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# **Co-operative housing in Austria: social innovation 'from above'**

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# Summary

- Background
- Relevance of International Comparison
- History of Cooperative Housing in Austria
- Innovation Support Mechanisms
- Lessons from the Austrian Experience
- Developing Research Agenda

# Background

- This research is part of an extensive comparative study on cooperative and community-led housing between Austria and England
- Started in spring 2013 with a NCVO William Plowden Fellowship and a pilot study on the community-led sector in the English West Midlands (fellowship report to be published in April 2014)
- Austrian Academy of Sciences and Marie Curie fellowships allow in-depth cross-country study from until 2017.
- Collaborative research with Prof David Mullins and the team at Housing and Communities Research Group, TSRC in Birmingham

# Relevance of International Comparison

- Community-led housing has strong connections with the cooperative housing tradition. (Rowlands 2009)
- International experience in this field, such as the well-established Austrian cooperative housing sector, therefore has strong relevance for implementing localism in housing. (Moreau/Pittini 2012)
- Co-operative housing accounts for less than 1% of all homes in the UK compared to Austria with 8% co-operatives and 10% limited-profit associations (Moreau/Pittini 2012)
- This project contrasts experiences of state-led innovation in the Vienna city region in Austria and bottom-up, localist innovation in the West Midlands region in England.



Source: [www.greenwichmeantime.com/images/europe/austria.jpg](http://www.greenwichmeantime.com/images/europe/austria.jpg)

# Community Cooperatives and Grassroot Social Innovation (1918-1923)

- Cooperative housing has roots in self-help settler's movement which tackled the urgent housing problem after WWI.
- Grassroots movement was a driving force behind social and architectural innovations in urban development. (Novy/Förster 1991)
- Broader effort of social organisation beyond state bureaucracy and the liberal market model. (Novy 1993)
- However, movement suffered from inherent scarcity of economic capital from the beginning on. (Novy 1983)
- Community co-operatives were not able to grow and expand significantly through self-help mechanisms alone but required external support by the municipality.



Source: [www.ah-wohnen.at/docs/1/galleries/11/53\\_thumb.jpg](http://www.ah-wohnen.at/docs/1/galleries/11/53_thumb.jpg)

# 'Red Vienna': Top-down Modernisation for the Masses (1924-1933)

- Social democrats in Vienna implemented innovative policies in housing and other social policy fields (education, health care). (Öhlinger 1993)
- Cooperative settler's movement lost dynamic and struggle within social democracy.
- Cooperative model was co-opted by the bureaucratic model of state-led reformism.
- In 1921, settlers contributed to 55 per cent of new public housing, in 1925 only 4 per cent. (Novy 1993)
- Self-organisation was replaced by large-scale public housing → more than 60,000 new units built leading to more socio-economic homogenisation within the city (Förster 2002)
- From 1930 on, conservative national government launched fiscal reforms to undermine redistributive power of local welfare state, ending in a civil war in 1934.



# Professional Cooperatives and State-led Innovations (1945-2000)

- Nazi regime reinforced public promotion mechanism and removed all democratic participation structures (Bauer 2006).
- Professional cooperatives became the main vehicle for state-led social housing provision.
- Social democrats and conservatives – coalition partners in central government – controlled broad sectors of civil society and thus were associated with a range of professional housing cooperatives.
- Corporatist clientelism: Public subsidies were also traded for political support (Matznetter 2002)
- Reforms launched through institutional bargaining between political parties, labour and capital interest groups by conveying civil society demands.
- Creation of a central umbrella for cooperative and non-profit housing favoured isomorphism on organisational level. (Lang and Novy 2013)

# A new Cooperative Settlers' Movement? (1970s and 1980s)

- Political elite and civil society institutions delinked from interests and needs of residents.
- 'Controlled' social experimentation under patronage of large cooperative providers.
- Ongoing skepticism with respect to real community participation in urban development, public and cooperative housing and its standardised architecture.
- Initiatives of several authors, architects and resident groups led to a revival of community principles in housing and foundation of a so-called "New Settlers' Movement".
- Apart from community building, focus of new co-housing and co-operative initiatives were on eco-friendly design and sustainable living (Millonig et al. 2010).
- Apart from a few showcase projects (e.g. Sargfabrik Vienna – see picture), impact of new community-led housing limited and movement came to an end in the late 1980s.



