State intervention in housing is limited to a stigmatised provision for a residual population unable to adequately participate in markets.  Non-profit or social sector is protected from the profit sector by being segregated from the private market and organized as residual, stigmatised.	<i>Dualist rental system:</i> <sup>b</sup> housing tenure polarisation (imbalance), <sup>c</sup> predominance of owner occupation (except Finland, Norway).  State fosters home ownership (as patrimonial concept) and allows housing self-production.  State intervention in housing is very limited (stigmatised provision for a residual population unable to adequately participate in markets).  Non-profit or social sector is protected from the profit sector by being segregated from the private market and organized as residual, stigmatised. Development of an informal housing market (private rental sector and owner-occupation).

Source: Compiled by author, drawn from Barlow & Duncan, 1994; Balchin, 1996; Kemeny, 1995; Mingione, 1995; Allen, 1998; 2004.

<sup>a</sup>Social and private renting are integrated into a single rental market.

<sup>b</sup>State controls and residualizes the social renting to protect private (profit) renting from competition.

<sup>c</sup>Balance/imbalance distributional relationship among the three tenures (owner-occupation, private rental sector and social rental sector).

(promotion and production). Both housing realms—tenure and provision—are strongly inter-correlated and cannot be separated in the examination of housing systems and welfare regimes. This then raises the question on how the diverse forms of housing provision and the diverse housing tenure compositions across European countries are inducing different principles of stratification/differentiation and, accordingly, affecting the diverse patterns of (ethnic) socio-spatial segregation. It is useful, at this point, to consider the housing systems within this particular focus.

### *3.2. Housing Tenures and Housing Provision: Mapping Housing Systems within Welfare Regimes*

Comparative research on European housing systems (Kemeny, 1995; Harloe, 1995; Balchin, 1996; Kemeny *et al.*, 2005) has demonstrated that each cluster of welfare regimes informs a distinctive cluster of housing systems depending on the diverse conceptions, constitutions and visions of society (Table 1). Simultaneously, the conception, constitution and vision of society influence the extent and the focus of the redistributive mechanisms delivered by the market-state relationship (Barlow & Duncan, 1994), as ‘the socio-political system in operation in [each] country provides the arena in which the relationship between the market and policy develop’ (Balchin, 1996: 12). This also determines the types of redistribution and benefits allocated by the housing system, for instance, in each housing tenure, within the housing market and across the social groups.

This correlation is mutual, as the ways in which each cluster of housing system is constituted (e.g. types of redistribution, mechanisms of differentiation) also inform a distinctive cluster of welfare regime. Schmidt (1989) argues that

... institutional factors—the way in which market actors have been organized into or out of housing policy systems—accounted for the characteristics of national housing system. ... [Schmidt] suggests two key dimensions for housing market differentiation. The first is the structure of the housing supply system. The nature of the building industry and the diversity of promotion are vital to understanding the varying nature of output between countries. Second, ... ideological factors are crucial in understanding the long-term approach towards housing in any one country. This does not mean so much the politics of particular governments and their policy decisions, but rather a more general societal ideology which influences attitudes and expectations about welfare, states and markets. (Barlow & Duncan, 1994: 27–28.)

By relating to a broader societal conception, ideological factors directly affect the type of redistributive market-state mechanisms (e.g. free-market ideology entailing the commodification of public services). Considering both ideological and institutional factors, each welfare regime and housing system can thus be mutually distinguished on the basis of the programme design informing (i) housing tenures

distribution as related to societal ideology, and (ii) forms of housing provision within the supply system. Attention should then be paid to both in order to identify the different mechanisms of differentiation.

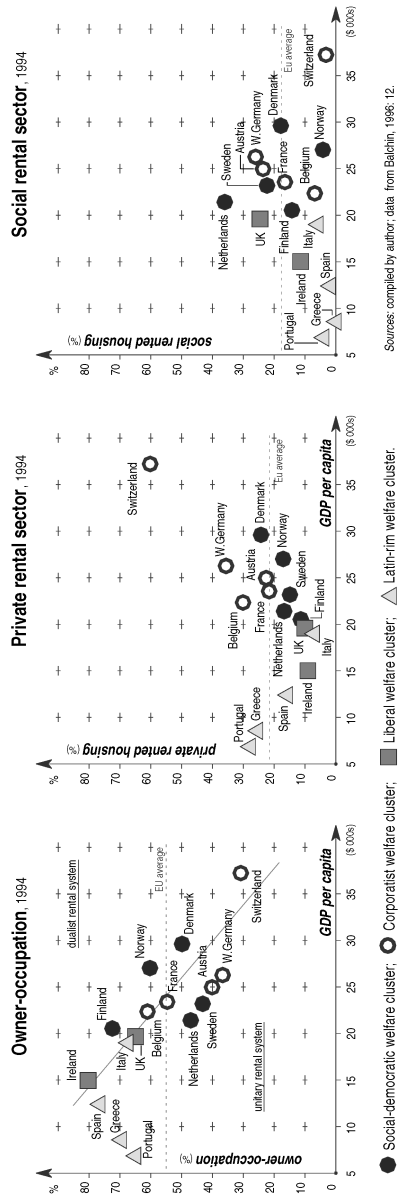
*(i) Housing tenure, unitary and dualist systems: mechanisms of socio-tenure differentiation*

Looking at housing tenure distribution, it is possible to identify and correlate typologies of welfare regimes with typologies of housing systems (Balchin, 1996; Kemeny, 1995), as summarized in Table 1. European countries fall in four distinctive ideal-typical clusters<sup>2</sup> of welfare regime according to the *conception of society*, the *type of redistribution* and benefits and the specific *housing tenure composition* of each corresponding housing system. The predominance of a particular housing tenure in each welfare cluster (Table 1, Figure 2) is strongly related to the type and level of universal transfers or residual benefits delivered by the market-state provision (Balchin, 1996). This depends on the collective conception of society, producing and reproduced by, its associated hierarchical social structure (based on social partners, class, family, profession or individual), which we expect to be also reflected in the way social groups are distributed across housing tenures (here referred as socio-tenure differentiation).

