

# SOCIAL CHALLENGES IN SCANDINAVIA

## WHERE IS SOCIAL INNOVATION NEEDED?

This research report outlines existing Social Challenges and offers insights into the areas where Social Innovation is needed in Scandinavia.



**ASHOKA**

# INTRODUCTION

In order to foster the growth of Ashoka, Ashoka Fellows and Changemakers in Scandinavia it is critical to first analyze the local context and identify the most pressing social challenges within the region.

During the spring of 2013, Ashoka Scandinavia completed a Changemaking Tour across Sweden in partnership with Reach for Change. The aim of the tour was to explore the types of challenges and changemakers existing within the country through the perspective of six communities, as well as inspire new changemakers through the stories of leading Social Entrepreneurs. Throughout the duration of the Tour, 165 responses were collected regarding social challenges viewed as most pressing by the participants.

Ashoka Scandinavia has since completed a context analysis of the entire region including Sweden, Norway, and Denmark. Insights will enable Ashoka Scandinavia to seek out and help develop Changemakers, Social Entrepreneurs and Citizen Sector solutions for the alleviation of these challenges in Scandinavia.

Social Entrepreneurs are crucial for solving social challenges and creating lasting system change through their innovative and pattern-changing ideas. They possess and systematically spread changemaker skills – such as teamwork, leadership, problem solving, and empathy – which are crucial in today’s complex society in order to spot and fix the systemic problems. Their qualities and skills enable them to find solutions in creative, ethical and entrepreneurial ways by exercising empathy and striving for social impact on a regional and a global level.

The following research report serves as an initial navigation of the material and systemic problems arising from the most pressing social challenges in Scandinavia – Sweden, Denmark and Norway. It also serves as a roadmap for Ashoka Scandinavia as it develops programs and initiatives to inspire an Everyone a Changemaker (EACH) world, including how we identify leading social entrepreneurs, cultivate young changemakers, connect changemaker schools, and work with thought leaders, businesses, and experts to spread changemaking.

Welcoming you to join us in how we can find solutions to Scandinavia’s most pressing social challenges.

**ASHOKA SCANDINAVIA TEAM**

# SOCIAL CHALLENGES IN SCANDINAVIA

## SWEDEN – NORWAY – DENMARK

### Where is Social Innovation Needed?



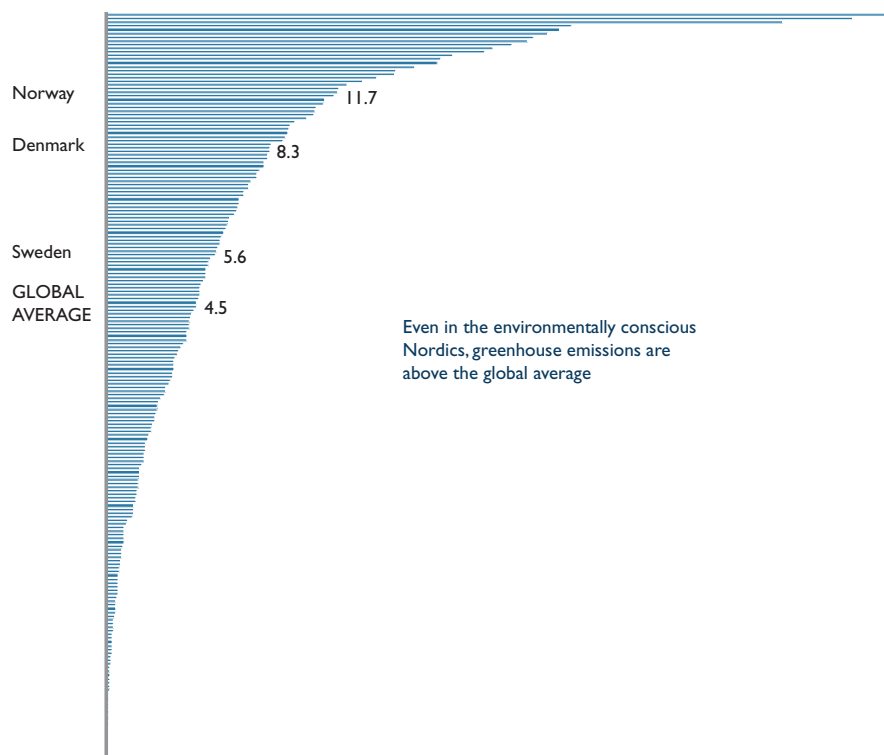
#### I. ENVIRONMENTAL DEGRADATION & SUSTAINABILITY

Land, water and air pollution coupled with increases in climate change contribute to a 1) decrease in biodiversity, 2) deterioration of resources, 3) destruction of ecosystems, and, 4) increases in health risks among animal, plant and human life.

