



Sveriges lantbruksuniversitet
Swedish University of Agricultural Sciences

Faculty of Natural Resources and
Agricultural Sciences

Swedish rural depopulation

– How do rural municipalities counteract depopulation and stagnation?

Emma Söderberg

Swedish rural depopulation

- How do rural municipalities counteract depopulation and stagnation?

Emma Söderberg

Supervisor: Erik Westholm, SLU,
Department of urban and rural development

Examiner: Örjan Bartholdson, SLU,
Department of urban and rural development

Credits: 30 HEC

Level: Second cycle, A2E

Course title: Master's thesis in Rural Development and Natural Resource Management

Course code: EX0777

Programme/Education: Agriculture Programme - Rural Development

Place of publication: Uppsala

Year of publication: 2015

Online publication: <http://stud.epsilon.slu.se>

Keywords: municipality, adaptive strategies, place marketing, demographic decline, depopulation, rural development

Sveriges lantbruksuniversitet
Swedish University of Agricultural Sciences

Faculty of Natural Resources and Agricultural Sciences
Department of Urban and Rural Development

Abstract

About half of the municipalities in Sweden are experiencing a demographic decline and most of these are rural. With continuous urbanization, they are losing both social and economic capital. Social capital is lost if few of the inhabitants can, or want to, stay. This leads to a diminishing tax base and loss of potential to provide sufficient public services, which could lead to even more people deciding to leave.

This thesis addresses the strategies and actions taken by municipal leadership in order to adapt to rural depopulation. I have conducted a qualitative investigation in three municipalities in the rural mining region Bergslagen. The region was once the heartland of emerging Swedish industrialization. The three municipalities chosen, Hedemora, Hofors and Smedjebacken, have all experienced a demographic decline of more than 10 % since 1990. Mainly through interviews I have tried to find out what capacities and assets are needed to counteract rural depopulation and how the political and bureaucratic leadership act so as to accomplish this. Have any long-term adaptive strategies to handle depopulation been formulated?

The key finding of this study is that none of the chosen municipalities have any long-term strategies to adapt to a declining population. Instead I was able to identify implicit short-term adaptive strategies in the following categories: place marketing, free-time activities, affordable housing, commuting, shutting down schools, demolition of buildings, geriatric care, collaboration and future municipality mergers. The unique occurrences in this study were how the interviewees perceived their situation differently.

Keywords: municipality, adaptive strategies, place marketing, demographic decline, depopulation, rural development

Table of contents

Abstract	3
1. Introduction	5
2. Research purpose and problem	6
3. Theory and previous research.....	7
4. Method.....	13
5. Municipalities studied	16
6. Interviews and observations	21
7. Analysis	34
8. Discussion	38
9. Conclusion.....	40

1. Introduction

Urbanization has been a global trend ever since World War II. Cities grow rapidly, especially in the highly developed economies of the world. There are numerous reasons to this phenomenon. People move to cities in search for jobs, education, services, entertainment, social networks and a better life in general. Whether this is a desirable trend is of minor importance to the present study; it may simply be taken as an empirical fact. The backside of urbanization is rural depopulation and decline of minor population centers, some of which may even be located quite close to the urban growth centers.

Rural decline in the western part of the world might be an inevitable evolution; however, it is very hard to consider it a desirable one. Those who do not leave for the cities in Sweden are often likely to gradually face worsening economic and social opportunities. Job openings decline. Local tax bases decrease. Communal and commercial services are less accessible than previously. Even though potentially there might be some advantages for a decreasing population, such as easier access to affordable housing, or possibly some improvements to the environmental qualities, it is quite natural to expect the rural population in declining rural areas to consider the decline a problem that calls for action and change. In particular, one would expect local authorities in declining rural areas to take action in order to reverse the trend, or at least make plans for preventing its negative consequences.

In the present thesis I conduct a qualitative investigation of the potential strategies to counteract consequences of rural decline in three municipalities in a rural region of Sweden, Bergslagen. The region was once the heartland of the emerging Swedish industrialization. The three municipalities chosen, Hedemora, Hofors and Smedjebacken, are all experiencing demographic decline since at least a couple of decades.

2. Research purpose and problem

About half of Sweden's municipalities are experiencing a demographic decline. In this thesis, three of those were selected and a case study was performed to determine if strategies to tackle coming demographic challenges, and adapt, had been formulated. The chosen municipalities: Hedemora, Hofors and Smedjebacken, are situated in the same geographical area and have shown a significant (more than 10 %) decline in inhabitants between 1990 and 2013. An examination of what kind of approaches these municipalities have to face the future was performed through qualitative studies. There are few studies on the subject of adaptive strategies to demographic decline in Sweden. The purpose of this study has been to contribute to that research gap.

Mainly through interviews with municipal representatives, I have tried to get a sense of their perception of the ongoing changes of a declining and aging population as well as their strategies to handle the problems that follow with it. The analysis of the empirical material has been complemented by previous research and analysis of available demographic statistics.

Hypothesis

Hedemora, Hofors and Smedjebacken have for long faced demographic decline and the problems that it brings. They have therefore formulated long-term strategies to tackle this issue and adapt to a smaller population.

Research questions

What capacities and assets are needed to counteract rural depopulation and how do the political and bureaucratic leadership act so as to accomplish this? Have any long-term adaptive strategies to handle depopulation been formulated in the chosen municipalities under study?

3. Theory and previous research

Rural areas

A population center is defined by Statistics Sweden as having at least 200 inhabitants and a maximum of 200 meters between the houses. Anything more sparsely populated than this is considered to be a rural area (Statistics Sweden). The Swedish agency for growth policy analysis has created a model where five degrees of geographic accessibility to urban areas of different sizes are shown; very high, high, medium, low and very low. The population decline in rural areas of Sweden has continued and the cities keep on growing. In rural areas where there is a low or very low accessibility to urban areas, grocery stores, schools and businesses are closing (Råbock, 2010). But even though the municipalities under study in this thesis have been classified as having high accessibility to urban areas, they have still experienced a long-term population decline, a development that seems unlikely to halter. This might be because the concentration of population also occurs within the region as well as nationally (Swedish government official reports, 2015).

Urbanization

Urbanization is an ongoing trend in Sweden¹. The country's concentration of population has proceeded since the 1930's, which has created various problems in rural areas. While costs for healthcare are increasing, tax revenues are decreasing in depopulating rural areas. To balance this, a state subsidy is given to municipalities with a declining population to compensate for the uneven tax revenues across the country (Dahlberg & Rattsø, 2010). According to Korpi (2004) this transfer of money from richer to poorer municipalities is really an economic transfer between generations. Many elderly people stay on the countryside while the young ones leave for jobs in the cities.

But why would young people not leave for the cities? In the book "Triumph of the city", Glaeser (2011) argues that the invention of the city is what makes the human species so successful in developing prosperous societies, and that the physical closeness to others is key in that success. One proof of this is the cities' survival despite the technological development that has made it possible for people to communicate all over the world.

¹ Population decline in rural areas could primarily be a cause of reduced economic assets that could have occurred from centralization induced from a state level. This is not further investigated in this thesis since it falls out of the limitations for content; concerning strategies for handling demographic development on a municipal level.

“Despite the technological breakthroughs that have caused the death of distance, it turns out that the world isn’t flat; it’s paved. The city has triumphed. (Glaeser, 2011, p. 4)

Glaeser states that urbanization is not always profitable for all its citizens and that all cities are not destined for splendor, but overall he believes that people living in cities are generally happier and wealthier than those living in suburban or rural areas (ibid).

Growth

Demographic development is closely related to economic development. As mentioned, tax revenues decrease when the population declines, which makes it harder for municipalities to attract new inhabitants, which in turn will be discouraging for companies seeking a new place to establish. According to Westholm (2004) economic and demographic growth in all parts of Sweden is not the most likely scenario, and taking growth for granted when making local strategies might lead to unsuccessful investments. Predicting the future demographic development seems to be a helpful if not necessary tool in deciding on when and where to make investments. Muilu and Rusanen (2003) claim that an indicator that can be used to predict the demographic future for rural areas is the number of young people living there. They state that if the number of young people living in a rural area is declining, it is likely that a total demographic decline in that area will continue.