In fact, the predominance of owner-occupation and the marginalization of the social rental sector in liberal and Latin-rim welfare clusters are linked to an ideological or historical residualism within the redistributive market-state mechanisms, based on minimum standards of well-being and a weak state provision. Opposite to this, the predominance of social rental sector and the proportional balance among tenures in the social-democratic welfare cluster reflects the concept of universalism and equal redistribution of high standards for all social groups and across all tenures. The corporatist cluster stands in the middle with the predominance of private rental sector in a balanced tenure composition, which results from the differential availability of universal transfers according to professions, classes and family values. The state support is more widespread than in the liberal regime and less 'ideologically symbolic' than in the social-democratic regime. It plays

a temporary *social problem solving* role . . . and it was never intended as any alternative or universalistic public sector. However, it has been expanded in times of social tension and housing shortage as in the post-war period up to 1970 and again after 1990 (Barlow & Duncan, 1994: 30).

Familiarism (Allen, 1998) and fragmentation are characteristics of conservative welfare clusters (Bismark model), like the corporatist and the Latin-rim, both aiming at reinforcing the rights attached to classes and professions, by preserving or not disturbing the status differentials. However, the Latin-rim regime highly relies on 'family and voluntary agencies in the provision of welfare services. Welfare policies [including housing policies] are formulated to complement the essential role



Sources: compiled by author; data from Balchin, 1996:12.

Figure 2. Housing tenures distribution and gross domestic product (GDP) per capita, Western European countries, 1994.

of family provision, so that' (Mingione, 1995: 122) the Latin-rim regime can be better understood as a familiaristic welfare regime, characterized by *patrimonial* tradition in housing and land ownership and minimal proletarianization of society (Allen *et al.*, 2004).

Each welfare cluster provides distinctive forms of socio-tenure differentiation that can be better explored looking at Kemeny's (1995: 5) distinction of rental systems: the '*dualist*' rental system, in which the state controls and residualizes the social (non-profit) rented sector to protect the unregulated private (profit) renting from competition, as in the liberal and Latin-Rim welfare states (UK, Ireland, Finland, Spain, Portugal, Greece, Italy and Belgium as hybrid case); and the '*unitary*' rental system, in which social and private renting are integrated into a single rental market, thus 'increasing competition and overlap between profit and non-profit renting' (Matznetter, 2002: 266), as in the social-democratic and corporatist welfare states (Sweden, Netherlands, Germany, Switzerland and Austria). However, to maintain a fair competition within a unitary system, the state delivers a tenure-neutral subsidy system by distributing housing benefit across all tenures. To different extents, in the Swedish, Dutch and German single rental markets (Table 1), the social or non-profit rental sector tends to reduce rents in the private sector, thus, increasing the affordability and accessibility of the whole rental market across all income groups (Table 2). Proportionally, by keeping rents lower than mortgage outgoings, this system lessens pressures and demand for owner-occupation and moderates real estate speculation, thus making home ownership more affordable (Balchin, 1996: 15; Priemus, 2001; Kemeny *et al.*, 2005). In contrast, welfare regimes accounting for a dualist market privilege subsidy systems that foster owner-occupation and residualize non-profit housing sectors.

As a result, we expect unitary and dualist systems to influence the social distribution across housing tenures differently, thus informing different patterns of socio-tenure segregation. As the unitary system derives mainly from a social market strategy, the social or non-profit rental sector is accessible for all social groups, thus providing the conditions for large (re)distribution of the different income groups across the housing tenures and accounting for *socio-tenure mix*. In contrast, in the dualist system the social or non-profit sector is protected, exclusively for vulnerable and low-income groups, and kept marginal (Table 2), thus producing a divisive socio-tenure differentiation of the society. As the access to the different housing tenures depends on income and on the affordability, availability and quality of the housing stock, the *socio-tenure division* is greater compared with the unitary systems (Heijden, 2002; Kemeny & Lowe, 1998; Kemeny, 1995). In this context, it is possible to comprehend the relevant expansion of the informal housing market—both owner-occupation and private rental sector—in the Latin-rim cluster, which developed significantly given the scarcity, un-affordability and inaccessibility of the formal housing market, due to long-term rent control, scarcity of housing provision (both social and private), or scarcity of developable land.



**Table 2.** Distribution of households in the social rented sector, by income groups, 1980–1990s

Housing systems	Countries	Low income (1–3 income deciles)		Middle income (4–7 income deciles)		High income (8–10 income deciles)	
		1980s	1990s	1980s	1990s	1980s	1990s
Unitary rental system	Sweden (1990–1995)	39.7	49.0	45.0	40.5	15.3	10.5
	Netherlands (1989–1993)	42.9	44.3	42.8	42.4	14.3	13.3
	Germany (1982–1993)	33.2	44.0	44.7	42.5	22.1	13.5
Dualist rental system	France (1988–1992)	37.3	38.2	46.6	45.5	16.1	15.9
	UK (1988–1996)	59.1	61.8	31.9	33.5	9.0	4.7
	Belgium (1988–1992)	55.6	52.4	31.2	34.6	13.2	13.0

Source: Adapted from Heijden (2002: 334).