Scandinavia, despite its leadership in environmental protection and sustainability, still faces challenges of environmental degradation. For example, the region's combined CO<sub>2</sub> emissions per capita scales above the global average.<sup>1</sup>

Systemically addressing environmental degradation in the Nordics, for example, can begin with tackling the externalities of production and consumption, which manifest in unsustainable consumption patterns and a slow transition towards the usage of alternative energy resources.

Figure 1: CO<sub>2</sub> Emissions Per Capita by Country (Ton, 2010)



Source: United Nations

1 United Nations Statistics Division, MDG Indicators 2013

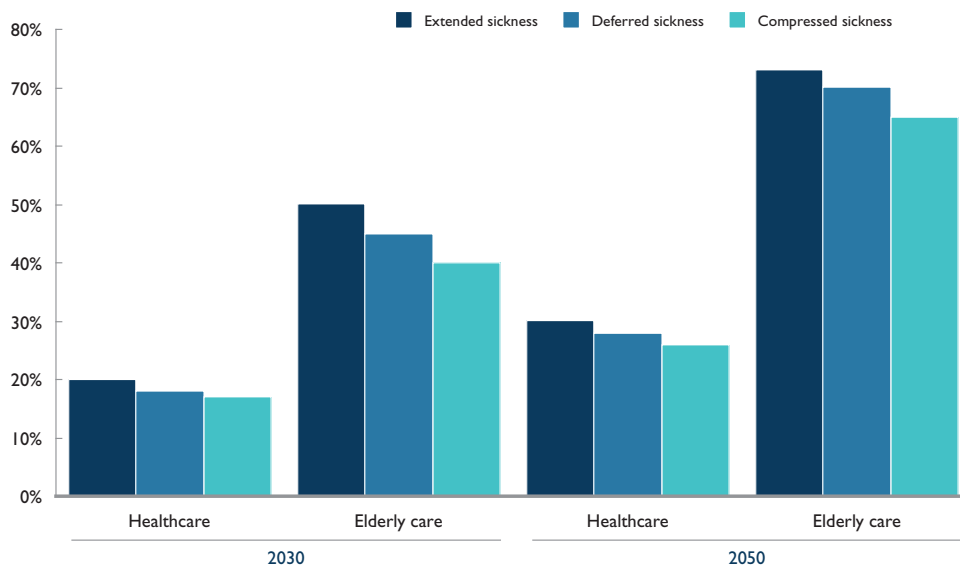


## 2. DEMOGRAPHIC CHANGE CREATES NEW ECONOMIC CHALLENGES

Life expectancies are on the rise in Scandinavia, yet a greater portion of life is spent in retirement – many times living with illnesses or detriments to well-being for longer periods. This comes with new economic and human challenges as a result of an increasing proportion of the population who is aging and in need of social support.

The workforce population available for elderly care as these living generations age may also be scarce in the future. Between 2010 and 2030, the cost for elderly care in Scandinavia for extended sickness is projected to increase by 50%.<sup>2</sup>

Figure 2: Percentage of Increase in Cost of Care: care consumption for years 2030-2050 in relation to 2010 (expressed in 2010's constant prices)



Source: Socialdepartementet. *Den Ljusnande Framtid är Vård – Delresultat från LEV-projektet, 2010*