Another study made on rural population decline in British Columbia showed that appreciating the role of *place* in economic development could reverse the trend, generating economic and demographic growth. According to the authors this should be accomplished through strategic investments targeting the local assets, specifically linked to that place. In the municipalities under study in this thesis such local assets might include historical features such as closed mines, now used as tourist attractions. However, the chances of keeping up the growth are depending on whether or not the local society gets to benefit from the profits (Markey et. al., 2008).

Planning

Planning for the future is of great importance on all levels of society. The graver the consequences for those who are affected by unforeseen problems, the greater the need for

planning (Nyström, 2003). Municipal health care, for example, would not work without proper planning; a home care visit missed could have acute consequences.

When engaging in municipal planning, needs are expected to be met within three main categories of development: economic, environmental and social sustainability (Andersson et.al., 2013). The most frequently quoted definition of sustainable development is that from the World Commission on Environment and Development's – WCED's – report "Our common future", also known as the "Brundtland report".

"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs." (WCED, 1987)

Many projects do not live up to this vision, and the definition of the concept sustainability is constantly changing. What is sustainable might need to be reevaluated in a context of what a certain place needs with the assets available in a certain time.

Adaptive strategies

In an interview-based case study, performed in rural municipalities in Sweden, four categories of adaptive strategies to demographic decline were identified by Syssner (2014).

- Cutbacks, rationalization and shifting of priorities.
- Trans-municipal collaboration
- Demolition of municipal buildings
- Collaboration with civil society

In the study, informants were generally not keen on talking about the municipality's development in terms of adaptive measures to a declining population. Instead they focused on solving the problems that followed through efforts to boost the economic growth (Syssner, 2014). The strategies identified by Syssner were also found in the cases chosen for this thesis. These will be further investigated in the analysis of the empirical results.

Place marketing

One type of strategy to adapt to the demographic development in rural Sweden is place marketing. The concept of place marketing is now an established strategy to attract visitors or citizens in most Swedish municipalities (Jakobsson, 2009). By presenting images to influence peoples' perception of a place, the hope is to show suitability for a certain purpose. That purpose can be for investment, enterprise, residence or recreation (Ward, 1998).

There are good and bad examples of attempts to market municipalities. As municipalities try to live up to the national expectations of demographic and economic growth, not all attempts are as successful as the one made in the rural municipality of Bräcke in the Swedish north. A case study performed by Niedomysl (2007) showed that efforts to promote growth could be very successful. In the case of Bräcke, a marketing campaign targeting families living in the Stockholm region with children about to start first class in school was performed. The campaign caught the attention of many newspapers and television programs. Flyers were sent out and the message reached many within the target group. This led to a substantial number of families actually moving to Bräcke and settling down there. This type of campaign is a typical example of place marketing.

Niedomysl (2007) means that municipal policy makers might feel a need to act and do *something* in a time of crisis and the results of such efforts might not always be as successful as in the case of Bräcke. There are unfortunately several examples of these types of more or less failed efforts. The documentary moviemaker Martin Borgs has worked with issues surrounding the use (or misuse) of tax revenues in Swedish municipalities. He wrote the book "365 ways of wasting your tax money" which was later made into a documentary movie called "Someone else is paying" premiering in august 2014. In the book, Borgs gives numerous examples of failed attempts of place marketing in Swedish municipalities; ways of "putting the municipality on the map" (Borgs 2014). Some examples mentioned in the book are millions of Swedish crowns spent on projects such as building the largest moose in the world, sponsoring a music festival that a year later went bankrupt and an attempt to attract tourists to participate in historical tours in a grindstone mine that only ended up receiving a few hundred visitors, in total (idib).

Capitals

In rural Sweden, many municipalities struggle with social sustainability. There are also other capitals reducing, apart from social capital, as the population continues to decline. Carle (2007) presents the following capitals, introduced by the sociologist Pierre Bourdieu, that are desirable in the lives of individuals as well as in communities: social capital, cultural capital, symbolic capital and economic capital. Instead of viewing these capitals as something that individual persons possess, I have applied them to what assets the selected case municipalities have. The assets will be defined in the section Discussion of this thesis.

Social capital is having profitable social contacts. In the chosen municipalities for this study the young people in particular are leaving an aging and declining population. This creates a ripple effect as fewer children are born and the population continues to decline. Cultural capital is found partly in music and literature, partly in education and approach. In a declining municipality, the cultural capital is closely connected to the social capital. To gain more cultural capital the municipal leaders focus on attracting young and highly educated persons to reside in the municipality. Westlund (2013) states that a social connection between worker and employer in industrial communities where one main industry employs the majority of the population has created a certain culture. In this culture, known as *Bruksanda* in Swedish, there is a strong bond where the workers are loyal to the company and the company makes sure there are job opportunities for the workers. In the past this culture was profitable for both parties but has over time created a community with poor entrepreneurial spirit.

Symbolic capital is a power structure built up by symbolic values in education, titles or apartments for example (Carle, 2007). Local assets can come to good use in creating a better symbolic capital for the chosen municipalities of this study. Symbolic capital could be gained in developing the recreational assets such as tourist attractions in the mines.

Economic capital is the supply of money and assets that the municipalities have (Carle, 2007). With a reduced number of inhabitants the tax base income for the municipality is subsequently reduced. As young people leave the rural areas a smaller percentage of the population stays in the working force, which also means that fewer companies are likely to establish their businesses there.

Discourse analysis as theory

Discourse analysis aims at understanding the social as a discursive construction. Discourse creates and is created through social norms and values. Language is structured in patterns that we follow when expressing ourselves socially in speaking or writing. Therefore, the term discourse analysis means an analysis of these linguistic patterns (Winther Jørgensen & Phillips, 1999). The societies studied in this thesis are to a large extent shaped by political and economic assets. To find common denominators in these cases the language is translated and analyzed in its context.

How we perceive a situation will affect the decisions that we make. In a municipal lead setting; decisions will take the form of strategies and policymaking. In this report, the word discourse is used in a most open sense, regarding all forms of spoken and written empirical data, as it has been defined by Gilbert and Mulkey (1984).

4. Method

Selection of cases

I have based my selection of municipalities on the “most similar method” described by Seawright and Gerring (2008), where the cases are similar on all the measured variables except for the one concerning the inquiry of the study. In this study the variable of interest is the adaptive strategies these municipalities have (or have not) adopted to cope with the population decline. In order to distinguish these adaptive strategies I have chosen three municipalities that are as similar as possible on all other variables, namely the following.

All three municipalities have shown a significant decline (more than 10 percent) in inhabitants from 1990 to 2013 (Statistics Sweden). They have similarities in historical background, natural resources, job opportunities and proximity to larger cities, as will be shown further in the description of the municipalities.

I decided to limit the number of cases to three. I would not have had time to visit more places than that in the time frame given for this report, without jeopardizing the quality of the results. After considering these parameters I decided on three municipalities located in the mining district of Bergslagen in the central parts of Sweden: Hedemora, Hofors and Smedjebacken.

Interviews

Since I wanted to understand how the municipal clerks and politicians reflect and perceive the population decline, interviews was the best methodological choice. I conducted interviews with two persons in each municipality; the Council mayor and the Chief executive². The length of the interviews varied from 45 minutes to 1 hour 10 minutes and were all recorded. I asked them questions about their current situation and their thoughts about the future. I wanted to find out if they have any adaptive strategies to deal with the long-term demographic decline. Afterwards, the recordings were transcribed and the material categorized and analyzed.

