FORMS AND TYPES OF HOUSING TENURE: TOWARDS SOLVING THE COMPARISON/TRANSLATION PROBLEM. *)

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INTRODUCTION

Anyone who has ever tried to find out about forms of housing tenure in countries other than his or her own must have noticed how different the national systems of housing tenure are. In other countries there are forms of tenure not existing in one's own and some forms which are quite significant in one's own country are wholly absent or of minor importance in others. What is more puzzling is that formally similar housing tenures may have a different content in different countries. Problems of this kind make the cross-national comparison of housing tenures difficult but the difficulty is not only that of comparative research. Anyone who wants to communicate results of research concerning nationally-specific tenure systems to a foreign audience in a foreign language may face tricky problems of translating national tenure categories into categories familiar to an international audience. If I speak of renting in the Finnish ARAVA sector very few foreign readers will know what I am talking about, but if I speak of public or social renting most readers will get the general idea.

However, this problem also raises more general questions about the nature of housing tenures. Are housing tenures stable and unchanging entities or are they extremely flexible and changing? If they are flexible and changing is there any point in trying to develop categories for crossnational comparison or trying to translate national categories into categories familiar to readers in other countries? In this paper I suggest a solution to this problem. The solution is a very simple one: we should look at tenures on two levels, that of general ideal types and that of historically and geographically specific actual forms. To be successful this strategy requires that concepts of housing tenure should not be burdened with too much content. What tenures are all about is the rights and duties of the resident concerning the housing s/he is consuming.

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THE COMPARISON/TRANSLATION PROBLEM

An example of a translation problem

In Finland a considerable part of the housing stock is owned by residents through housing companies. *Housing companies* are jointstock companies established to manage housing, mostly blocks of flats but also row houses or groups of detached houses. A resident owns shares in the company which entitle him/her to the use of a specific dwelling unit. The decisions concerning important matters like major repairs or the level of monthly payments collected from residents are made in the shareholders' meeting whereas day-to-day business is taken care of by a board and a manager elected by the residents. Occasionally Finnish researchers have referred to the form of tenure that housing companies represent with the concept 'condominium' (see e.g. Niva, 1986; Ruonavaara, 1988; Bengs and Loikkanen, 1991). In Finnish there is no word that would correspond to "condominium", so this is not a case of literal translation but rather of interpretation. Similar acts of interpretation are needed when national tenure forms are compared cross-nationally.

What does this interpretation involve? By referring to housing company dwellings as condominiums the writer/speaker is implicitly stating that the rights and duties involved in occupying these dwellings are in relevant respects similar to those of occupying what are called condominiums in other countries. This entails that there is some general notion of condominium that could be used cross-nationally as a yardstick for assessing whether some empirically existing form of tenure is a condominium or not. To be able to do this one should know just what the relevant aspects of the rights and duties are, one should have a clear conception of the criteria defining the different kinds of housing tenure.

The messy real world of housing tenure

The preceding discussion may sound awkward to those who are not aware of the bewildering variation in forms of housing tenure across nations. In a survey carried out by the CIB-Housing Sociology group on housing tenures in nine European countries, a total of 42 kinds of tenures were found (Siksio, 1990:154). The survey initially identified four basic types of tenure: owner-occupation, co-operative, private rental and public rental. Not all were present in all of the countries and some countries had more than four forms of tenure. The main types of tenure were often divided into several distinct forms. For example, there were three forms of owner-occupation in Hungary and four in the Netherlands (Siksio, 1990:155).

What follows from this variety of national tenure forms is that distinguishing between tenures is to some extent determined by the conceptual scheme used; it depends on what you think are the essential dimensions of housing tenure. When
there are several in some ways different kinds of, say, owner-occupation, you must decide whether the differences are so important that each should be treated as a separate form of tenure or whether all can be seen as just one tenure. As classifications of housing tenure used in housing research on a single country are often derived from official statistics the question of what distinct forms of tenure there actually are does not often become a problem. The researchers accept the categories used in statistics, making provision only for changes in classification practices. Only in cases of comparison or translation is the context-dependent nature of tenure categories revealed.

The classification of housing tenures often depends on several dimensions. It is instructive to look at what were the basic dimensions in the CIB survey to define tenure. As far as I understand, two dimensions were distinguished: (i) the basis of rights of use and disposition of the dwelling: owning, renting or membership of a co-operative, and (ii) the nature of ownership in renting, private or public. The first states the basic division between owning the housing one is using, holding it as a member of a co-operative and renting it from the owner. The rationale for this is clear: the three forms provide different sets of rights and duties for the consumer. The second dimension establishes a principal difference between private and public bodies as landlords. Public rental housing has in most countries been a decommodified form of housing: the residents have been chosen from a waiting list according to housing need, the rents charged have often been below the rent level in the commercial sector, and so on.

**Applying the CIB classification**

The basic classification of housing tenures employed in the CIB survey is a fairly conventional one, a sort of a standard description of types of housing tenure. However, it can be shown to be far from unproblematic even by employing the dimensions on which the classification of tenure was built. I shall demonstrate this by discussing the housing tenures in Finland though the CIB survey itself gives a number of elements for such discussion.

In the Finnish case the private/public dimension applied in the CIB classification to renting can be applied also to owner-occupation (Ruonavaara, 1987:170, 175). Part of the owner-occupied stock is financed by subsidized state housing loans. These are allocated through waiting lists and according to means testing procedures. Because there is subsidy involved in state housing loans the terms of disposal are, for a certain period of time, restricted to prevent the recipient households from pocketing the subsidy by the sale of the dwelling. As the rights of ownership are restricted and access is not strictly market-based, the "public sector" in owner-occupation can be distinguished from the private. What we now get is a taxonomically neater selection of
four types (if we bracket off co-operative tenure which has been of minor importance in Finland): private owner-occupation, public owner-occupation, private renting and public renting.