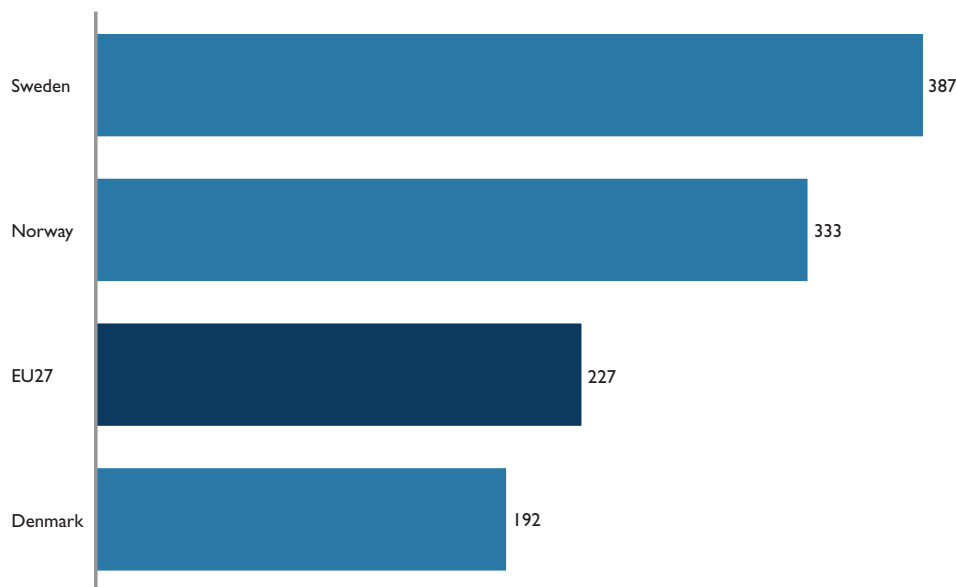
2 Socialdepartementet. *Den Ljusnande Framtid är Vård - Delresultat från LEV-projektet, 2010*



### 3. INTEGRATION OF IMMIGRANTS

On average, immigration to Scandinavia is larger than to a comparable country in the EU. Moreover, the influx of immigrants compared to the size of the region is quite high. For example, in 2011, an average of 304 newcomers per 100 thousand existing inhabitants arrived to Sweden, Norway and Denmark from low income, non-EU countries.

Figure 3: Immigration from Low-Income Countries<sup>3</sup> to Selected EU Member States.  
(Arrived Immigrants per 100,000 Inhabitants, 2011)



Source: Calculations based on Eurostat Population and Living Condition Statistics 2013

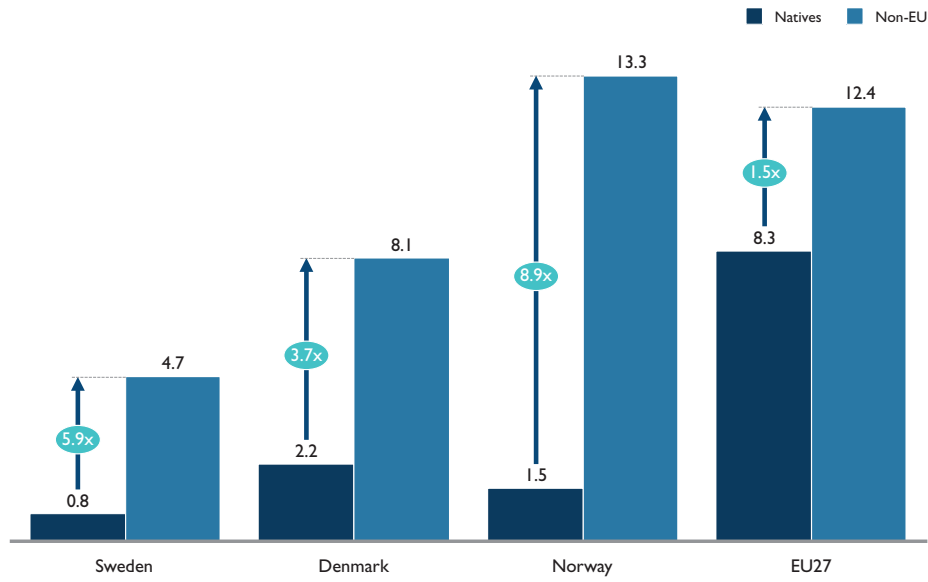
Arriving to Scandinavia from a low-income country may influence the degree to which one experiences material deprivation over time. For example, adult immigrants compared to adult natives in the region experience a higher rate of material deprivation.<sup>4</sup> Newcomers to Scandinavia also face challenges in experiencing social integration and are five times more likely to experience poverty than native inhabitants. Such challenges with integration are varied and far-reaching. For example, a challenge with social integration includes difficulty in attaining employment - such as when one carries a non-Swedish name<sup>5</sup>, placing immigrants at a disadvantage as job seekers.

3 Non-European countries except highly developed countries.

4 Eurostat, *Population and Living Condition Statistics 2013*.

5 Arbetsmarknaden.se, *Utländska namn väljs bort*, 2008.

Figure 4: Percent of Adult Population Living in Severe Material Deprivation (by country of birth).