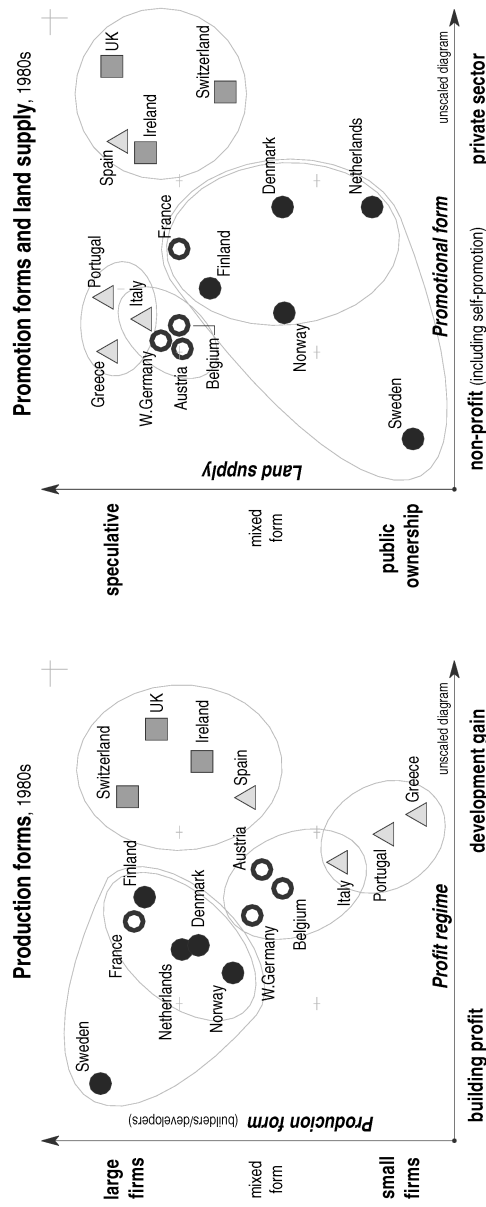
According to these different mechanisms of social mix or social division across tenure, unitary systems (corporatist and social-democratic) provide the conditions for lower levels of socio-tenure segregation than the dualist counterparts (liberal and Latin-rim). These are structural settings that we will exhibit again when addressing the diverse degrees of socio-spatial segregation across European cities (see later, Figure 4).

*(ii) Housing provision and land supply: mechanisms of spatial differentiation*

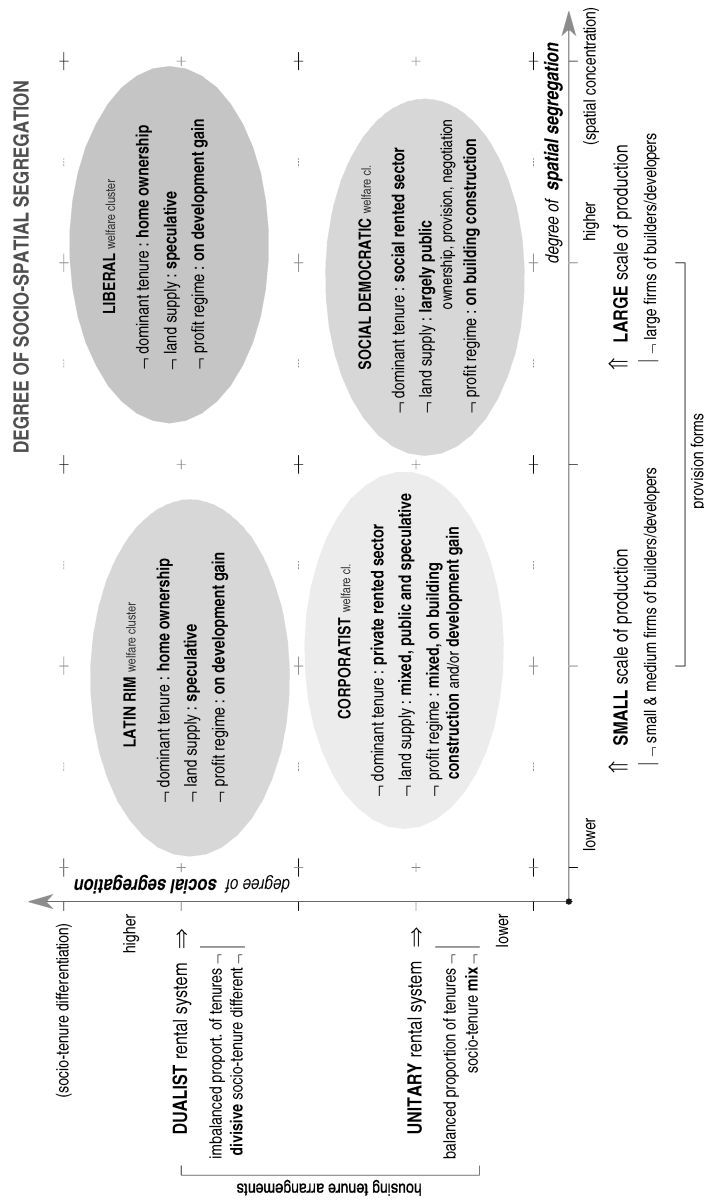
Complementary to the housing tenure strand, Barlow & Duncan (1994: 31–32) have been amongst the first to correlate typologies of housing provision (production and promotion) and welfare regimes. This provides an analytical context to explore the distinctive mechanisms of spatial differentiation within each housing supply system. As shown in Figure 3, ‘different forms of *housing production* (regarding building firm size and profit regime), different forms of *housing promotion* and different forms of *land supply* and land-use planning are suggested to correspond with specific groupings of European welfare regimes’ (Matznetter, 2001: 265).