However, the example is a more complicated one. When the system of public housing finance was established in the late 1940's no means-testing or restrictions were applied. So if public forms of owner-occupation later constituted a distinct form of tenure it is questionable whether they did this earlier, for instance, in the 1950s. The division of rental housing into public and private (sub)forms may cause similar problems. In the 1980's, social housing has in many European countries tended to become less "social", that is, governments have cut some of the state subsidy involved in public rental housing. If public rental housing loses the subsidy aspect it is again questionable whether it can be considered as a distinct form of tenure.

This brief discussion of the Finnish case highlights the difficulty of applying cross-national classifications of housing tenure. Seemingly simple and clear conventional typologies fail to catch the complexity of the real phenomena. There is also another point to be emphasized. As tenures are subject not only to cross-national variation but also to historical change the exact nature of any form of tenure cannot be read off from its formal label. In applying cross-national classifications of housing tenure one has to look also at the changing content of tenures.

THE CHALLENGE OF CONSTRUCTIVISM

The constructivist view

In housing studies two different approaches to housing tenure can be found. One approach which I shall call the essentialist approach takes the properties of housing tenures as given. Housing tenures are fixed entities with certain advantages and disadvantages from the point of view of the consumer. Such an approach makes it possible to portray the preference for home ownership as "a near universal and ancient attribute of mankind" (Welfeld, 1988:59). Another approach which I shall call constructivism challenges the essentialist view and emphasizes the changing nature of housing tenures. The key statement of the constructivist view is that housing tenures have no natural properties but rather their properties are historically and socially constructed.

A number of different approaches share the constructivist view on housing tenure. One of the most important of these is the comparative approach focusing on the social relations of housing provision, the Provision Thesis (e.g. Ball, 1986; Ball, Harloe and Martens, 1988). The Provision Thesis holds that the nature of any form of housing provision, e.g. the provision of owner-occupied housing or social rental
housing, is determined by the kinds of social relations connected to that form of provision. The structures of social relations of housing are not immutable but develop through time, as do the properties of different forms of housing tenure. And this development is characterized by the particular history of the country. Thus, the content of owner-occupation and renting varies from one country to another and from one point of time to another. Being an owner-occupier in Hungary is different from being an owner-occupier in Finland. And similarly being a tenant in Finland in the 1930's is different from being a tenant in the 1990's. Similar arguments have been presented by others holding the constructivist view and it should be stressed that the constructivist view is independent of acceptance of the provision approach (see e.g. Kemeny's constructivism in Kemeny, 1981).

What is relevant here is that, pushed to the extreme, the constructivist view implies that any attempt to formulate a general, cross-nationally valid typology of housing tenure is bound to be futile or, at least, of minor importance. If the content of tenures as bundles of rights and duties is wholly determined by historically-specific institutional and social arrangements, there is little point in trying to classify them into a single typology. A category such as "owner occupation" would denote such a bewildering variety of nationally-specific tenure forms having little in common that it would confuse more than clarify. As far as I know, none of those holding the constructivist position have actually gone this far. The constructivists have rather expressed serious doubts about the comparative use of tenure concepts.

Barlow's and Duncan's article "The use and abuse of housing tenure" (1988) is a good example of the constructivist critique of the use of housing tenure in comparative research. The first part of Barlow's and Duncan's argument concerns the various British studies arguing that housing tenure has independent effects on social stratification and political behaviour. Examples of these are housing class theory (Rex and Moore) and its subsequent development into consumption sector theory (Saunders) and the British voting studies establishing correlations between housing tenure and voting and their subsequent development into the political theory of sectoral divisions of society (Dunleavy). In Barlow's and Duncan's terms, these studies attempt to show that tenure categories refer to substantive collectives, that is, groups "... whose members may be similar or different but which actually relate to each other causally or structurally" (Barlow and Duncan, 1988:220--221). The authors argue that there is no conclusive empirical evidence of independent tenure effect on either stratification or political behaviour; rather the alleged "tenure effect" can be interpreted as a spurious correlation reflecting other explanatory more basic factors. Thus, tenure categories must be seen as taxonomic collectives, groups "... whose members share similar formal attributes" (Barlow and Duncan, 1988, loc.cit.) from which no substantive attributes can be deduced.
Barlow and Duncan question the usefulness of "housing tenure" also on two constructivist grounds. Firstly, housing tenure provides little information on the modes of promotion of housing, subsidies to consumption or the modes of house building. Secondly, the content of tenures as legal definitions of rights and duties varies cross-nationally and historically. For example, in Sweden the ownership rights and tenant duties involved in occupying a co-operative dwelling are different to those in Finland, and are changing over time from a category based more on rent towards one based more on owner-occupancy relations" (Barlow and Duncan, 1988:225). As there is cross-national and historical variation of housing tenure, the gap established in the first part of the argument between taxonomic and substantial collectives widens. The authors conclude that housing tenure, as used in housing research, is a chaotic concept bearing "...little relation to real connections of substance" (Barlow and Duncan, 1988, loc.cit.) and in many cases it should be substituted by more elaborated concepts (see also Murie, 1991:350).