Material deprivation is higher among immigrants than natives in Scandinavia.

Source: Eurostat Population and Living Condition Statistics 2013

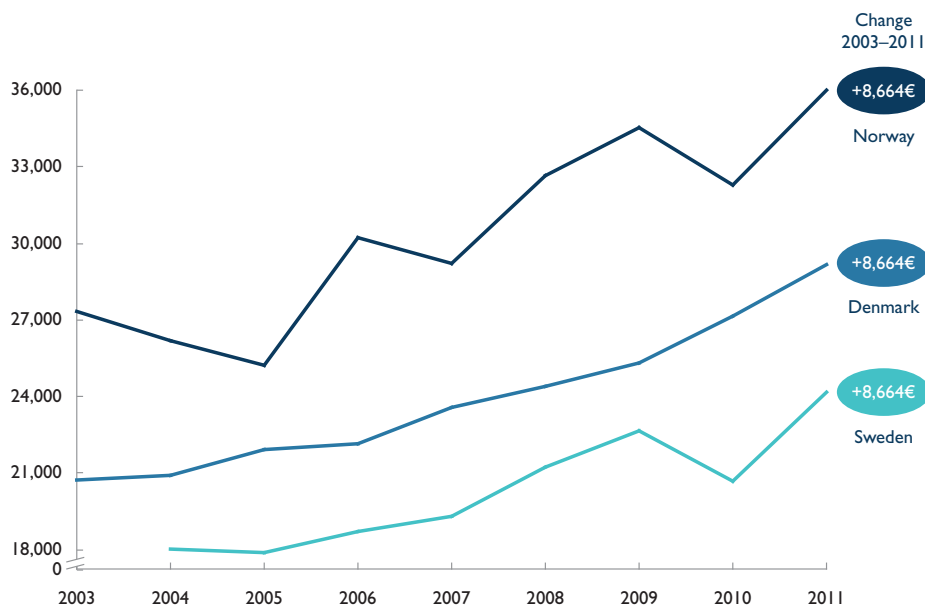


## 4. INEQUALITY & SOCIAL COHESION

Inequalities between socioeconomic statuses, age and education levels are emerging in Scandinavia, creating challenges with respect to social cohesion.

For example, the annual income gap between the highest and lowest incomes (i.e. the 1st and 9th population deciles) increased considerably in Scandinavia between 2003 and 2011 - with increased differences in income of 6,163 Euros in Sweden, 8,475 Euros in Denmark and 8,664 Euros in Norway.

Figure 5: Annual Income Differences between the 1<sup>st</sup> & 9<sup>th</sup> Population Deciles (Euro).



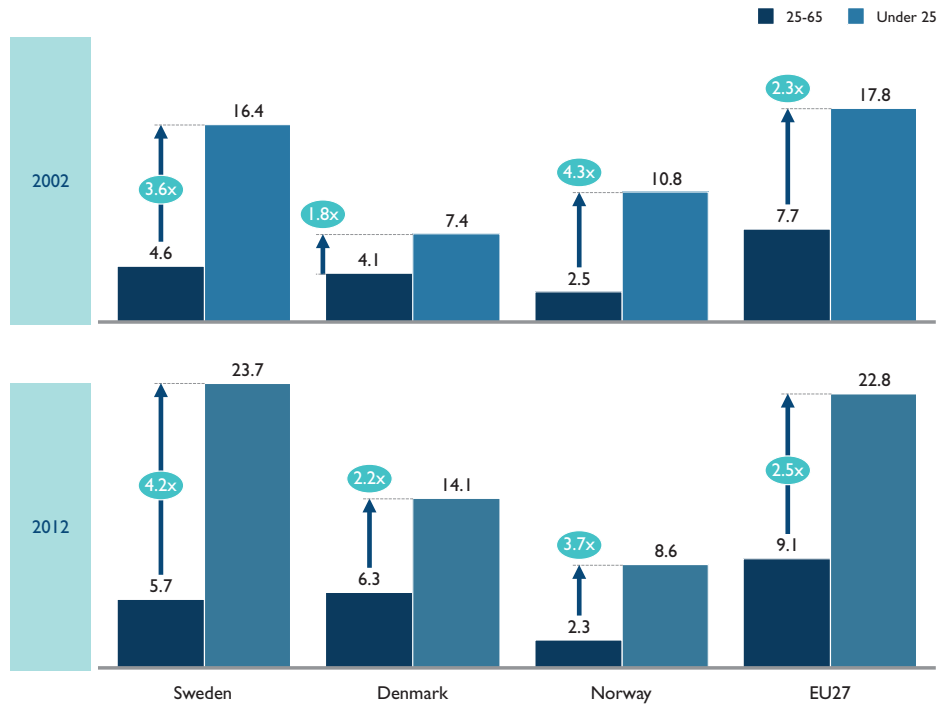
Source: Eurostat

People with higher income are more likely to experience annual growth in their income than those with lower income.<sup>6</sup>