Considering housing production (Figure 3, left), ‘liberal welfare regimes tend to have large builders/developers relying more on speculative development gains than on building profits. For the social-democratic welfare regime, quite the opposite is true: still there are big builders, but they are kept separated from, and supervised by, non-profit developers and have to rely on building profits only, not least because land supply is under public control’ (Matznetter, 2001). Nonetheless, given the size of developers, we expect a considerably *large scale* of production and of spatial differentiation in both clusters. ‘The corporatist welfare state cluster . . . makes up the middle mass of cases, with a more fragmented building industry than in both former cases, but more speculative gains than in social-democratic regimes. The [Latin-rim] welfare states of the Mediterranean . . . have even smaller builders than their corporatist counterparts, with even more speculative gains being made in the land development process’ (Matznetter, 2001). In both corporatist and Latin-rim regimes, the preservation of the class status differential accounts for the fragmentation and stratification of the construction firms: there are separated construction firms according to the housing production for high, middle and low income households that are producing at a relatively *small scale* (Leal, 2004).

This relates to housing promotion (Figure 3, right). The liberal cluster, being dominated by private sector or market-led promotional forms, needs to operate in an arena of speculative land supply as the profit regimes are generated essentially on development gain where private promotion is largely dependent on the conditions of the market land supply (cost, location, land-use and profit gain from land-use change). At the other extreme, to different degrees in the social-democratic and corporatist clusters, private and speculative housing promotion is counterbalanced by various forms of non-profit housing provision, with the coexistence of mixed forms of profit regimes and higher quality in the housing production and residential environment. In fact, in



● Social-democratic welfare cluster; ○ Corporatist welfare cluster; ■ Liberal welfare cluster; ▲ Latin-rim welfare cluster. Source: adapted from Barlow and Duncan (1994: 36).  
**Figure 3.** Market-state mixes in housing provision: production and promotion forms and land supply in Western European countries, 1980s.



**Figure 4.** Housing tenures, provision forms and degrees of socio-spatial segregation in four welfare clusters, until mid-1990s.

social-democratic regimes development gains ‘are not only seen as undeserved, but the measures used to remove them will have considerable benefits in reducing housing costs, [land costs] and increasing standards. (. . .) In the effort to keep welfare state costs manageable, states will widely intervene in the production process for housing’ (Barlow & Duncan, 1994: 31). The social-democratic and corporatist clusters need to operate in a land marked less speculative than in the liberal one, either through public land ownership or through land negotiation supported by the planning system. In this context, crucial roles are played (i) by the housing self-promotion<sup>3</sup> and/or cooperative housing and (ii) by those forms of affordable land supply that keep the housing cost low for both household provision (e.g. better-off members of the working class) and market-state provision.

The type of land supply is central in this process. Until the early/mid-1990s, in corporative and social-democratic clusters, public provision of land and redistributive approaches in planning have provided the arena for a more affordable and accessible land supply. This has been essential, particularly for self-provision, cooperatives and other non-profit housing forms, as well as for the *large-scale* post-war urban expansion—counter-urbanization of middle and high-income households—resulting from the ‘full employment’ Keynesian principles, embraced by Northern-European welfare states. At the other extreme, among most Latin-rim welfare states, the weak or inexistent planning system, the *patrimonial* tradition in land ownership and the scarcity of affordable developable land have, by necessity and constraints, developed alternative forms of land supply accounting for substantial informal land-property markets and informal housing provision, for both home ownership and rent (Leal, 2004). This provided the (re)production of the uneven, *small-scale* and fragmented pattern of urban sprawl—suburbanization of low and middle-low income households—resulting from the Southern-European market-state(-family) nexus, built on Christian social policy (versus Keynesian principles), latecomer industrial economies and family enterprises (Mingione, 1995, Allen, 2004).