Barlow and Duncan do not think there is any one concept more adequate than housing tenure, but rather housing researchers should develop different kinds of concepts adequate for their research questions. When building these concepts, researchers can use various taxonomic concepts such as housing tenure but the concept should have no privileged status in housing studies (Barlow and Duncan, 1988:226). As one example of how to do this they argue that for studying forms of housing production it is more useful to concentrate on a taxonomy of forms of promotion rather than housing tenure (Barlow and Duncan, 1988:226-227). To show the kinds of confusions resulting from concentrating on tenure categories they place Swedish and British tenures on a two-dimensional field defined by ownership form and promotion form. Their figure shows that similar categories (most importantly owner-occupancy) cover somewhat different spaces (see Barlow and Duncan, 1988: Fig. 1).

Is the case for the obsolescence of "housing tenure" thus proved? In a recent article, Somerville and Knowles deny this. They point to the empirical evidence on independent tenure effects: if there demonstrably is a correlation between housing tenure and other characteristics of the household, then housing tenure cannot be considered as purely a taxonomic concept (Somerville and Knowles, 1991:113). However, the discussion on tenure effects on voting has shown that the evidence is far from uncontroversial. For example, the empirical adequacy of Dunleavy’s theory of the political significance of consumption cleavages (of which housing tenure is the key structuring factor), has been contested by other researchers working with voting studies (see e.g. Franklin and Page, 1984). Johnston has pointed out, after making an analysis showing clear relationships between occupational class, housing tenure, geographical location and voting, that the explanation of such relationships "... can only be inferred, and alternative accounts may be offered" (Johnston, 1987:120; see
also Harrop, 1980:391). He adds: "Further, it may be that the relationships are spurious, and reflect the operation of another, unspecified, variable" (Harrop, 1980, loc.cit.). The controversial nature of the evidence on independent tenure effects is a fact on which Barlow and Duncan base their argument. But their argument can also be scrutinized from theoretical or conceptual grounds.

The argument Barlow and Duncan develop in their article is important because it shows the very limited extension of "housing tenure". Housing tenure should not be seen as a "catch-all" concept referring to all aspects of housing provision. It should be made to refer only to a very limited aspect of housing consumption: the rights and duties of the consumer with respect to housing. As shorthand for these aspects I shall later use "possession" (Cheal, 1990). As the scope of tenure concepts is thus limited, we should not expect them to have much descriptive and explanatory power in doing research on non-consumption issues. If the object of research is production, a concept bearing on consumption is of marginal importance. To show the obsolescence of housing tenure one should be able to show that as a general concept "housing tenure" in research concerning housing consumption also fails to distinguish distinct entities in relevant ways. This is actually what Barlow and Duncan argue when referring to the variability of the tenure categories (though they do not say that concepts of housing tenure would be totally obsolete). However, the constructivist position in this extreme form is hard to defend.

Saunders' critique of constructivism

In his book on home-ownership in Britain, Peter Saunders presents a powerful critique of the constructivist position (Saunders, 1990:94–103). Saunders presents first a survey of constructivist arguments on home ownership and then goes on to challenge them by arguing that indeed there are a number of inherent advantages in home ownership which can be considered as essential to it. Quoting an article by Whitehead, Saunders gives a detailed list of these advantages: (i) the right to indefinite use, (ii) the right to giveaway or be quath, (iii) the right to modify, (iv) the ability to choose an appropriate price and method of payment, (v) security of tenure, (vi) the right to do what one wills with the property and, (vi) the advantage of investing in something one controls (Saunders, 1990:97; originally in Whitehead, 1979:39–40).

Saunders then deals with the two ways in which researchers holding the constructivist position have challenged the view that owner-occupation inherently has these characteristics: by arguing (1) that not all owner occupiers can actually benefit from them and (2) that they can be extended also to council tenants. An example of the first argument is the point often made of the right of disposal: owner-occupiers owning housing for some reason undesirable (low quality, "bad" neighbourhood,
located in depressed area, etc) may find it hard to find anyone willing to buy (see e.g., Daunton, 1987:82). Saunders considers this a fallacious argument. The right of disposal is no less substantive even if the owner cannot benefit from it:

"The owner of a house may dispose of it by giving it away (for example, through a bequest) or by selling it for whatever price it can command on the market. A tenant enjoys neither option. To say that some owners cannot dispose of their houses is neither true (for even in the most depressed market a buyer can always be found, provided that the price is low enough) nor relevant (for the right to dispose is unaffected by the question of whether the owner deems it beneficial to exercise it in any given context)" (Saunders, 1990:98).

Saunders goes on to argue that "... people may well aspire to one tenure rather than the other because they want rights, such as the right of disposal, which are guaranteed by one but not the other" (Saunders, 1990, loc.cit.). To this can be added that consumers may want rights which cannot universally be realized as benefits. It may be the case that not all owner-occupiers can benefit from dwelling price inflation at the same time (Duncan, 1989:28) or that owner-occupiers can benefit only at certain periods of time. Nevertheless, being an owner-occupier gives the consumer the opportunity of benefitting from such twists of luck; tenants are always denied such opportunity.

However, the whole question of whether consumers always are able to benefit from the rights of owner-occupation or not is irrelevant to the question of whether these form the essential features of the tenure. It may well be that, e.g. the owner-occupier's possibility of profiting from dwelling price inflation is dependent on a number of specific historical factors (as Duncan has argued in a comparative analysis of five European countries; Duncan, 1989:22-24) but this does not alter the fact that right of disposal remains a (potentially profitable) basic characteristic of owner-occupation. The possibility of realizing the potential gains will affect the desirability of the tenure in different historical and national contexts but not change its basic nature.