Furthermore, the degree of unemployment among youths is four times higher compared to adults in Scandinavia.

6 Calculations based on Eurostat, *Population and Living Condition Statistics 2013*

Figure 6: Percent of Unemployment in Different Age Groups, 2002 & 2012



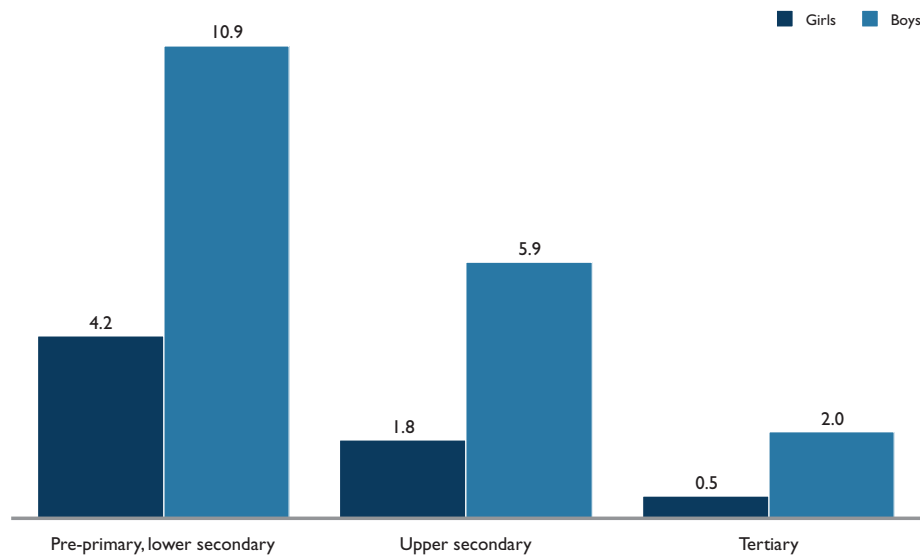
The unemployment gap between young and old is growing.

Source: Eurostat

Moreover, the Educational System in Scandinavia may be benefiting well-educated families. For example, in Sweden, the percentage of 9<sup>th</sup> grade students failing to pass national tests is higher when parents have not completed more than an upper secondary education.



Figure 7: 9th-grade students failing to pass national tests based on parents' level of education (2011, Swedish tests, Percent)



Family background is by far the most important explanatory factor of differences in school results.

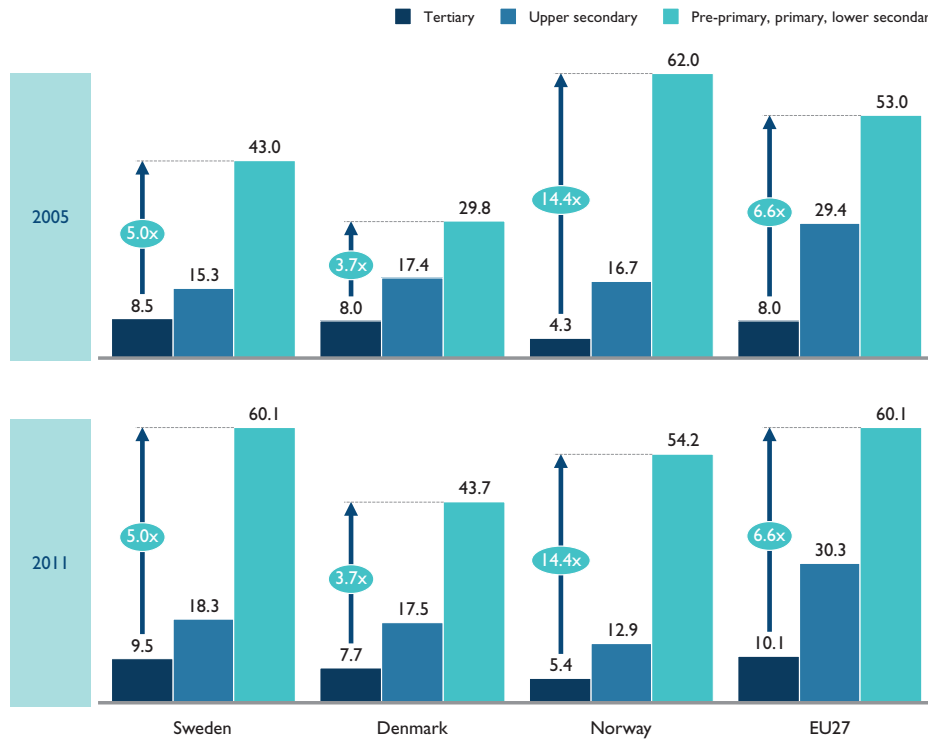
Source: Swedish National Agency for Education, Statistics (Betyg och Studieresultat 2011/12)