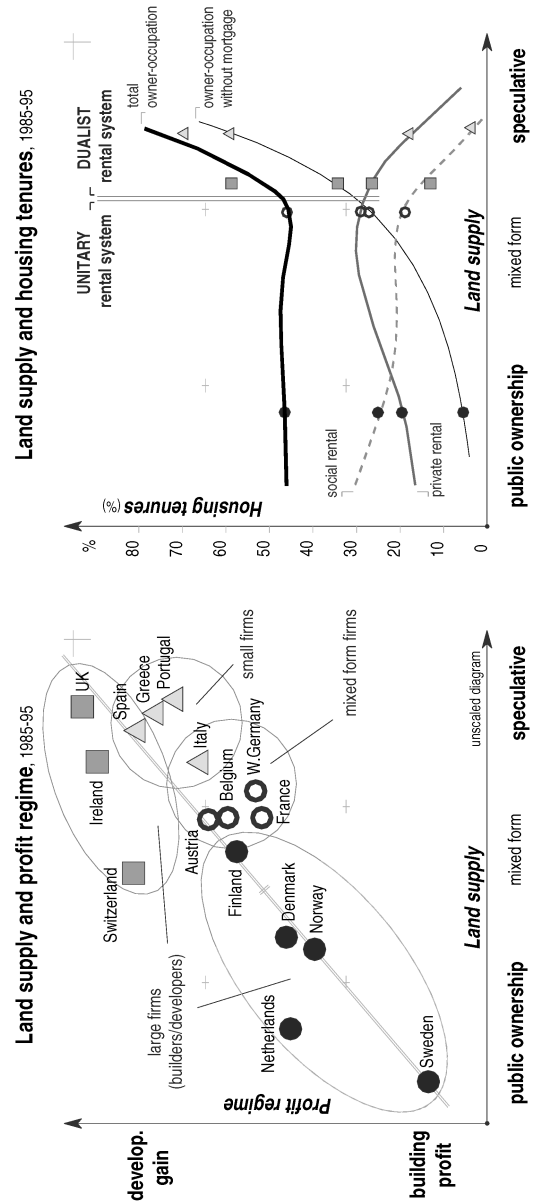
In these diverse milieux, we thus expect very different mechanisms and scale of spatial differentiation. Both (i) the types of land supply (ranging from public provision to market-led provision), largely determined by the types of planning regimes; and (ii) the size of builders/developers’ firms (small, large or mixed), have influenced the scale of the production of the residential built environment: by large versus small plots of development, by fragmented versus homogeneous expansions, and by different degrees of mixed land use and tenure mixing. For instance, given the small-scale production, corporatist and Latin-rim cities provide a social and functional differentiation of the urban tissue higher than in the liberal and socio-democratic urban developments, thus resulting in a wider provision of heterogeneous neighbourhoods in terms of scale, functions, and tenures. Across the welfare clusters, we should then expect diverse natures and levels of *spatial segregation* across social groups: higher in liberal and social-democratic welfares, more fragmented in Latin-rim welfares and lower in corporatist welfares (see later, Figure 4, columns).

In conclusion, by combining both analytical strains (housing tenures and housing provision) important correlations can be identified. On the one hand, the types of land supply and planning regime, while interacting with the types of profit regime and firm size, do influence the nature and *spatial scale* of the residential built environment (Barlow & Duncan, 1994). However, on the other hand, land supply is also a key factor in the type of housing promoted, which necessarily determines the composition of housing tenures (Balchin, 1996; Kemeny, 1995, 2005), their urban geography and the *socio-tenure distribution* of the households within the urban context. Therefore, given the role played by land supply arrangements, we expect the housing provision systems and the unitary/dualist systems to be mutually interrelated in the production of the residential built environment, as either urban growth or urban renewal, and to inform the socio-spatial stratification of the city. Their combination is thus one of the structural urban conditions that shape patterns of ethnic and socio-spatial segregation (in terms of the degree of concentration and geographic distribution), while reflecting specific welfare and housing system arrangements.

#### **4. From Housing Systems to Patterns of Ethnic and Socio-Spatial Segregation: The Role of Land Supply within Tenure and Provision**

As concluded thus far, types of land supply arrangements inform, and are informed by, types of profit regimes and types of housing tenure compositions. Balchin's (1996), Kemeny's (1995) and Barlow's & Duncan's (1994) works can be interlaced, by employing land supply as a common variable between the two housing strains (Figure 5; provision on the left and tenure on the right). We can then explore the ways in which housing systems as a whole (tenure composition, provision and land supply) differently operate in each European cluster and differently affect the degree of socio-spatial segregation (Figure 4). The concluding findings can then be used to reinterpret the early-1990s European panorama of ethnic urban segregation (Figure 1), previously built according to the spatial concentration of the bottom social echelon.

Looking at Figure 5, on the left diagram, by plotting land supply against production forms (drawn from Figure 3), the cross-link of housing provision variables shows a positive and mutual correlation between forms of land supply and profit regimes, indicating also a distinctive sequential position of the welfare clusters. For each welfare clusters the size of development firms are also shown. According to the position of each welfare cluster on the left diagram, the average tenure composition of four given tenure forms for each welfare cluster is identified on the right diagram (drawn from Figure 2), whilst each line joins the average for each given tenure form along land supply forms. On the right diagram, land supply can be then plotted against the linking up averages for the occurrence of each tenure within each welfare cluster. This reveals that the bifurcation between owner-occupation forms (with and without mortgage) and renting forms (social and private) stands at the critical point between dualist and unitary systems, and corresponds to an increase in speculative land supply.



Source: compiled by author, data from Barrow & Duncan (1994); Balchin (1996).

● Social-democratic welfare cluster; ○ Corporatist welfare cluster; ■ Liberal welfare cluster; ▲ Latin-rim welfare cluster.

**Figure 5.** Housing provision, land supply and housing tenures: Western European countries, 1985–1995.

This indicates that land supply is tightly interrelated with the housing tenure systems, whose promotion and provision is simultaneously inter-correlated with the types of profit regimes involved in the residential production. Having established these inter-correlations, it is now possible to look at the residential production and see how each of the clusters affects the scale, socio-tenure and socio-spatial distribution of the households within the urban context. By disentangling the social and spatial dimension of segregation, we can thus reveal the ways in which each welfare/housing regime differently informs patterns of socio-spatial segregation (Figure 4).

#### *4.1 Socio-Tenure Dimension of Segregation*

The four housing clusters operate differently across the spectrum, but the key breaking point lies on the structural diversity between unitary and dualist systems (Figure 5, right side). At one extreme, both in the case of liberal and Latin-rim clusters, the predominant speculative approach in the management and access to land supply corresponds to a dualist housing system and to a profit regime completely based on development gain, where the maximization of profits depends strongly on land and marginally on the quality or productivity of the housing construction. Thus, housing provision is tailored towards the most profitable part of the private market, predominantly home ownership and speculative private renting for middle and high income. This marginalizes the access of low-income groups—both native and foreign households—within the housing market and channels them either (i) into the residual part of the private rental stock (degraded or poor quality of housing), as shown by Turks and Moroccans in Brussels; or (ii) in the social rental sector, when available (which is developed as a marginalised segment of the sector), as shown by Black Caribbeans and Bangladeshis in London or Manchester; or (iii) in the informal housing market and/or subletting, as the case of Africans in Lisbon or Moroccans in Barcelona (Musterd *et al.*, 1998; Malheiros, 2002).