What then of the second argument? Saunders admits that some rights associated with owner-occupation can be extended to other tenures and points out that this has to some degree been done in Britain. He also notes that rights of ownership have historically changed through time, e.g. through planning legislation. However, there is a "hard core" of advantages which separates owner-occupation from council renting: the right of exclusive use and benefit as long as the title is held, the right of control and the right of disposal (Saunders, 1990:98-100.) Saunders argues that if these rights were extended to council tenants it would seriously undermine the British system of social housing. The whole system would lose its special charac-
teristics! Council housing is a system which is designed to fulfill social objectives defined by public agencies and, to be able to do this, public agencies have to keep the housing stock in their own hands. This means that councils have to restrict the rights of use, control and disposal if the system of council housing is to be preserved.

To be able to control the allocation of social housing, councils cannot give the tenants exclusive rights of use. As councils have a public responsibility for the housing stock in their control they have to restrict the tenants' rights of control, "... for no landlord can afford to offer a carte blanche for its property to be altered without prior permission" (Saunders, 1990:100). Tenants could possibly alter the dwelling in ways which would make it unsuitable for other future users. A similar argument goes for the right of disposal: though local authorities may allow tenancy to pass from parents to children, "this concession falls a long way short of the right of the householder to pass on the house at any time to whomsoever he or she chooses" (Saunders, 1990, loc.cit.). Saunders sees any arrangements extending council tenants' rights of use, control and disposal (such as tenant democracy) as poor substitutes for the rights of ownership. Making the rights of council tenants equal to those of owner-occupiers would mean that the councils would transfer de facto ownership to the tenants (Saunders, 1990:102).

If Saunders' argument is to be accepted (and I think it is), the strict constructivist view on housing tenure has to be abandoned together with the all too simple essentialist view. What we are left with, is a view that combines some of the insights of constructivism with the kind of view Saunders defends.

A case for moderate constructivism

One feature of Saunders' argument should be noted: he accepts much of the constructivist position. He does not fall to the "tenurist fallacy" of seeing housing tenures as historically (or geographically) unchanging but acknowledges that the rights and duties attached to forms of housing tenure are liable to considerable variation. However, he maintains that housing tenures are not so flexible that any rights could be associated with any form of tenure; there is a hard core of rights and obligations which distinguishes the forms of tenure from each other. This position could be described as moderate constructivism and a clear formulation of this position can be found in an article by Peter Kemp. According to Kemp, "... housing tenures can be regarded as in some sense socially and historically specific" (Kemp, 1987:3). He says that housing tenures should be understood as "... bundles, or configurations, of property rights and obligations, the precise mix of which is liable to some important variations, albeit within limits" (Kemp, 1987:4; emphasis HR). Kemp's view implies that there are two kinds of properties of housing tenures, necessary and contingent.
The distinction between necessary and contingent properties is borrowed from the British realist theory of science which has recently had a considerable impact on urban and regional research in Britain and elsewhere (see especially Sayer, 1984). Realists distinguish between necessary and contingent relations. A necessary relation of, say, a social institution is one which is always required for that institution to be in existence. For example, in renting there is always a relation between an actor in the role of landlord and another actor in the role of tenant. These roles define typical modes of interaction between the actors, for example, exchange of money against right to use a dwelling. Contingent relations are relations between actors which are linked to the institution but are not necessary for its existence. It may be the case that the landlord has established a tenant participation scheme which delegates some of the management power to the tenants and thus alters the relations of power (and responsibility) between the parties. Such a change of relations between the roles is a contingent one as it is not necessary for any landlord-tenant relation. The distinction can well be applied also to properties (especially as nearly all properties of tenures discussed here can be seen as social relations).

The necessary properties of housing tenures are the properties that are associated with a certain type of tenure, say owner-occupation, by definition. In the case of owner-occupation these are the kinds of rights of disposal, control and use mentioned by Saunders. If in some actual form of tenure under consideration they are not present, it does not make sense to call that tenure owner-occupation. And if those rights are extended to other forms of tenure, it does not make sense to distinguish them from owner-occupation. Whatever their formal label, they are de facto a form of owner-occupation. The contingent properties of any form of tenure are those rights and duties, advantages and disadvantages from the point of the consumer, that can vary within the limits of the necessary properties of types of tenure. These include, for example, institutional arrangements that increase the autonomy of tenants in rental housing, restrictions to the right of disposal in owner-occupation, patterns of subsidy and so on. These may or may not be properties of a given form of tenure but their presence or absence does not alter the basic character of that tenure.

**TYPES AND FORMS OF HOUSING TENURE**

The levels of housing tenure

The distinction between necessary and contingent properties of housing tenures calls for a conceptualization that goes beyond the administrative and statistical tenure categories—just what Barlow and Duncan encourage housing researchers to do. My suggestion is that, for comparative purposes, we should distinguish between
types and forms of housing tenure. By *types of housing tenure* I mean broad categories
like "owner-occupancy" and "renting" referring to the necessary properties of such
housing tenure categories. Types of housing tenure are ideal types designed to make
possible cross-national comparison of nationally and historically specific tenure
arrangements and also analysis of the development and change of tenure arrange-
ments. I propose to refer to these historically-specific arrangements with the concept
*form of housing tenure*. All the historically and geographically specific institu-
tional arrangements through which possession of housing is organized fall into this
category. Examples of forms of tenure are the housing company in Finland, the
Swedish co-operative housing (bostadsrätt), the British council housing, the North
American condominium, etc.