Using interviews as a source of information can in many ways be favorable. For one, it allows for direct observation where subtle moods and attitudes can be noted. It also gives the interviewee the possibility to bring up subjects that the researcher had not thought of asking

² My own translations of the Swedish concepts *Kommunalråd* and *Kommunchef*.

about beforehand; a possibility that is limited or nonexistent in surveys. When using a semi-structured interview technique, one allows the person being interviewed to (partly) shape the form of the conversation. The formulation of the questions might vary depending on the situation, and the interviewee is able to answer more freely in their own words (Teorell & Svensson, 2007). The view the municipality leaders have on the demographic development will affect what decisions they make and how they plan for the future. This is why I chose an interview technique that would allow for the interviewees to describe the situation in their own words; to understand why they have made the decisions they have regarding local development strategies.

The interviews were performed in Swedish and any quotations used in this report have been translated to English by me. The full interview guide is attached in Appendix 1.

Discourse analysis as method

To analyze the material gathered from interviews and texts I have used discourse analysis as a method. By analyzing the discourses used in the interviews from the studied case municipalities I was able to find common denominators, as well as differences, and make comparisons. By making an effort to understand people's attitudes I also gained a better understanding of why they make certain decisions.

Regarding analysis of interview material, different individuals will describe the same event differently. Even one person could have somewhat contradicting recollections of the same event when asked to describe it twice. This means that there is no definite 'truth' in the information gathered from spoken sources. It is, however, possible to distinguish what attitudes lies behind the statements (Alvesson & Sköldberg, 2009).

I have compared the results in each municipality to each other to find common traits and unique occurrences. The findings from the interviews and texts on the website of the respective municipalities were linked to demographic statistics, from Statistics Sweden, and theories on demographic development.

Demographic statistics

To clarify the number of persons actually living in each municipality from year to year, I have examined demographic statistics from Statistics Sweden. I have not only taken interest in the

total number of people living in each municipality, and how that number changed over time. It has also been of importance who the inhabitants are; their age and origin³. The retirement age in Sweden is currently 65 years. Therefore, inhabitants over the age of 65 are usually not contributing to the tax revenues of the municipality. In making strategic decisions and plans, the economic factor is of great importance. I have also included information on the slightly increasing number of in-migrants that have been born in another country.

³ I have decided not to include statistics on tourism, tax revenues and percentage of young people in the population etcetera to limit the contents of the thesis.

5. Municipalities studied

Swedish growth policy

The number of people living in a municipality dictates many of its planning prerequisites, such as tax revenue and needs for public service. Therefore, knowing how the population changes in size and composition can be an important tool in making predictions about future economic and social development.

The Swedish government has for long had a goal of growth and development in all parts of the country. On the government website one can read the following about the regional growth policy.

“Sweden's overall national growth is dependent on growth generated locally and regionally. Competitive, attractive and resilient regions with growing economies are necessary in order for Sweden to be competitive at national level.” (Swedish government, 2015)

In this policy the word growth refers to economic growth, something that is also closely connected to demographic growth. With more citizens come increased tax revenues.

Region

The area where my case study was conducted, Bergslagen, is historically known as a mining district in the central parts of Sweden. The prosperity of mining has had its ups and downs, which has affected the Bergslagen communities largely reliant on this one industry. In the late 19th century, mining and iron production declined as large structural changes took place. Since the 1970's, rationalizations of heavy industries, such as the metal industry, have caused continuous job losses and the region still struggles with the transition from raw material production to services (Andersson et.al., 2013). By the 1980's Bergslagen was considered to be one of the most crisis struck areas in Sweden (Jakobsson, 2009).

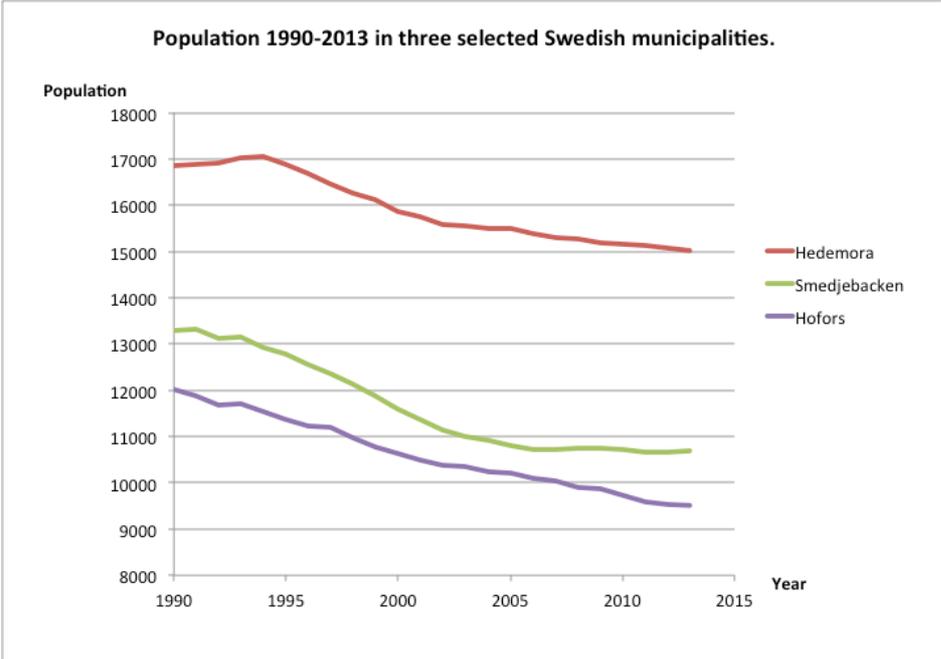
The mining industry has had a great impact on the development of the local communities and has shaped the societies to what they are today (Hedemora municipality, 2014; Hofors municipality, 2014; Smedjebacken municipality, 2012). The history of mining has shaped the communities at large and the labor market in particular. Being reliant on one industry for employment of a big percentage of the citizens can make a municipality more vulnerable. In

an inquiry performed by the analysis and technical consultant company WSP, Sweden’s most vulnerable municipalities were listed based on parameters such as concentration of companies, level of education, percentage of people employed within the manufacturing or building industry and demographic age structure. In this inquiry the municipality listed as number 290 was considered to be the most vulnerable. In 2013, Hedemora was listed as number 140, Hofors 285 and Smedjebacken 253 (WSP, 2015).

Another inquiry, performed by the Confederation of Swedish enterprise, ranked Swedish municipalities based on local business climate. The ranking was primarily based on a survey where over 30 000 entrepreneurs from all over the country participated. Statistics from Statistics Sweden and the business and credit reference agency UC AB were also taken into account. In the ranking of 2013, Hedemora was listed as number 268, Hofors 284 and Smedjebacken 289, where the municipality listed as 290 was considered to have the worst local business climate (Confederation of Swedish enterprise, 2015).

Like many of the rural Swedish municipalities, Hedemora, Hofors and Smedjebacken have experienced a long-term demographic decline. Below is a graph showing the decline in number of inhabitants from 1990 to 2013.

Figure 1, Population development 1990-2013 in three selected Swedish municipalities.



Source: Statistics Sweden.

As shown in *Figure 1* the most dramatic loss of inhabitants occurred around 1995. When the 1990's urbanization process reached its peak in 1996, the population was decreasing in 210 of Sweden's 288 municipalities at the time (Amcoff, 2004).

The percentage of persons over the age of 65, which is the retirement age in Sweden, is slightly higher in the selected municipalities than it is in the country. In the whole country, one sixth of the population is 65 years or older. In Hedemora, Hofors and Smedjebacken one fifth of the population is 65 years or older (Statistics Sweden).

Since 2006 there has been an increase in the number of in-migrants to Sweden that are born in another country. The increase in the quotient between foreign in-migrants and the total number of inhabitants has been almost the same in Hedemora as in the whole country. The increase in this quotient has been slightly smaller in Hofors and Smedjebacken than in the country⁴. This increase has had a small impact on the demographic development for the three selected municipalities since the demographic decline has continued (Statistics Sweden).

In *Table 1* some demographic and geographic descriptives for the three selected municipalities under study are reported.

Table 1, Descriptives for three selected Swedish municipalities.