Source: [www.forschen-entdecken.at/uploads/pics/09WrGebaeude\\_AlteSargfabrik\\_WolfgangZeiner\\_b\\_01.jpg](http://www.forschen-entdecken.at/uploads/pics/09WrGebaeude_AlteSargfabrik_WolfgangZeiner_b_01.jpg)

# Towards (Neo)Liberal Governance and Housing Corporations (since 2000)

- Municipal housing finally lost importance compared to cooperative housing (Novy et al. 2001).
- Incoming right-conservative central government attempted a major neoliberal revision of housing regulation after 2000.
- Better access for cooperative housing organizations to private capital markets (Novy et al. 2001; Eckhardt 2006)
- Some cooperatives lost their limited-profit status and reduction of public subsidies for housing (Matznetter 2002).
- Market rationale of governance slowly gained ground in the sector (even in Vienna).
- Increasing service orientation instead of cooperative member orientation.
- Traditional forms of resident participation lose importance.

# Developer Competitions: Institutionalising Innovation ‘from above’

- Not the same mechanism as in English social housing
- In Vienna, competition on specific development sites for cheap land opportunities.
- Developers scored according to architectural quality, economic aspects, ecological quality and also the social sustainability of the projects.
- Social sustainability refers to identity and community building as well as social mix, and increasing tenant participation. (Wohnfonds Wien 2009)
- Evaluation can only be done ex-post. Project teams do not always explicitly propose models for tenant participation. (Liske 2008)
- Benefits seen in reducing construction costs, advancement of architectural innovations leading to better design of communal facilities, combined with ecological innovations. (Förster 2002)
- For the English context, the introduction of social sustainability aspects in developer competitions could institutionalise community-led housing on the policy level and permanently link it to public funds.

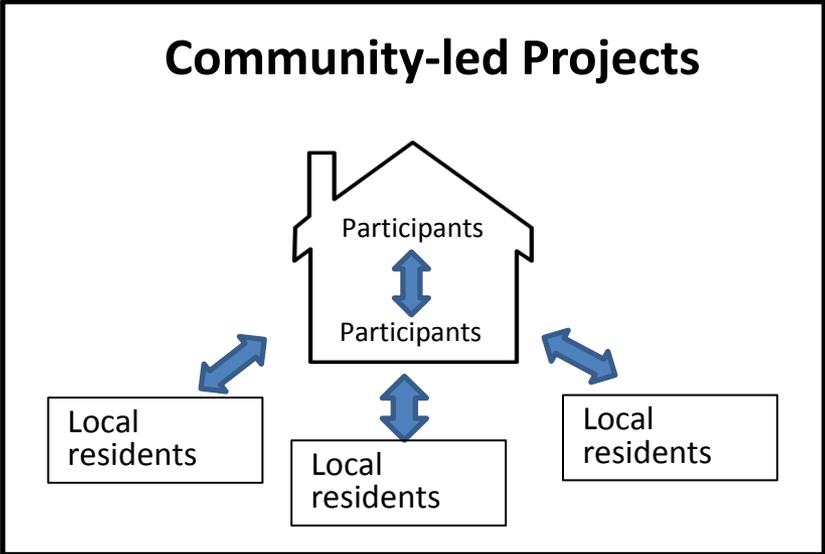
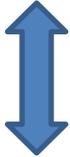