This indicates that a speculative approach in land supply tends to generate or be associated with a dualist housing system (a dominance of home ownership, and an unbalanced tenure composition) that, because of its entrenched principles of social stratification, produces a divisive socio-tenure differentiation of the society. The result is thus the development of an urban milieu characterised by high levels of social segregation, due to the way in which social groups are divisively distributed across the housing tenures (Figure 4, rows); and vice versa. A system that predominantly fosters home ownership, thus reproducing or generating a dualist housing system (or shifting from unitary system to a dualist one), needs to operate through a speculative approach in land supply, which tends to constrain the participation of non-profit housing provision in the residential production.

For instance, across several European cities, the recent change in housing policy towards a predominant fostering of home ownership, the privatisation of the social rental stock (e.g. the *Right to buy* in the UK, Italy; shift from unitary to dualist system),



while enhancing processes of gentrification and tenure change of the central and inner city areas, has also created a more divisive socio-tenure differentiation of the urban society. One of the results has been (i) an increase of socio-tenure segregation of the weakest low-income groups within the remaining social rental sector (Table 2) and remaining residual private rental sector, and (ii) the transfer of the better-off tenants to home ownership. This has enhanced divisive forms of socio-tenure differentiation also among certain ethnic groups, whilst triggering simultaneous patterns of increasing segregation (in the residual and social rental stock) and patterns of spatial dispersal or de-segregation (while becoming home owners).<sup>4</sup> Similarly, in the inner city areas, as gentrification and tenure change have also driven processes of ethnic de-segregation of those low-income and ethnic tenants priced out or evicted (Simon, 2002), then the social reconfiguration of the area (increase of middle-income home owners) represents itself a process of divisive socio-tenure differentiation, triggered particularly by the expansion of owner-occupation.

The fostering of home ownership, while reshaping previous patterns of ethnic and socio-spatial segregation, is thus enhancing more divisive forms of socio-tenure differentiation, which reflects 'differences in income, age, household structure, and ethnicity,' thus following the principle of social stratification characteristic of dualist housing systems. The impact of this ownership-driven process of differentiation differs across cities also depending on the inherited housing system, thus being more pronounced in dualist systems and more moderate in unitary systems (Van Kempen *et al.*, 2000: 528; Murie and Musterd, 1996).

At the other extreme, social-democratic and corporatist clusters are based upon (i) a large extent of public land ownership (direct land provision) and/or a strong planning system able to negotiate with the private developers (indirect land provision); (ii) mixed forms of profit regimes, as well as (iii) a tenure-neutral subsidy system that delivers a balanced housing tenure system and ensures a socially heterogeneous distribution within the housing tenures and within the urban context. Therefore, a less speculative or mixed approach in the land supply and a larger provision of public land ownership (direct and indirect) is a structural condition of a unitary housing system (Figure 5), which accounts for socio-tenure mix, thus for reduced levels of social segregation (Figure 4, rows) among both native and foreign social groups.

In fact, the socially mixed population of both private and public rental sectors strongly accounts for the formation of socially and ethnically mixed neighbourhoods, typical of social-democratic and corporatist cities. This might thus explain the lowest degrees of spatial segregation (IS; Figure 1) recorded among North-Africans especially in Frankfurt, Düsseldorf or Paris municipality (corporatist cluster), followed by those recorded in Oslo, The Hague and Amsterdam (social-democratic cluster), yet lower than those recorded in the liberal cluster. However, the scale and geography of such socio-tenure mixed occupancy differs between unitary systems. For instance, both the Amsterdam case and the French and German cases are characterized by a considerable socio-tenure mixed occupancy in the private and public rental sectors;

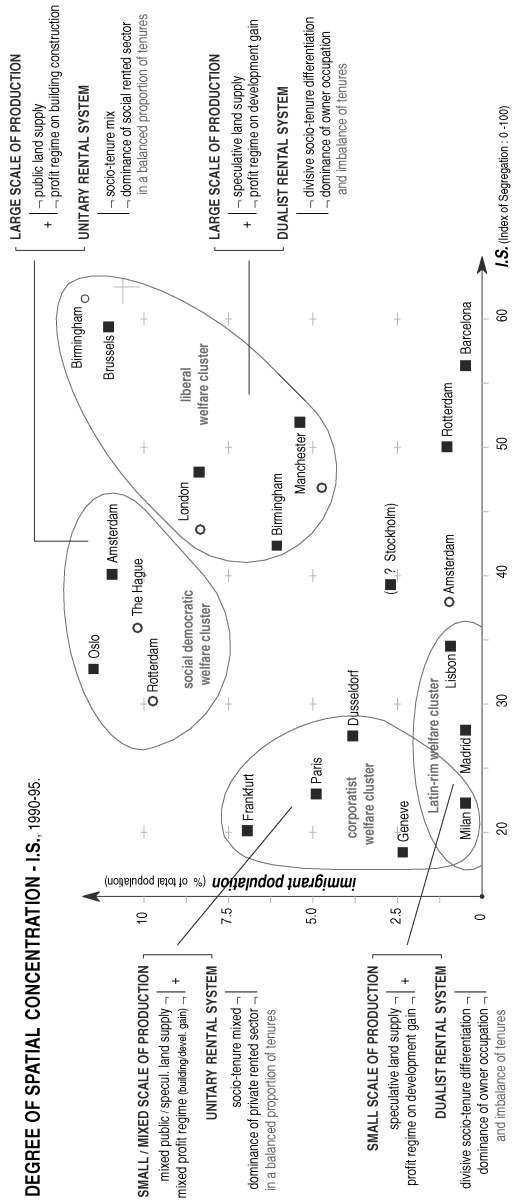
however, Amsterdam provides a larger scale of production of both rental sectors and a more homogeneous socio-spatial geography, thus resulting in level of spatial segregation higher than in Frankfurt, Düsseldorf or Paris. In Amsterdam, the larger scale of social housing affects the significant degree of spatial segregation of Antilleans and Surinamese (yet lower than the Bangladeshis in UK cities—liberal cluster), and a less geographically scattered rental housing stock, especially those inherited from the XIX century, influences the significant degree of segregation of North-Africans (yet lower than the North-Africans in Brussels—liberal cluster). This suggests that the scale and geography of tenures is also a paramount element of comparison amongst cities and welfare regimes, because it influences the spatial dimension of segregation.