Municipality	Hedemora	Hofors	Smedjebacken
No. of population centers	7	2	2
Municipal center	Hedemora	Hofors	Smedjebacken
Inhabitants 2013	15 021	9 511	10 691
Population change 1990-2013	-10,88%	-20,93 %	-19,51 %

Source: Statistics Sweden, Hedemora municipality, Hofors municipality and Smedjebacken municipality

⁴ I have created a diagram showing the development in the quotient between foreign in-migration and the total number of inhabitants in the three selected municipalities as well as in the country, but have decided not to include this diagram since the variations from year to year are very large. However, I have been able to conclude that there has been an overall increase in this quotient over time, especially since 2006.

Hedemora

Hedemora is the oldest city in the county of Dalarna. The iron and steelworks industry has been an important part of the municipality's development, and is still a major source for employment (Hedemora municipality, 2015). It is located next to the river Dalälven, which is promoted as a recreational area for fishing and swimming (Visit Dalarna, 2015). Hedemora started a collaboration with neighboring municipalities for promotional purposes in a new website called "Visit Dalarna". This is how Hedemora is described there:

"Hedemora was founded in 1446, and is the oldest city in Dalarna and a well-known place for motorsports. You will find well preserved old wooden house environments, a nice mix of rural and trade districts where the past is as important as the present."

(Visit Dalarna, 2015)

On its website, Hedemora is marketed as a municipality with low housing costs, closeness to nature and a rich cultural heritage where you will experience a high quality of life. The vision for the municipality's future work is to be *"a community with belief in the future, where people and economy can thrive"* (Hedemora municipality, 2015).

Hofors

Hofors municipality is located in the county of Gävleborg. The central town of Hofors was originally a small village that later developed into an industrial community with an economy that centers around ironworks. On its website Hofors is promoted as a municipality with an interesting industrial history, rich with natural resources, and the old mine Stollgången is hoped to attract visitors. The many sports facilities and closeness to grand nature is also presented as positive features that Hofors has to offer (Hofors municipality, 2015).

Hofors is very reliant on the steelworks industry and the private company OVAKO is the largest employer. Hofors is one of few Swedish municipalities where the municipality itself is not the largest employer. The dependency on one industry and one company is what has caused Hofors to end up on place 285 out of 290 on the ranking of Sweden's most vulnerable municipalities, where the municipality ranked as number 290 is considered to be most vulnerable (WSP, 2015).

The vision for Hofors is to be “*kindest in Sweden for living, industry and leisure*” (Hofors municipality, 2015).

Smedjebacken

Smedjebacken is located in the county of Dalarna. Its history is strongly connected to the iron-works industry. Today the mine “Flogberget” is closed and used as a historical tourist attraction (Smedjebacken municipality, 2015).

On its website it is marketed as a municipality with lots of free-time activities available, both sports facilities and nature experiences such as fish and hiking. Available within the municipality is also a 18 hole golf course and a bathing site that is scheduled to open this summer, where part of a lake will be heated with waste heat from the steelworks (Smedjebacken municipality, 2015). Below is a quote from their website, under the headline “Experience and do”.

“The municipality offers a variation of summer and winter activities.” ... “In nature, there are opportunities for cycling, canoeing or hiking - adventure is around the corner!” (Smedjebacken municipality, 2015)

The official vision for Smedjebacken municipality is to become “*central Sweden’s best municipality to live and work in*” (Smedjebacken municipality, 2014).

6. Interviews and observations

Below is a presentation of the results from interviews and observations I made in the three selected municipalities, presented one municipality at a time. In the analysis section that follows, results will be categorized in identified themes and analyzed thereafter.

Hedemora

Hedemora is an old town where the churches, streets and building are reminders of the past. Driving up to the municipal office building I passed many well-kept town houses. Some of the streets were made of cobblestone. Around the corner from city hall I took a picture of the street view shown in *Figure 2*. It is a neat town center even though the February slushy snow made everything look grey.

Figure 2, Street view in the city center of Hedemora



Photograph: Emma Söderberg, 2015.

The day this picture was taken, I performed two interviews: one with the Council mayor and one with the Chief executive of Hedemora. Both expressed a concern with the past and ongoing demographic decline and how it should be dealt with. Most issues, that are an effect of the population change, are dealt with as they appear. There is a three-year plan that addresses these problems but no long-term strategies to adapt to a smaller population. The belief is that the population decline will continue but perhaps slow down (Chief executive

Hedemora, 2015). As many municipalities in Bergslagen, Hedemora has a history strongly connected to the iron and steelworks industry. In some places this has led to a large company claiming a big part of the labor market, but in Hedemora the Chief executive believes that they have managed to make way for smaller companies too.

“There are small or medium sized companies and only a few larger ones. For example we have Boliden’s mine, which is the largest private employer. But there’s a mix of smaller companies, which I think is good, and we are not dependent on one large company.” (Chief executive, Hedemora, 2015)

At the time of my visit, a new department for marketing and communication had recently been set up to create a more strategic marketing of the municipality. Up until then, the unspoken strategy for place marketing had been to provide good living conditions for families with children, who were, and still are, the most desirable in-migrants. Such efforts include providing good schools and preschools, beautiful and affordable housing and lots of free-time activities (ibid).

Even though the municipality prides itself in having good quality schools they have had to make tough decisions to shut down schools as the number of students in each age group gradually decreased. Their biggest concern now is with the local high school, which has also been affected by the free choice students have in what school to go to. Many private schools increases the competition for the students, and the schools’ joint capacity in the county of Dalarna is larger than the actual number of students. This means that many schools have to be shut down (ibid). The Council mayor believes that when such tough political decisions have to be made it is later reflected in the election results.

“It’s not easy to... well it’s defensible, but not easy to pedagogically explain such decisions. The children haven’t expressed any negative experiences of this. We did a survey after a year, and there were one or two remarks on the bus rides, that it took extra time, but other than that most were happy to get into town. Mostly positive. The grades went up as well. I don’t see it as something negative, but we’ve been punished for it, that much I can state.” (Council mayor, Hedemora, 2015)

On the other end of the spectrum, the need for more retirement homes is increasing. There is, however, a belief that more home care and new innovations in technology will be part of the solution to caring for the growing number of elderly. The Council mayor commented on how to deal with an aging population.

"I believe that the geriatric care will develop into more home care, and the technology is developing. I don't know how far they've come on this. When they have home visits at night, a camera might suffice instead, so they don't have to be woken up at three in the morning. But it's up to the caretaker of course. But if I was 80 years old, sick, and in need of home care I wouldn't want them to wake me up in the middle of the night to check if I'm still alive. Then it would be better if they make do with a camera."

(Council Mayor, Hedemora, 2015)

There is no specific strategy or plan to handle this issue except for the recent purchase of a building that will serve as a retirement home in the future. Another problem that the aging population brings is that many elderly people stay in their large houses in the countryside instead of moving in to the city center. According to the Council mayor, many of them cannot manage a move to a new apartment in a central location financially. Often, the monthly payments for a house in the countryside is much lower than the rent would be in a new built apartment, adjusted for the needs of the elderly (ibid). As a consequence, these big houses are kept off the market which means that they will not be available for families with children, who are one of the target groups the municipality wishes to attract (Chief executive Hedemora, 2015).

The closeness to larger cities, and how it has become easier to commute there from Hedemora, was something that was brought up in both interviews. This is seen as a somewhat unutilized resource, and an aspect that could attract more people to relocate to Hedemora. The Council mayor believes that the possibilities to commute will continue to increase and that people will be drawn to the municipality because of this.

"I believe that the closeness to everything nowadays makes it easier to commute. It's even easy to commute to Uppsala now. Borlänge and Falun is no problem either. We have extended the public transportation to Stockholm with one train going there in the early morning and one coming back in the evening. We haven't had that before. It's gotten better [opportunities for commuting]. So I think Hedemora could become more

of a commuting municipality. Many larger cities are so close. I think this can become more of a commuting municipality.” (Council mayor, Hedemora, 2015)

The strive towards an increased number of inhabitants is perceived to be a norm amongst most municipalities in Sweden. However, the long-term demographic decline that Hedemora has experienced has led the Chief executive to a different view on the matter.