Making the kind of distinction introduced above is the only way to make sense of
various intuitively sensible comparative statements about housing tenure. The
following observations can be found in the CIB report: "Hungary has got three types
of owner-occupation" (Siksio, 1990:155), "Poland has two forms of co-operative
housing with collective and individual ownership respectively" (Siksio, 1990:160),
etc. Both assume that there is a general type under which the specific cases can be
classified. Another kind of example is a recent article in a Finnish newspaper where
it was argued that the new housing co-operatives in Finland are actually a form of
renting and not of co-operative tenure. The writer had a general notion of what
characteristics are typical of renting and of co-operative tenure. As the characteris-
tics of the new co-operatives corresponded more closely to those of renting than of co-
operative tenure, the tenure was considered to be a form of renting irrespective of the
organizational form. All these statements require an implicit acceptance of the
forms-types distinction. Arguably this distinction is *implicitly* made also in many
cross-national comparisons of housing tenure.

I believe the argument about the types-forms distinction here is fairly easy to
accept. I consider it an explication of our implicit thinking practices rather than a
theoretical innovation. But the next step may be a more controversial one. In the next
section I shall present a model of types of tenure based on the concept of housing
tenure developed above.

**Types of housing tenure**

Analytically speaking, what types of housing tenure should one distinguish? I
start from a rather banal, but crucial, point: in modern societies all housing is owned
by some corporate or individual body. The ownership of housing can analytically be
distinguished from the possession of dwellings. Cheal defines possession as "an entit-
lement to hold a resource, for a term or indefinitely as the case might be, and an
entitlement to control it and benefit from its use." (Cheal, 1990:308). Ownership is a
broader category than possession as it entails also the right to transfer all or some of the rights over a resource (holding, controlling and benefitting from its use) to others at a mutually agreed upon price or no price at all. What is essential is that possession must always be accommodated with ownership.

Housing tenures are basically institutional forms by which possession of housing is accommodated with ownership of housing. In modern societies there are two major institutions through which possession of housing is accommodated with rights of ownership: ownership and leasing. Either the consumer has ownership rights over his/her dwelling and has, thus, the right of possession and the right of disposal, or the consumer acquires the right to possession by renting the dwelling from the owner. These two types do not, however, exhaust the ways in which possession can be accommodated with ownership. Possession can be organized also on the basis of kinship and maybe also on some other kinds of similar "traditional" relationships (clan, tribe, etc). In modern housing systems these play a certain role, but they are of minor importance (in Finland about two per cent of urban households were, in the 1985 census, classified in the "other tenure" category which corresponds to this type of possession).

This results in a rather unsurprising model of two main types of housing tenure in modern societies: owner-occupation and renting. The basic feature distinguishing the two types is, of course, the right of disposal. Owneroccupiers have always the right of disposal whatever practical or administrative restrictions there are, renters never have this right. Any form in which the rights of possession can be transferred by sale or gift cannot be considered as renting in the ideal typical sense. The case of second-hand renting is the exception to this rule: tenants may have the right to sub-let parts and sometimes the whole of the dwelling to another user through that also has to be done with the owners' full agreement. The final control over possession is always in the hands of the owner. There are typically other crucial differences between the main types. To be able to discuss these we should consider more closely what the rights of use and control actually mean.

There are, I think, two aspects of the right of use: the entitlement to use the dwelling for satisfying housing needs and the security of tenure. Both owner-occupiers and tenants are entitled to the use of the dwelling. The crucial principal difference between the two types is that owneroccupiers have exclusive security of tenure as long as they own the dwelling whereas the landlord has the right to evict the tenant (within the limits of law). However, the matter is not as simple as this. Of owner-occupiers, only outright owners who have paid off their housing loans have a complete security of tenure. All the debted owner-occupiers in a way share ownership with the financial institution that has lent the money for purchasing or
building the dwelling. If the owner-occupier fails to meet his or her payments s/he may lose the dwelling — and in recent years mortgage default leading to repossessions or compulsory auctions of dwellings have become more common in Britain and also in other countries, including Finland (see e.g. Doling, 1990:321–322). Security of tenure prevails for the mortgaged owner-occupier only so far as s/he is able to meet his/her financial obligations to the lending institution. The difference between outright and mortgaged owner-occupiers has sometimes been seen as a major cleavage distinguishing groups of owner-occupiers (see Forrest, 1983 or Merrett (with Grey), 1982:Chapter 14). In my view the two groups represent rather different stages in the housing career of an owner-occupier than different types of housing tenure.

The right of control involves two things: the power to decide how the dwelling is to be used and the right to alter the dwelling in whatever ways one wishes (by making changes in the structure of the dwelling, painting, etc). The owner-occupier decides for herself or himself how s/he is to use the dwelling whereas the tenant's power in this sense is limited: the landlord has the power to establish rules concerning housing consumption. With respect to the right of making changes in the dwelling, the difference between owner-occupation and renting is that, in the former, the consumer has the exclusive power to make changes whereas, in the latter, the tenant's power is limited: s/he cannot make changes in the dwelling at will and the owner can make changes the tenant does not approve. Again there are, of course, limits to the owner-occupier's power of control. Building and planning regulations may (or may not) seriously limit the power of the owner but these regulations apply to all owners including owners of rental property. The owner-occupier's rights of control are always as extensive as the planning regulations permit and typically the tenant's rights are much less extensive.

These, I think, are the necessary differences between owner-occupation and all forms of renting whatever the landlord is: private person or firm, non-profit organization or some public organization. The neat two-type model is, however, too simple to serve as an ideal type of housing tenure. There are crucial dimensions along which the typology has to be qualified. The two types fall into distinctive sub-types but before these are discussed one specific feature of the ideal type should be discussed.

Is there a third main type of tenure?