Overall, it seems that the scale and nature of socio-tenure differentiation greatly differs between dualist and unitary rental systems, as being more socially divisive in the former and socially mixed in the latter. According to the ways in which the principles of stratification, embedded in each housing system, are produced, we thus expect higher degrees of *social segregation* (or divisive differentiation) in the liberal and Latin-rim clusters and lower in the corporatist and social-democratic clusters (Figure 4, rows). This is also reflected in the fact that state provision in unitary systems tends to control and set better quality standards in the production of non-profit and social rental stock and of urban public environment (collective areas, urban landscape, schools and other social infrastructures), aspects that are instead marginalised in the state provision within dualist systems. As a result, as highlighted by Musterd *et al.* (1998: 185), while comparing the neighbourhoods and housing stocks where North-African or Caribbean groups are settled, ‘the impression is that social and physical conditions are worse in cities such as Brussels, Paris [agglomeration], London, Manchester and better in Amsterdam, Stockholm, Frankfurt and Düsseldorf.’

#### 4.2 *Spatial Dimension of Segregation*

Still, this picture says little about the mechanisms embedded in the spatial dimension of segregation. The socio-tenure distribution, strongly conditioned by the unitary or dualist housing system, influences the social dimension of segregation of diverse income groups. However, the type of production of the residential built environment influences the scale and geography of tenures, according to the size of development firms (and the size of the sites) involved in housing production, and according to the type of redistributive approach embedded in the planning system (Figure 5, left side). These two aspects, while being intertwined, crucially affect the spatial dimension of segregation. In other words, the combined effects of the scale of production (size/type of the firms and land supply) and the socio-tenure distribution (unitary or dualist system) greatly influence the degree of socio-spatial segregation, as shown in Figure 4.

Corporatist and liberal cities lie at the opposite extremes of the spectrum. Corporatist cities are those scoring the lowest levels of socio-spatial segregation, because they are developed upon a unitary rental system, via mixed scales of production (small



Sources: compiled by author: data: Musterd et al. (1998); Maheiros (2002).  
 Sources: compiled by author: data: Musterd et al. (1998); Maheiros (2002).  
 Sources: compiled by author: data: Musterd et al. (1998); Maheiros (2002).

**Figure 6. Welfare and housing regimes: reinterpreting patterns of ethnic spatial segregation in selected European cities and for selected immigrant groups, 1990–1995.**

and medium developers) and mixed forms of land supply and profit regime. At the other extreme, cities pursuing a liberal welfare regime are producing the highest levels of socio-spatial segregation, because set upon a dualist rental system, which is developed through large scale housing production and speculative access to land. To different extents, cities in the Latin-rim and social-democratic clusters are intermediate cases. In Latin-rim cities, the fragmented and small scale housing production (including self-production and informal land supply), while accounting for a spatially un-segregated urban context, is entrenched in a dualist rental system, thus leading to a more stratified or segregated insertion of social groups within the housing stock, when compared with the corporatist counterpart. Conversely, in social-democratic cities, the socio-tenure mix, embedded in the unitary system but produced through large scale housing production, is showing degrees of socio-spatial segregation lower than the liberal counterpart, yet higher than the corporatist ones. Overall, scale of production, land supply and profit regime—structural conditions of housing provision—widely affect and shape the scale of the socio-tenure hierarchy of the city and, consequently, the patterns of ethnic and socio-spatial segregation. All in all, the early-1990s European panorama of ethnic urban segregation, portrayed at the beginning of the analysis (Figure 1), can thus be partly reinterpreted in Figure 6, in the light of the findings linked to the four clusters (Figures 4 and 5).

Additionally, the typological or architectonic features of the residential production are extremely relevant in understanding the socio-residential hierarchy of cities, although this aspect is often disregarded by the Anglo-American dominant focus on horizontal social differentiation. In fact, corporatist and Latin-rim cities has provided patterns of vertical social differentiation, or of permanent class cohabitation between middle and working-class (Maloutas & Karadimitriou, 2001: 702–703), given the reproduction of particular housing typologies, traditionally designed for this kind of cohabitation (e.g. the Parisian Haussman/Mansarde model exported to other continental capitals since the 1900s; variants of the mercantile dwellings of historical port cities, as in Lisbon, Barcelona, Marseille, Genoa, Naples). However, the central areas of continental cities are becoming increasingly socially homogenous due to gentrification processes. ‘A more recent type of vertical class cohabitation in some Southern-European cities relates to gentrified upper floors of the old stock—especially when nice views and terraces are present—with the darker apartments of the lower floors relegated to working-class, immigrant or professionally marginal households’ (*ibid.*). This type is relevant to several Southern-European cities and contributes strongly to the reduced levels of ethnic socio-spatial in the historic centre and pericentral belt.