”Many municipalities today have very ambitious goals for population growth; ‘we need to get more and more and more people here’; but all municipalities can’t grow! However, we believe here that we need to cherish a sustainable community. Those who live here live here, and they need to have a good life while they live here. That is how we reason. The quality of life must be good here in Hedemora. Then, the number of inhabitants is what it is.” (Chief executive Hedemora, 2015)

Currently, there is much collaboration with neighboring municipalities to manage the administration of all that is required of a municipality by national law, called the local government act⁵. But sometimes the collaboration can be challenging.

”This is much too small a municipality to manage without collaboration with others. The problem is that collaboration today is too complicated. We would like the rules surrounding this to loosen up to enable the buying of services between municipalities. But then you need to create some sort of board and... Things are made more complicated than they need to be. Collaboration is too complicated. The politicians haste here and there like a yo-yo, just to comply to the local government act.” (Council mayor, Hedemora, 2015).

The Chief executive believes that the need for collaboration is increasing.

”Yes, it [collaboration] tends to increase. And there are some services that are difficult and very expensive to tend to alone. The emergency service for example, and some specialized professions that are difficult for a small municipality to present. Then it is much better to collaborate.” (Chief executive, Hedemora, 2015)

⁵ The local government act is a law that regulates the organization and responsibilities of the counties (Swedish: *landsting*) and municipalities (Swedish: *kommun*) in Sweden (SFS 1991:900).

Both of the interviewees in Hedemora believe that future mergers with neighboring municipalities are likely and that this might be a possible solution to handling the demographic development and the struggles that follow (Council mayor & Chief executive, Hedemora, 2015).

Hofors

Many of the apartment buildings in Hofors were built in the 1960's while the population was still growing. Since then, Hofors has experienced a steady decline, which has caused the demolition of many buildings. In *Figure 3* Hofors city hall is shown. This building was previously used for tenancy apartments. As the population continuously declined, it was remade into an office building to avoid demolition. It now hosts the municipality officials.

Figure 3, Hofors city hall



Photograph: Emma Söderberg, 2015.

At my visit in February, the Council mayor and Chief executive in Hofors both displayed a positive attitude towards the future, but conveyed that they make cautious demographic predictions.

Some years ago they received a population prognosis, performed by Statistics Sweden, which showed that Hofors would continue to lose about 75 persons per year in the coming years. In an attempt to prepare for the worst and hope for the best, they decided to raise that prediction

to 100 persons per year, to have a more realistic than opportunistic approach to the future. Every year they calculate a loss of six million Swedish crowns, because of the migration of 100 inhabitants. Demographic prognosis' are constantly on the agenda for Hofors and plans are made knowing that the municipality will most likely continue to loose inhabitants at this rate (Council mayor, Hofors, 2015).

The Chief executive of Hofors believes that the municipality is marked by the fact that it has always been an industrial community. According to him this fact has led to a low level of educational attainment, and a poor entrepreneurial spirit. There has not been a need to open up new businesses or to get a higher level of education “*because work has always been offered at the steelworks*”, but now times are changing.

”I think that it comes from a tradition that many industrial communities have had, that school isn't that important; you can always go down to the steelworks and get work there. But today you can't do that. Today, the modern large companies have high demands on their workers, and people here have yet to adapt to that change.” (Chief executive, Hofors, 2015).

This has led to problems when the large steelworks company in the municipality – OVAKO – has rationalized the production and people have been made redundant. Since there are few other companies around and the demands for education for those being hired at OVAKO are now higher, people are forced to find other means for an income. At the same time, the Chief executive in Hofors wants to stress that the industry has also provided the municipality with many jobs over time and that they have benefited from this (ibid).

”Many who come driving down the hill towards Hofors think that it looks ugly with a lot of rusty pipes lying there. But I have learned to find those pipes valuable. To me, they are like nuggets of gold lying there. So I think that Hofors, which has had a close connection to the iron- and steelworks industry, is rich in that sense. Valuable.”
(Council mayor, Hofors, 2015)

Relying heavily on one industry this way has made Hofors vulnerable to change, and they often appear at the top of the list when the most vulnerable municipalities in Sweden are listed. Hofors is also one of a few Swedish municipalities where a private company employs

more people than the municipality does. In both interviews this was brought up and commented on in the same way.

“Yes, we are one of the few municipalities where the municipality isn’t the largest employer. OVAKO has more employees than we do. We are also at the top of the list of Sweden’s most vulnerable municipalities. Since we are so reliant on that company. Of course it’s a risk in a way, but we usually joke about it and say that we are gladly more vulnerable with OVAKO than less vulnerable without OVAKO. That’s the way it is.”
(Chief executive, Hofors, 2015)

In the two interviews I sensed a certain frustration that the image they believe the rest of the country has of Hofors is quite negative. Even the people of Hofors themselves have expressed dissatisfaction with their hometown (Chief executive & Council mayor, Hofors, 2015). The Chief executive was concerned that many have never been anywhere else, and do not realize how good things are where they live, because *“things are quite good here”*, as the Chief executive said in the interview (Hofors, 2015). The issue with what citizens can reasonably expect to receive from the municipality was also raised.

“It is important to have an open dialogue about what one can expect from the municipality, and to know when a line is passed, and that it doesn’t go that far. Those things you have to manage on your own, you know. I think there are different opinions about this depending on whom you ask. Many believe that the municipality will provide everything, and, well, we can’t. So it’s important to clarify where the municipal line is drawn.” (Chief executive, Hofors, 2015)

Over time, Hofors has had to shut down a number of schools to adapt to a smaller population. Keeping a school with only a few students in each age group can not be supported neither socially nor economically.

“We have had to shut down two here, one in the countryside, where my children used to go, and one high school. And this has happened very recently. The high school only two years ago and the other one about three years ago. But my children told me that we should’ve shut down the countryside school years ago because the students were too few. It wasn’t good socially. It wasn’t good socially or... a school can’t be too small. It won’t be good.” (Council mayor, Hofors, 2015)

By providing lots of sports facilities and outdoor activities, Hofors wishes to attract more residents. The Council mayor (Hofors, 2015) believes that this might interest people in all ages. On the other hand, the supply of other types of entertainment within the municipal borders is scarce.

”But I think most people like it here. Actually. But then let’s put it like this, it’s no disadvantage if you have some interest in sports because then there are LOTS of possibilities. But if you have other, more unusual interests, it’s more difficult.” (Chief executive, Hofors, 2015)

There is plenty of affordable housing in the market, and the unofficial slogan states that there are *“low expenses, for a rich life”* (Council mayor, Hofors, 2015). The combination of having lots of outdoor activities and affordable housing available is something the Chief executive and Council mayor hope will attract families with children in particular. Even though unemployment rate is high, they are sure that increasing possibilities to commute to larger cities will decrease the need to find work within the municipality where people live.

”The young families are the ones that are likely to move here, that feel a need to live near nature with access to all the free-time activities and still be able to commute to larger cities. They want to live inexpensive and good.” ... “More people commute out of than in to the municipality. We want people who live here, where they work doesn’t really matter you know.” (Chief executive, Hofors, 2015)

Apart from making it easier to commute to larger cities for work, increased collaboration with neighboring municipalities is an important part in adapting to the demographic decline. The Council Mayor in Hofors considers collaboration with others a prerequisite for the survival of the municipality.

”We have a lot of collaboration. It’s a prerequisite. We could never do it on our own. We could never manage our own emergency service. Well yes, we could but then it would be at the expense of other things” ... “Now we basically pay for one person but have access to 30 different specialties; we would never have managed that on our own! That’s just the way it is.” (Council Mayor, Hofors, 2015)

Since the municipality is already collaborating a lot with others, the step to merging with one or more of the other municipalities in the area is not far away, though the issue is a sensitive topic.