Moreover, the educational level of parents in the region influences the level of poverty and social exclusion among children. On average the risk of poverty among children in Scandinavia is eight times greater when parents have not completed more than an upper secondary education<sup>7</sup>, marking a significant increase across the region in comparison to the 27 EU member states.<sup>8</sup>

7 Swedish National Agency for Education (Skolverket), *Betyg och Studieresultat 2011/12*; Eurostat, *Labour Market Statistics*, 2013

8 Eurostat, *Social and Living Conditions Statistics*, 2013

Figure 8: Percentage of Children at Risk of Poverty and Social Exclusion based on Parent's Level of Education.



Source: Eurostat, Social and Living conditions Statistics 2013



## 5. CIVIC ENGAGEMENT

Scandinavia has strong democracies. Sweden, Norway and Denmark rank in the top 10 out of 100 countries worldwide for quality of life and political stability<sup>9</sup>. However, a challenge in the region is civic engagement, especially among younger generations. There is low political participation and a narrow scope in recruiting the future leaders of Scandinavia<sup>10</sup> as well as a non-cohesive “citizens’ voice” represented in government and society.<sup>11</sup>

9 Newsweek, Interactive Infographic of the World's Best Countries, 2010

10 European Political Science Review, *Standby Citizens: diverse faces of political passivity*, Cambridge University Press 2013; DN.se-Debatt, *Unga Politiskt Intresserade Engageras Inte Av Partierna*, 2013

11 European Political Science Review, *Standby Citizens: diverse faces of political passivity*, Cambridge University Press, 2013; DN.se-Debatt, *Unga Politiskt Intresserade Engageras Inte Av Partierna*, 2013

## WHY ARE SOCIAL ENTREPRENEURS AND CHANGEMAKERS CRUCIAL FOR SCANDINAVIA?

Ashoka believes in the importance of social entrepreneurs and changemakers of all kinds in solving these five social challenge trends in Scandinavia. We can see from Ashoka's 30 year history the importance of social entrepreneurs in building movements to solve the most pressing systemic and material problems plaguing society. Social entrepreneurs work to increase changemaking in these areas and it is Ashoka's role in building the field of social entrepreneurship and changemaking to orient society towards solutions in these areas.

## NEXT STEPS FOR ASHOKA SCANDINAVIA

Ashoka Scandinavia uses these social trends as lenses through which we design new programs, search for Fellows, build Venture Boards to nominate new Ashoka Fellow candidates, grow our community, identify new funding partners, and search for innovation within. We also view these trends as an avenue for identifying solutions, which are import for Scandinavia.

For example, in fall 2013, Ashoka Scandinavia launched a Venture Board in Sweden focused on Social Inclusion and a Venture Board in Norway focused on Environment. The groups chosen to participate are comprised of strong nominators to Ashoka who meet regularly to discuss trends in this area and candidates to nominate to Ashoka.

Similarly, Ashoka convened Roundtable Discussions in October 2013, which gathered Scandinavian Ashoka Fellows, Ashoka Support Network Members, key experts and thought leaders in the region to discuss social innovations possible within each of the social trend areas. Each Roundtable was tasked with one of these five key social trends and to determine the systemic problems within each trend and the skills needed to solve these challenges.

We hope that these social challenges can become a useful framework and provide a context where social innovation will be required for other social change organizations and activities in Scandinavia.

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