## 5. Conclusion

Drawing on a number of European countries, this paper has explored the ways in which the diverse types of housing systems (in terms of tenure composition, provision and land supply), clustered according to their welfare regimes, have differently

influenced the scale, nature and socio-spatial differentiation/stratification of the urban context and, consequently, the degree of ethnic and socio-spatial segregation, particularly of the poorest ethnic groups. Four different cases have been identified, explored and interlaced. Each case has shown how the combination and mutual relation between (i) the composition and balance across housing tenures (unitary or dualist regime), and (ii) the mechanisms which constitute the different forms of housing production and promotion (land supply, construction industry, profit regimes) crucially influence the extent of social and spatial division of the urban society. Both factors depend completely on one another and on the type of welfare regime to which they belong. These correlations establish an important relationship between welfare arrangements and socio-spatial stratification of cities, while differentiating the cases.

Three emerging aspects are of significant importance as they enrich the current European debate on segregation and inequality. First, the *scale of housing production* is essential in explaining the diverse degrees of ethnic and socio-spatial segregation across European cities, according to the principle of stratification embedded in the welfare regime. Thus, the mechanisms and agents operating at a territorial level (land supply, firm size, profit regime and production forms), correlated with the politico-economic and social principles embodied in the housing systems (unitary/dualist system and promotion forms), are certainly one of the multiple ways in which welfare regimes affect segregation patterns. Second, the planning system directly affects segregation processes: the degree of *public ownership, control or negotiation of land supply* determines distinctive mechanisms of socio-spatial differentiation and type of residential provision, both reflecting wider social principles. Direct or indirect public ownership of land is crucial in providing a less socially divisive society, as shown in corporatist and social-democratic cases. Third, Southern-European cases are particularly indicative of patterns of (ethnic) residential dispersal that result from mechanisms of exclusion. In these cases, the *low levels of spatial segregation* recorded among most vulnerable social and foreign groups are likely to be *associated with high levels of social segregation*, due to the divisive socio-tenure differentiation driven by an unbalanced and dualist housing tenure system, dominated by owner-occupation and small or small-medium scale of production. The opposite can be said about the social-democratic cases.

This all stresses the fact that spatial concentration and spatial dispersal are not automatically representative, respectively, of social exclusion and social integration. It demonstrates that the spatial and social dimensions of segregation are not interchangeable, thus underpinning the critique on convergent dualist urban order, grounded on the globalisation discourse. 'What is evident is that patterns of social polarisation and division in cities affected by the same global economic pressures are also significantly affected by wider welfare patterns in the past and in the present' (Murie & Musterd, 1996: 514). Welfare arrangements are critically important.

The emphasis on welfare regimes, as an ideal-typical analytical tool, has proven instrumental in building an overarching comparative framework and showing how housing systems and land supply differently organise the socio-spatial hierarchy of the city, whilst reflecting macro-scale principles of stratification. This can contribute to further expansion of the current European debate on production of inequality, bearing on the renewed focus on the state-market nexus. Additional variables and changing housing contexts may well be added to explore the connection between welfare and segregation further.

### Notes

1. Following Musterd *et al.* (1998), for Stockholm, although IS are unavailable, it has been suggested a level of segregation of North-Africans similar to (but lower than) Amsterdam. For Paris, North-Africans score similar IS in the metropolitan area and in Paris municipality (75 districts). For Oslo, North-Africans are aggregated within Non-Western ethnic groups. Attention should be paid to the *residential geography* when assessing IS. For instance, ethnic groups overrepresented in outer or metropolitan suburbs might present lower IS than those in inner city areas, given the more scattered and lower density distribution of the residential built environment.
2. Welfare clusters are here used as an ideal-typical analytical tool (Allen, 2004). Definition and clusters constitution is drawn from Allen (1998, 2004), Balchin (1995), Kemeny (1996), Barlow & Duncan (1994) among others elaborating on Esping-Andersen's (1990) welfare typologies. Referring to Southern-European welfare states, we prefer the term *Latin-rim welfare regime* (Allen, 2004) to *rudimentary welfare regime* (Barlow & Duncan, 1994). While rudimentary implies the underdevelopment of the welfare regime, Latin-rim is a neutral geographical-based concept that avoids judgemental interpretations.
3. In corporative regimes, self-provision 'avoids enlarging the public sector and uses family-based networks to produce owner-occupied housing. In liberal regime self-provided housing is usually ignored by the state. . . . The state policy will favour 'the market'—that is the interests of large housebuilding firms and credit institutions. In [Latin-rim] welfare states there is little tradition of direct state involvement in providing housing, and self-provision—predicated on extended family systems—fulfils any social role for housing. In the social-democratic regime, in contrast, rented and cooperative housing of various sorts is seen as an alternative sector open to all' (Barlow & Duncan, 1994: 30–31).
4. For instance, in London, in the case of Black Caribbeans and, to lesser extents, Bangladeshis, the bottom segment has become more concentrated in the most marginalized part of the housing stock, as the better-off segment has moved out from the traditional areas of concentration, due to a change of tenure (from tenant to home owner) and/or due to a process of upward social mobility (Phillips, 1998).

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