”A merger with one or more neighboring municipalities is very likely in my opinion. The question is how long it will take. The most benefits from this would be in administration and supportive resources. The way things are now, the smallest municipality has to achieve the same things as the largest municipality in almost everything. That can be tough.” (Chief executive, Hofors, 2015)

One of the most pressing concerns they have for the future is how to handle the growing number of elderly in need of care. Geriatric care is costly, and for a small municipality like Hofors, growing expenditures on this post might prove to be unmanageable. More and more people wish to stay in their homes for as long as they can. This is of course something that the municipality will have to facilitate, even though the Council mayor thinks that the economics of it will be difficult to manage.

”I think we have to realize that everyone who wishes to live at home has to be able to do that. That’s the way it is. Then, if you look only to the economic part of it I learned once that if a person has more than three visits from the home care per day, it will be more costly than if that person would stay in a retirement home. But of course for the quality of life most want to stay at home.” (Council mayor, Hofors, 2015)

Both the chief executive and the council mayor expressed that mergers are inevitable in the long run for municipalities like Hofors, and that issues like future geriatric care might be easier to resolve if the municipalities are a bit bigger (Chief executive & Council mayor, Hofors, 2015).

Smedjebacken

Figure 4 shows the large blacksmith statue that greets everyone who enters Smedjebacken municipality. It serves as a symbol of the history that has had such a great impact on many of the municipalities in Bergslagen. Many of the mines in the area are now shut down, but are still used as tourist attractions.

Figure 4, Statue of a blacksmith at the entrance to Smedjebacken



Photograph: Emma Söderberg 2015.

The Council mayor and the Chief executive both expressed that the future looks brighter than in the past and that the most drastic rate of decline now has slowed, and the number of inhabitants is relatively constant. In general, they view the demographic decline as something that occurred in the 1990's, but now has passed. If one takes a closer look at *Figure 1* one can see that the most drastic decline indeed took place in that period, and that the number of inhabitants has been relatively steady the last ten years. This has made the municipality lead believe that there has been a change in the population decline trend and that the crisis is over. In the interviews, they were unfamiliar with my use of terms like *adaptation* in relation to their development, since they believe there is nothing to adapt to in that remark.

When the largest rate of population decline occurred, Smedjebacken was forced to demolish a large number of rental buildings that were left empty. The Council mayor joined the municipal council at this time.

"When I joined, municipal buildings were demolished at full rate. We demolished 1000 out of 2000 apartments. I think that's a pretty high number. There are huge costs in demolishing things you have built. On the other hand we couldn't keep the apartments when no one was living there." (Council mayor, Smedjebacken, 2015)

As Hofors, Smedjebacken is to a large extent reliant on one industry. Steel industry giant OVAKO does not have more employees than the municipality (as they do in Hofors), but many of the other companies in the area are subcontractors to OVAKO. Therefore, the

development of the company will have an effect on the development of the municipality. OVAKO are not as dominant on the labor market, though, as they used to be.

”OVAKO are very important, but not as important as they once were. They used to have a more predominant role, but they are still important. Not only because of their own large business but also because of all the subcontractors here.” ... ”Of course there is a problem in being so reliant on one industry. If there is a recession in that industry we will get hit hard, but the bright side of this is that we have a relatively low unemployment rate. At the moment.” (Council mayor, Smedjebacken, 2015)

Just as the other two municipalities I visited in this study, Smedjebacken officials are trying to balance the demands they face from their citizens with challenges that the demographic change brings. They believe that there is a lack of awareness among the citizens of what is actually included in the municipal responsibilities.

“I mean, everything isn’t the responsibility of the municipality, there are many others... Some can blame the municipality for not providing streetlights at their house. Yes, but maybe it isn’t even a communal road, then it’s not up to us to provide streetlights. Many of these issues are a matter of information.” (Chief executive, Smedjebacken, 2015)

During the cold winter months, the roads in Sweden get quite slippery. In Smedjebacken they introduced something they call “Sanda för varandra” (“Put sand on the roads for each other”). This passed winter, the municipality filled large containers with bags of sand that people could come and pick up to use on the slippery roads. This was an initiative to provide a service that would reduce the pressure on the municipality to answer to complaints.

”It is called ‘Sanda för varandra’. That’s the idea. So, maybe people won’t have to call here and say that no one has put sand on the streets where they live. Maybe you have a responsibility yourself to make sure there’s sand on the street out to your mailbox.” (Chief executive, Smedjebacken, 2015)

Nowadays the municipality has to deliver the same services they did in the 1990’s while a smaller percentage of the population is of employable age. A cause for concern in

Smedjebacken is the growing number of elderly people that needs care and support from a shrinking number of people in the workforce.

”We have a large percentage of elderly people. That’s the way it is in general, if you look at the age distribution. We have quite a waist [in the population pyramid] when it comes to youths in particular. Not so much kids, but more youths that decide to move away from here.” (Council Mayor, Smedjebacken, 2015)

To tackle this issue efforts have been made to attract families with children. These efforts have not been in the form of campaigns or direct marketing but by, for example, making sure that there are good house lots and free-time activities available. Below is what the Council mayor answered when asked if the municipality have had any special marketing strategy to attract the target group of young families.

”No, not in the form of marketing campaigns. The marketing consists of having good activities and making sure there are job opportunities, having appealing house lots to offer, that’s what will give results I think; not putting up posters in the subway. When it comes to this I think we have succeeded.” (Council mayor, Smedjebacken, 2015)

Something that was conveyed in both interviews is that there is not a long-term strategy to deal with the demographic changes. “Whatever happens, happens” seems to be the strategy; to deal with problems as they appear and not engage in direct place marketing. The Chief executive stressed that she believes there is a problem in most municipalities in Sweden with an aging population, not just in Smedjebacken.

”There are many families with children that have moved to Smedjebacken in the past few years, and that’s a strategy we have had; to attract families with children. In a way I think all municipalities have that as a strategy, based on the fact that the population is getting older and that a new workforce is needed, and all that. We have that waist [in the population pyramid] that everyone has” (Chief executive, Smedjebacken, 2015)

To manage all responsibilities that a municipality has by law, Smedjebacken has a lot of collaboration with other municipalities.

”Yes, there’s a lot of collaboration, mostly with the municipalities in Dalarna. The largest collaboration there is Ludvika-Smedjebacken. We have a joint high school, culture school and integration work. Yes. We have a lot of joint activities.” (Council Mayor, Smedjebacken, 2015)

When it comes to possible future mergers with other municipalities the Council mayor believes that there could be some co-ordination benefits in merging, instead of working with all these collaborations. At the same time there would be a loss of time and money in the actual merging process that he believes is too big of a sacrifice (Council mayor, Smedjebacken, 2015). According to the Chief executive there is a risk of loosing the closeness between citizens and municipality lead, and that there are no apparent benefits to merging with another municipality.

”Well, one should never say never but there are no such discussions, of mergers, here. A municipality of Smedjebacken’s size really has the same mission as a municipality with 100 000 inhabitants. We are here for our citizens. We have this area to work within. If you make that area bigger it will only make all the numbers larger, the mission is still kind of the same. I think that the closeness [between citizens and municipal policy makers] is important and I don’t think there is much to gain on getting any bigger. Then you need more public officials, you need more buildings and all that. So the closeness is what I feel is most important.” (Chief executive, Smedjebacken, 2015)

Both the Chief executive and the Council mayor think that the future looks bright for Smedjebacken.

7. Analysis

In this section I analyze and make comparisons between the empirical findings in the three municipalities. None of the municipalities under study had any explicit long-term adaptive strategies addressing the demographic development, but seemed to make decisions on a short-term basis. In general, the topic of demographic decline and adaptation to a smaller population has been cautiously addressed in all three cases. Neither of the interviewees has been very keen on talking about the out migration and all have made connections to *other* municipalities that have the same problems. Over all I get the impression that it is a quite sensitive subject, since admitting population decline in a way is admitting defeat.

Nevertheless, by talking about the subject more casually in semi-structured interviews I was able to identify several implicit strategies that were the same in all three municipalities. These are analyzed below.