The division of main types of tenure into two is based on the view that ownership and renting are the only institutions through which possession of housing can be organized. This means that the third major tenure type distinguished, for example, in the CIB survey, co-operative tenure or tenant-managed housing (Flynn, 1990), is not considered here as a separate type of housing tenure. There is a difficulty in dis-
cussing housing co-operatives: what actually distinguishes housing co-operative as a form of housing tenure is not very clear (Beyer, 1965:265–266). Birchall, in his book on housing co-operation, defines a housing co-operative as a "voluntary association by means of which dwellers can collectively own their housing, and control the process of housing" (Birchall, 1988:20). However, the difficulties start when Birchall looks at real housing organizations. There do not seem to be many organizations conforming fully to the definition but there are many more which to some degree fulfill the general purpose of increasing consumer control. This leads Birchall to water down the ownership criterion in defining co-operative housing (Strömberg, 1990:190).

Initially, Birchall distinguishes between three kinds of co-operative housing: common ownership, co-ownership and shared ownership. It appears that of the three types only one, common ownership, conforms fully to the definition given. The other two, co-ownership and shared ownership, grant individual property rights to the members of the co-operative so that ownership cannot be considered purely collective. In co-ownership, individuals own shares in the collective property. According to Birchall, the larger the equity the greater the probability of development towards a market for the shares and the rights of use attached to them. Shared ownership has similar characteristics. It separates the individual and the collective equity. Variable proportions of the dwelling are owned individually by the residents and the rest is owned by the co-operative. The residents can buy further portions of the property and, when the cooperative is bought completely by individual tenants, it ceases to exist or, in the case of a multi-unit house, is transformed into a condominium (Birchall, 1988: 20–23).

The rationale for ignoring co-operative tenure as a distinct type is not in the empirical variation of possession arrangements labeled as cooperative but more a matter of principle. In all co-operative forms possession is based on ownership and thus they can be seen as forms of owner-occupation. This is clearly the case in co-ownership and shared ownership. The only form that could be a candidate for a separate type of possession is common ownership. In that, too, entitlement to the use and control of the housing is based on ownership though in that form the right of disposal is held by the co-operative.

The sub-types of owner-occupation

Owner-occupation can be divided into three sub-types on the basis of the range or extent of the consumer's ownership rights. The general characterization of owner-occupation made above applies best to what could be called individual owner-occupation. By individual owner-occupation I mean forms in which individual
households hold exclusive rights of ownership on the housing unit. The household has the individual power to use and alter the dwelling as it wills and also to dispose of it whenever it sees it fit. But it also bears all the costs of housing and the management duties individually. Most of the debate on the sociological and cultural significance of home ownership is concerned with this type of owner-occupation.

This is not the only form of owner-occupation though in many countries it is the most important. In many countries, like the USA, Canada, the Netherlands and Australia, a form of owner-occupation, which in North America is called the condominium, is expanding. Van Weesep defines the condominium as follows (see also Hamnett and Randolph, 1988:241):

In the field of housing the term 'condominium' applies to a form of real property in which distinction is made between separate units and common elements. The units can be held, financed and traded individually. Ownership of a unit, however, is inseparable from a share in the ownership of the common elements, such as the land, recreational facilities, structural parts of the building(s), and other elements that are intended for use by more than one unit owner. Upon the establishment of a condominium, an owners' association is formed to manage common elements. Officers are elected to direct the management, and owners' contributions to common expenses are set in some proportion to the relative value of each individual unit (Van Weesep, 1986:61).

In the quotation "condominium" defines a form of real property rather than a type of tenure. I shall call the type of tenure that condominiums represent shared equity owner-occupation as the equity is split into two distinct parts, one owned individually and the other owned collectively. This form covers not only condominiums but also many (most?) forms of co-operative housing. One crucial difference between individual owner-occupation and this form is that the residents' ownership is mediated by compulsory organization (a joint-stock company, co-operative or whatever).

To the third possible type of owner-occupation belong some forms of cooperative tenure, namely those Birchall calls common ownership. I shall call collective owner-occupation forms of possession where several households form a community holding collectively the rights of ownership so that no single household holds individual ownership rights over the dwellings. Empirically it is of minor importance in most societies.
The sub-types of renting?

Often in cross-national comparisons of housing tenure a distinction is made between two rental sectors: one owned by private sector firms and individuals and the other owned by public organizations (like local authorities) or non-profit landlord organizations (e.g. run by trade unions). Sometimes comparisons make a distinction between *private renting* in the former sector and *public or social* renting in the latter. When such a distinction is made, the idea is that, apart from ownership, the sectors differ also in the kind of possession they provide for the consumer. In this article I have not made such a distinction. I have rather accepted Saunders' argument which emphasizes the essential similarity of all renting irrespective of landlord category. My point is that *as such the distinction between the private and public/social rental sector is not relevant to the discussion of housing tenure.*

This does not mean that the distinction would be irrelevant to the understanding of systems of housing provision or the situation of tenants. Whether private or public/social form dominates the provision of rental housing is highly relevant to what it is like to be a tenant. There are at least three ideal typical differences between the two sectors.

(1) *Distribution and access.* Private rental housing is distributed through the market whereas public/social housing is distributed through administrative non-market distribution systems. In the private sector, the consumer is a mere buyer of services whereas, in the public/social sector, s/he is rather an applicant for housing. In the market, access is allocated by ability to pay and mere chance whereas, in the public/social sector, access is allocated through waiting list and means testing.

(2) *The Price setting.* The rent level is determined in the private sector through supply and demand whereas, in the public sector, rents are determined by administrative decisions which bear upon the historic costs of the housing in question. Thus, the rent level is likely to be lower in the public/social sector.