Place marketing

Place marketing has not been very intentional in the forms of campaigns, but rather by creating a society that the municipality Council mayors and Chief executives felt would attract the target group – families with children – and some efforts to boost tourism. Families with children are the main target group in all three municipalities. Place marketing is shaped in a way that will attract them to move there: free-time activities, affordable housing and closeness to both nature and larger cities are examples of things that are promoted on the websites of these municipalities.

Free-time activities

To attract as many new residents as possible, local assets in free-time activities, such as sports facilities, are promoted. This is perceived to be appealing in particular to the main target group. In the case of Smedjebacken there are not any youth centers available but lots of sports facilities, since this is believed to be more appealing to the current and possible future citizens. In Hedemora I was told that the general offering of free-time activities was mostly related to sports.

Affordable housing

Providing affordable housing and desirable house lots is something that the municipalities can affect to adapt to the current needs of the target group. One plausible measure is making sure

that housing is available in the population centers for the elderly, so that families with children can move into the larger houses that many of the elderly citizens now occupy. This has proved to be quite problematic for a number of reasons. For one the population is growing increasingly older and more elderly people are relying on a decreasing working force to support them. There is also an issue with housing costs for the elderly, who cannot afford to move from their house to an apartment, because the rent is higher than the costs for their house.

Commuting

The unemployment rate is high and risk increasing further since the region is to a large extent reliant on one main industry for employment. This means that being able to commute elsewhere for work is a prerequisite for many to make the move to these municipalities. This prerequisite is something that the interviewees were well aware of and the closeness to larger cities was something they all brought up as a benefit. Improving the possibilities to commute is a way of adapting to a changing population.

Shutting down schools

Schools have been shut down as the number of students has decreased. This does not necessarily have to be a bad thing but the Council mayor of Hedemora felt that the residents did not appreciate it, and that the party in power saw an effect by this in the results of the following election.

Demolition of buildings

Demolition of buildings as a result of a decreasing population had occurred in all three municipalities, although the extent of the demolition varied. In Hofors, the city hall was once a tenancy apartment building. In Smedjebacken many municipal owned buildings were demolished when the rate of the demographic decline was at its peak.

Collaboration and mergers

One step towards an adaptation to a smaller number of inhabitants is increased collaboration with neighboring municipalities. Smedjebacken has started collaborating with the neighboring municipality of Ludvika in creating a better environment for businesses to settle and grow in the region. This project is partially funded by the Swedish agency for economical and regional growth (Swedish agency for economical and regional growth, 2015). The

collaboration between many of the small rural municipalities is increasing and many of them cannot manage without it. The step might not be that big from extensive collaboration to a full merger between municipalities. All three municipalities under study expressed that they found future mergers quite likely. Their personal opinions on the matter varied however.

Geriatric care

Handling geriatric care in a society where the percentage of elderly people in the population is increasing, while the percentage of people in the workforce is decreasing is a pressing problem for all three municipalities. This was a sensitive topic to talk about since none of the municipalities had a specific plan to deal with this issue.

Unique occurrences

The unique occurrences in this study are how each municipality seems to perceive their situation. Even though they all act on the problems that follow demographic decline in a similar way, they have displayed different views on their current situation and what the future looks like.

In Hedemora, the Council mayor implied that the solution to some of their future problems might lie in changes and inventions not yet available. Geriatric care for example, might be more efficiently performed with the development in technology, such as monitoring cameras. The Chief executive of Hedemora mentioned future mergers as a positive measure, and something that would be inevitable in the long run. They still recognize that the population is decreasing but that the rate of decline has slowed.

Hofors Council mayor described how the municipality plans for the worst, but hope for the best. Each year they expect a loss of 100 inhabitants. They are frustrated with the negative view they believe the rest of the country has of their municipality. They say that their mission would not be possible to realize without collaboration with neighboring municipalities. The future is still viewed as bright, as they work hard to change their appearance.

In Smedjebacken the municipality leaders believe that the trend has shifted and that the demographic decline has stopped. The growing percentage of elderly persons in need of care is a worry though. The interviewees convey a pride in having turned the development around.

The strategy is to deal with issues on a short-term basis and there is no desire to merge with neighboring municipalities.

8. Discussion

Capitals

With continuous urbanization, the smaller rural municipalities are losing many of their assets. Social capital is lost if few of the inhabitants can, or want to, stay. This leads to a loss of economic capital in tax revenues and loss of potential to provide sufficient public services, which could lead to even more people deciding to leave. Whatever capitals remain are those tied to the place; its history, location and natural resources.

Profitable social contacts are valuable in any society. In the three case municipalities of this study, the communities are relatively small and many of the citizens know each other and have some connection to those who lead the municipality. In Smedjebacken there was a concern that the social capital might be reduced in the case of a possible merger with one or more of the neighboring municipalities. On the other hand, much of the social capital is lost no matter what as the population declines.

Cultural and symbolic capital is available in the forms of history, tradition and location. Historical features are used as place marketing in the municipalities' websites. Hedemora is marketed as the oldest town in the county and old mines, no longer in use, are shown as tourist attractions. This is a recreational capital tied to the place that will remain regardless of demographic decline. These values are important in the marketing of the municipality, which is what is hoped to be a way to attract more citizens. Examples of the assets that the municipalities want to emphasize in their marketing are: closeness to both nature and to larger cities, free-time activities such as sports facilities and nice affordable housing.

The supply of money and assets is an important planning prerequisite for a municipality. This supply is closely connected to the demographic development. When the population is decreasing, and especially when the percentage of people in the work force is decreasing, there is a result of decreasing tax revenues in the municipality. In Hofors, every year's budget planning starts with a deduction of six million Swedish crowns as a result of the predicted loss of 100 inhabitants recalculated into economic capital. A municipality is not meant to have a profit at the end of the year, but with decreasing revenues a plan for decreasing spending must follow in order to have a balanced budget.

Adapting

These municipalities might not have long-term adaptive strategies to handle the demographic decline but perhaps it is impossible, in their situation, to have such strategies. The way they act now might be a better way to avoid enhancing the negative spiral of demographic decline. When a municipality's population is declining, few companies will want to establish their business there, which leads to fewer jobs and fewer jobs will lead to fewer inhabitants. If the municipality lead were to acknowledge that there is an ongoing population decline that it is likely to continue, it might boost the chain of events even further. There is logic in preventing downfall by not admitting defeat.

The number of foreign in-migrants has increased slightly in relation to the total number of inhabitants in the last decade. However, this has not been addressed in either of the interviews as a possible strategy to attract new inhabitants. One could have assumed that this would be a possibility for a new target group of in-migrants but that did not turn out to be the case.

A question that comes to mind is; how long can this development carry on? One way to adapt without giving up could be enhanced collaboration with neighboring municipalities, something that in the long run might lead to mergers.

Future studies

Content of future studies on the subject of adaptive strategies to rural demographic decline might entail a closer examination of the importance of who the in- and out-migrants are. The steady flow of refugees coming to Sweden in the last decade has had a small impact on the demographic development so far, but will it be enough to impact the future development for the rural areas? Who are those moving in to the rural declining municipalities, and what attracts them there?

Another aspect of the problem that I have not had the chance to investigate further is what happens to a municipality that 'admits defeat'. Is it perhaps the most sensible socio-economic decision or will the mere admitting of the problem it worsen the situation further?

9. Conclusion

The hypothesis for this study was that Hedemora, Hofors and Smedjebacken have formulated long-term strategies to tackle the issue of demographic decline and the problems that it brings to adapt to a smaller population. This hypothesis has now been proven wrong since none of the municipalities under study possessed such strategies. Instead, I was able to identify implicit adaptive strategies within the following areas: place marketing, free-time activities, affordable housing, commuting, shutting down schools, demolition of buildings, geriatric care, collaboration and future mergers. I have interpreted these adaptive strategies as implicit since none of the informants have mentioned them explicitly but rather showed signs of them in their actions.