(3) *Landlord-tenant relation.* In the private sector the security of tenure is lower than in the public/social sector as the landlord's motive is that of an investor who seeks the highest possible return for the capital invested. If letting dwellings becomes unprofitable the landlord is likely to use her/his ownership rights and sell the dwellings. The public/social sector is committed to long-term provision of rental housing and the landlord-tenant relation is more characterized by the landlord's social responsibility in providing adequate housing. This creates a firmer security of tenure for the tenant and a basis for tenants' demands for improvement of the housing conditions.
To what extent are these three differences relevant to the mode of possession? When owner-occupation was discussed, no reference was made to distribution and access nor to price setting mechanisms. It can be argued that it was not necessary as all owner-occupied housing is distributed through the market. However, that is not the case. In most, if not all, countries apart of owner-occupied housing is promoted and built by the consumers themselves, and such new-built housing does not enter the market at all. However, self-provided housing may later enter the second-hand housing market where most of the purchases are made, anyway. But it is also the case that owner-occupied housing can be distributed through administrative distribution systems. This is the case in Finland where the public allocation is managed through means-testing of the applicants for State housing loans. For State loans for building detached houses the distribution involves a decision on what building projects are to be carried out, so the allocation is an indirect one. For State loans for purchase of condominiums the administrative allocation is a more direct one as loans are allocated for the purchase of specific dwelling units. Also the level of rent on State housing loans and conditions of repayment have been administratively decided so that the price setting in that sector of owner-occupied housing has been essentially similar to public social renting.

However, arguments showing that the private-public distinction can be applied also to owner-occupation are not strictly relevant to the issue of whether the mode of distribution and price setting are relevant to making distinctions between types of housing tenure. An argument by counter-example cannot actually invalidate an ideal type as the ideal type is not designed to account for any possible empirical circumstances on the level of forms of tenure. The main argument for neglecting the distinction between private and public renting is based on my narrow definition of housing tenure. If tenures are defined as modes of possession, then distribution, access and price setting are not relevant to housing tenure (though for understanding systems of housing provision they clearly are relevant).

So far I have not mentioned the third ideal typical distinction between private and public/social renting, the landlord-tenant relation. That can be relevant to the discussion of housing tenure as it has to do with the conditions of use and control of housing. The security of tenure is central here. The public/social sector typically provides the tenant with the right to use the dwelling for an indeterminate time whereas, in the private sector, the rent contract is typically made for a determinate period of time. Whether the rent contract is permanent or impermanent makes a crucial difference between the types of renting as, in the former case, the entitlement to use the dwelling becomes, in a way, the consumer's social right. For lack of better labels, I shall call the two subtypes of renting as permanent contract renting and temporary contract renting.
Though permanent contracts can empirically be found usually in the public/social sector, it is empirically not the case that it is limited only to this sector. In Sweden, the rent contracts are made, also in the private sector, for an unspecified period of time and terminating the contract requires permission from the local Rent Tribunal (Lundqvist, 1988:67–68). In Sweden, both sectors of rental housing are, in fact, regulated by similar institutional and legal rules. In the Swedish case, what is relevant is the institutional rules concerning renting in general, not the specific rental sector.

Comparing owner-occupation in Sweden and Finland

In this section I attempt to illustrate how the approach sketched above is applied to a specific comparison. The example here is the comparison of the rate of owner-occupation in Sweden and Finland. The conventional view on the matter is that there is an enormous difference between the two countries. Finland is thought to be a home-owning country par excellence whereas Sweden is a country where the rate of owner-occupation is exceptionally low. To examine whether the approach outlined above supports the conventional view, the forms of tenure (ignoring subtypes of renting) in the two countries must be briefly discussed.

In Sweden there are two forms of housing tenure other than renting: owner-occupation (mostly detached houses) and the Swedish form of cooperative housing (bostadsrät). The first corresponds to what I have called individual owner-occupation but what of the latter? Does it represent a specific type of tenure or can it be classified as owner-occupation? As was argued above, most co-operative forms can be classified as shared equity owner-occupation and this is the case of Swedish co-operatives also. The key question concerning the type of tenure is the right of disposal. In Swedish housing co-operatives, "the holder of a right to a cooperative dwelling can transfer his right to someone else whenever he wishes to do so" (Lundqvist, 1988:41) — through sale, inheritance, gift, etc. Lundqvist goes on to say: "Practically, although not legally, he is very much like an 'owner' of the dwelling" (Lundqvist, 1988, loc.cit.). Legally the owner of the dwelling is the co-operative but collective ownership is in this case purely formal as rights of use can be traded at market prices.

In Finland there are two forms other than renting. Just like in Sweden, detached and semi-detached houses in owner-occupation represent individual owner-occupation. However, houses can also be owned through housing companies. Housing companies are legally joint-stock companies and their mode of operation corresponds wholly to van Weesep’s definition of condominium which I cited earlier. Like in Swedish housing co-operatives, also in Finnish housing companies, the property is
formally owned by the company, not by the residents. Residents own only shares entitling them to the use and transfer of individual dwelling units. In practice, owners of shares in a housing company act as individual owners of their dwelling units in the housing market. The individual owner can sell the dwelling and pocket the possible price gains and the housing company can do little about it. So, actually, residents own their dwelling units individually — not only because they can sell them but also because they can transfer them by gift, leave them by will, use them as security for a loan, etc (just like right holders in Swedish co-operative housing). Both Swedish co-operatives and Finnish housing companies thus represent shared equity owner-occupation.

In Table 1, the tenure structure in Sweden and Finland is compared by using the typology developed above. Does the approach add anything to the conventional wisdom?