The unique occurrences in this study were how the interviewees perceived their situation. Hofors Council mayor described how they plan for the worst, but hope for the best. The leaders in Hofors starts the year's budget planning by deducting six million Swedish crowns, which is equivalent to the loss of 100 inhabitants. The loss of inhabitants is usually less than 100 persons but Hofors Council mayor convey they want to be on the safe side. In Hedemora, the Council mayor implied that the solution to some of their future problems might lie in changes and inventions not yet available. Such inventions might include technological development that would reduce the workload in geriatric care, where cameras could be used instead of people to check on elderly people still living at home. In Smedjebacken the Chief executive believes that the trend has shifted and that the demographic decline has stopped. There have been some struggles in the past but the Chief executive is now certain that the number of inhabitants in the municipality will not be further reduced.

References

Alvesson, M. & Sköldberg, K. (2009). *Reflexive methodology*. London: Sage publications Ltd.

Amcoff, J. (2004). Befolkningsförändringar kring år 2000. In: Westholm, E., Gossas, M., Amcoff, J. & Korpi, M. *Att leva med befolkningsförändringar*. Stockholm: Svenska kommunförbundet, p. 49-63.

Andersson, K., Angelstam, P., Axelsson, R., Elbakidze, M., Törnblom, J., (2013) Connecting municipal and Regional level planning: Analysis and visualization of sustainability indicators in Bergslagen, Sweden. *European planning studies*, vol. 21:8, p. 1210-1234.

Carle, J. (2007). Pierre Bourdieu och klassamhällets reproduktion. In: Månson, P. (ed.), *Moderna samhällsteorier*. Stockholm: Norstedts, p. 373-414.

Dahlberg, M. & Rattsø, J. (2010). *Statliga bidrag till kommunerna – i princip och praktik*. Stockholm: ESO (2010:5).

Gilbert, G. N. & Mulkay, M. (1984). *Opening Pandora's box – A sociological analysis of scientists' discourse*. Cambridge: Press syndicate, University of Cambridge.

Glaeser, E. (2011). *Triumph of the city*. London: Penguin books Ltd.

Råbock, I. (2010). *Tillgänglighet till tätorter av olika storlek*. Östersund: Growth analysis (2010:10).

Jakobsson, M. (2009). Från industrier till upplevelser – En studie av symbolisk och materiell omvandling i Bergslagen. Örebro: Örebro universitet.

Korpi, M. (2004). En möjlig svensk befolkningsframtid?. In: Westholm, E., Gossas, M., Amcoff, J. & Korpi, M. *Att leva med befolkningsförändringar*. Stockholm: Svenska kommunförbundet. p. 25-48.

Markey, S., Halseth, G. & Manson, D. (2008). Challenging the inevitability of rural decline: Advancing the policy of place in northern British Columbia. *Journal of rural studies*, vol. 24, p. 409-421.

Muilu, T. & Rusanen, J. (2003). Rural young people in regional development: The case of Finland 1970-2000. *Journal of rural studies*, vol. 19, p. 295-307.

Niedomysl, T. (2007). Promoting rural municipalities to attract new residents: An evaluation of the effects. *Geoforum*, vol. 38, p. 698-709.

Nyström, J. (2003). *Planeringens grunder*. Lund: Studentlitteratur.

Seawright, J. & Gerring, J. (2008). Case selection techniques in case study research. *Political research quarterly*. vol. 61 (2), p. 294-308.

Kommunallagen (1991). Stockholm. (SFS 1991:900).

Swedish government official reports (2015) *Service i glesbygd*. Stockholm: Fritzes. (SOU 2015:35).

Syssner, J. (2014). *Politik för kommuner som krymper*. Norrköping: Linköpings universitet (2014:4).

Teorell, J., Svensson, T. (2007). *Att fråga och att svara – samhällsvetenskaplig metod*. Stockholm: Liber AB.

Ward, S. (1998). *Selling places – the marketing and promotion of towns and cities 1850-2000*. Oxford: Taylor & Francis.

WCED. (1987). *Our common future*. Oxford: Oxford university press.

Westholm, E. (2004). Inledning. In: Westholm, E., Amcoff, J., Gossas, M. & Korpi, M. *Att leva med befolkningsförändringar*. Stockholm: Svenska kommunförbundet. p. 7-8.

Westlund, H. (2013). De undanskymda utvecklingskrafterna – Socialt kapital, “platsöverskott” och entreprenöriell samverkan. In: Engström, C-J. *Den attraktiva regionen – En antologi om tillgänglighet och regional utveckling*. Borlänge: Trafikverket.

Winther Jørgensen, M. & Phillips, L. (1999). *Diskursanalys som teori och metod*. Roskilde: Roskilde universitetsförslag/Samfundslitteratur.

Websites

Confederation of Swedish enterprise, *Här finns hela kommunrankingen*, (2/6-2015).
http://www.svensktnaringsliv.se/fragor/foretagsklimat/har-finns-hela-kommunrankingen_570279.html [23/4-2013].

Hedemora municipality, *Garpenberg*, (2/4-2014).
http://www.hedemora.se/kommundelar/garpenberg_536 [15/1-2015].

Hofors municipality, *Kommunen*, (23/1-2014).
<http://www.hofors.se/kommunen.4.635e9de811850ea8c7a8000951.html> [15/1-2015].

Smedjebacken municipality, *Flogbergets gruva*, (14/11-2012).
<http://www.smedjebacken.se/upplevagora/besoksmiljoer/flogberget/historik.4.13aee2dd1259638d31880008567.html> [15/1-2015].

Statistics Sweden

Swedish agency for economical and regional growth, *Pågående projekt*, (26/11-2014).
<http://www.tillvaxtverket.se/huvudmeny/insatserfortillvaxt/naringslivsutveckling/tillvaxtskapandesamhallsplanering/samhandlingvidstorainvesteringar/pagaendeprojekt.4.2d4ad9a1144e334a2e42003a.html> [2/2-2015].

Swedish government, *Regional growth policy*, (13/10-2014).
<http://www.government.se/sb/d/2112/a/236142> [12/2-2015].

Visit Dalarna (27/1-2015). *Upplev södra dalarna*. <http://www.visitdalarna.se/en/sodra-dalarna/hedemora/> [27/1-2015].

WSP (5/6-2015). *Sårbara kommuner 2013*. <http://www.wspgroup.com/sv/WSP-Sverige/Vilka-vi-ar/Newsroom/Publikationer/Rapporter/Sarbara-kommuner/> [05/06-2015].

Appendix 1: Interview guide

Introduction

1. What are the characteristics of this municipality?
2. Why do you choose to work here?
3. What issues take up the most time, and requires the most planning in the municipality?
4. Who are the people living in the municipality today? Describe the population.
5. Who do you think might move here?
6. How has the demographic development affected the municipal politics?
7. What does a good municipal service entail?

Are there signs of adaptive strategies to the demographic decline within specific political areas?

1. **Schools.** How many schools are there? Has the demographic decline had an impact on how the schools are run? Do you perceive the youths to enjoy living here? Do they take part in municipal activities such as community youth centers or different projects?
2. **Geriatric care.** What kinds of living establishments are available for elderly people? Have you noticed a change in the development of health care and care for the elderly? Is there a trend towards more retirement homes or towards more home care?
3. **Transportation.** What kinds of transportation are available to those who commute to work or school? Do you think that there are many who commute to and from the municipality?
4. **Environment.** What efforts has the municipality made to minimize the negative impact its activities have on the environment?
5. **Housing.** What characterizes an attractive housing district? Is there any construction of new buildings going on in municipality? Are such constructions planned for the future?
6. **Entrepreneurship.** How would you describe the entrepreneurial spirit in the municipality?
7. Do you have any collaboration with neighboring municipalities in any of the areas mentioned above?

How do they plan for the future?

1. Are there any planning documents for handling future possible problems that come with the demographic development? Have any strategies been formulated for adapting to a smaller population?
2. Are such strategies viewed differently within the municipality?
3. How likely is a future merger with one or more of the neighboring municipalities? What is your own opinion of such a merger?
4. How does the demographic decline that this municipality has experienced, add up with the idea of growth for all parts of the country that has been formulated by the government?
5. Is demographic growth a likely scenario in this municipality?

How do you view the future for this municipality?