<table>
<thead>
<tr>
<th></th>
<th>Sweden</th>
<th>Finland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner-occupation</td>
<td>57</td>
<td>69</td>
</tr>
<tr>
<td>Individual</td>
<td>42</td>
<td>39</td>
</tr>
<tr>
<td>Shared equity</td>
<td>15</td>
<td>31</td>
</tr>
<tr>
<td>Renting</td>
<td>44</td>
<td>27</td>
</tr>
<tr>
<td>Other/unknown</td>
<td>-</td>
<td>4</td>
</tr>
</tbody>
</table>

Sources: Niva, 1989: Table 10; unpublished statistics from the 1985 census in Finland.

Usually the proportion of individually owned detached housing in Sweden is compared to the proportion of all owner-occupied housing in Finland, and that comparison supports the conventional view. A comparison using the typology developed here opens a different perspective. The rate of owner-occupation is still clearly higher in Finland but the difference is not especially striking. What is more important, Sweden is no longer a country where forms other than owner-occupation dominate and in this respect Finland and Sweden are similar. Moreover, in Sweden the "individualized" form of owner-occupation is more common than the more "collectivized" shared equity ownership, whereas in Finland the "collectivized" form is far more important. These observations do not mean that there is not a crucial difference between these two countries but rather that the difference is linked to the level of forms of tenure not that of the types.
Summary and conclusion

In this article I have suggested a simple solution to the comparison/translation problem. We should approach housing tenures on two levels, that of general types and that of specific forms. The solution I am suggesting is consistent with a moderate constructivist understanding of housing tenure. Moderate constructivism sees housing tenures as historically and geographically changing but maintains that the variation of rights and duties within types of housing tenure is a variation within limits. Tenure forms conforming to certain types share certain inherent characteristics which cannot be extended to other types of tenure without making them lose their distinctive nature. Because this is so, it makes sense on a general level to compare cross-nationally national forms of tenure and to translate national tenure categories into cross-nationally valid ones. The translation may not be complete but it provides a starting point for more detailed investigations.

The next step in the argument was to develop an ideal typical model of the types of housing tenure. From a basic model of two major tenures I moved to a model where the basic types divided into five sub-types. I do not here claim that my model is the only possible one. For example, the paper reporting preliminary results of the CIB survey (Siksiö, 1990) might provide elements for a more complex typology. It starts from a fairly conventional classification of main types of housing tenure and then goes on to compare the variation within them by using an elaborate scheme of eight dimensions. If the variations in the dimensions used in the CIB survey were clustered together into distinct types, a more complex scheme of types of housing tenure could be built. As, in my view, housing tenure should refer to more restricted aspects of housing consumption than the dimensions in the CIB survey, no attempt to do this is made here.

The dimensions on which my typology is based can be scrutinized just as the general approach to housing tenure developed here can be scrutinized. My typology is based on a very restricted view of what housing tenure is. Housing tenures are seen as modes of possession of housing and all other aspects linked to tenure - such as housing finance, forms of promotion, distribution, etc - are kept distinct from it. However, these other aspects are often essential for understanding tenure-related phenomena. To account for them, additional conceptualization and model building are needed. The content of possessing housing within some type of tenure is affected by various characteristics of housing systems which do not fall within the scope of tenure concepts. Some of these characteristics are not even tenurespecific but are linked generally to the system of housing provision.

Like all models, the ideal type of housing tenure developed here is not an end in itself. It is meant to be an instrument of inquiry into real forms of tenure observable in
historic societies. Two ways in which it can fail have already been dealt with. It fails if the approach to housing tenure neglects relevant dimensions of tenure and if the general approach to housing tenure is found wanting. A third way in which it can fail is if the model is found to be internally inconsistent. But the ultimate test of the model is whether it turns out to be fruitful in accounting for the complex reality of housing tenure.

NOTES

1. CIB is the acronym for the International Council for Building Research Studies and Documentation (in French Conseil International du Batiment ...) which is an international organization of building research institutes. The work in CIB is mainly done in Working commissions which typically meet once a year. One of the themes in which the Working Commission W 69 Housing Sociology has had a long-term interest is housing tenure.

2. This is different from the dimensions of comparing housing tenures. The survey compared tenures by using a battery of 15 questions covering eight dimensions of housing tenure.

3. As Saunders has already provided an excellent survey of constructivist positions in his "A Nation of Home Owners" (1990:96--100), I have not presented here any detailed references to writers holding the constructivist view. Those interested in the original formulations should consult Saunders' book.

4. Note that the possibility to use housing as an investment and to reap price (or capital) gains by selling and buying cunningly is not listed by Whitehead as an inherent advantage of owner-occupation but an advantage independent of the tenure. The reasons for its exclusion are that Whitehead argues that (i) it is not necessary that all owner-occupiers always reap price gains, (ii) when price gains are available not all owner-occupiers reap them, and (iii) price gains are difficult to realize as everybody has to live somewhere (Whitehead, 1979:36-37). For Saunders' understanding of owner occupation, price gains are of central importance and he certainly considers them as inherent benefits of the tenure (Saunders, 1990: Chapter 3).

5. Public and social renting do not necessarily mean exactly the same thing. Public renting refers to the ownership of the rental property whereas social renting is sometimes used when referring to forms of rental housing where access is controlled through means testing. Not all public rental systems represent social renting in this sense.
The same point can be made concerning some other characteristics which distinguish private and public/social renting: e.g. rents can be determined through similar arrangements in both sectors (in Sweden and Finland), public agencies may have some power in distributing private rental housing (in Sweden) and so on.

REFERENCES


--- (1990) "Four models of explaining the growth of home-ownership", *Scandinavian Housing and Planning Research* 7:129--142.