Source: schreinerkastler.at

# Governance Models with External Enablers – International Comparison

## English West Midlands

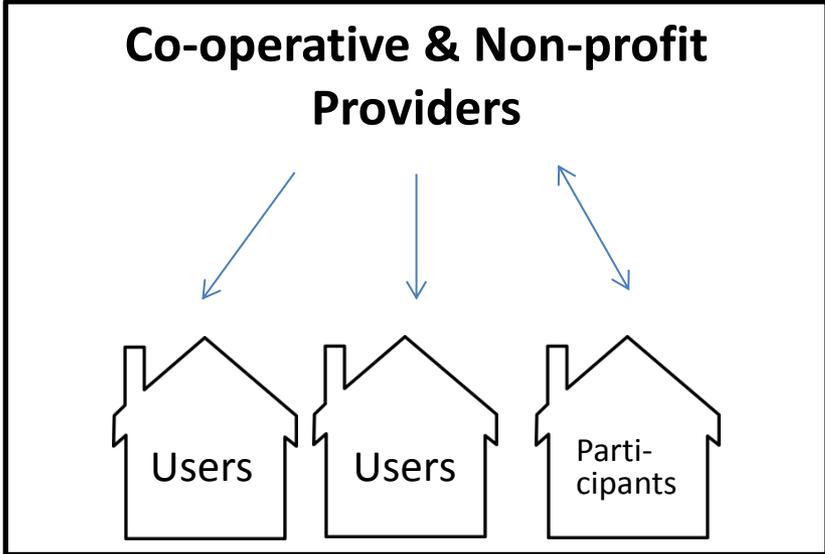
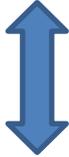
**Housing Associations, Sector Umbrellas (e.g. Secondary Coops)**



## Vienna Region (Austria)

Mainstream Model of Public Promotion in Non-Profit Housing

**City Administration**



# Recent Top-down Participatory Initiatives

- For new urban development projects (e.g. Aspern), the municipality of Vienna started dedicating plots to *Baugruppen*.
- Small scale community projects also initiated by large non-profit and cooperative providers.
- These are rather participatory projects than really community-led housing.
- Long-term goal: private and non-profit providers as certified partners and consultants for *Baugruppen*.
- Co-housing movement seems to operate largely independent from public and cooperative housing but still depending on federal funding.



Source: [www.wohnbund.at/wp/wp-content/uploads/2011/04/mitbestimmung\\_so.vie\\_so.jpg](http://www.wohnbund.at/wp/wp-content/uploads/2011/04/mitbestimmung_so.vie_so.jpg)



Source: [www.wohnbund.at/wp/wp-content/uploads/2014/02/DSCN9285.jpg](http://www.wohnbund.at/wp/wp-content/uploads/2014/02/DSCN9285.jpg)



Source: [www.derlebensraum.com/wohnen/index.html](http://www.derlebensraum.com/wohnen/index.html)

# Lesson I: “Linking Capital” in Vienna

- „Old“ and „new“ community cooperatives are comparatively small, with few vertical linkages to key decisions-makers in housing policy and urban development.
- Professional cooperatives and limited-profit companies have been recognized by local government as the main channels for providing new social housing in Vienna.
- This strengthens their capacity to act as intermediaries between residents and government compared to community cooperatives.
- The strategic partnership with local government has considerably weakened the cooperative character of organizations and led to emphasis on bureaucratic and hierarchical governance.



# Lesson II: Participation is not Community-led

- Limited room for community-led and even participatory practices in cooperative housing in Vienna.
- New community-led housing (i.e. *Baugruppen*, Co-housing) is not a response to the need for affordable housing, but out of frustration with the lack of participatory space in public and non-profit housing.
- Why is community-led housing not taking off in Austria?
- Corporatist system of social housing provision still delivering good quality and affordable housing for large parts of population.
- Public and non-profit providers offer theme-oriented community models (e.g. ecological or multicultural projects) but these mostly lack the cooperative participatory elements.
- Concept of civil society as an “autonomous sphere” from state and market never gained ground in Austria.

# Lesson III: Umbrella Bodies and Isomorphism Risk

- Co-operative housing requires some form of external support, such as that of public housing programs.
- Too powerful and centralised umbrella body and state promotion lead to isomorphism tendencies.
- This runs counter to and actually completely undermines the cooperative principles of self-help and self-organisation.
- Local communities have to experiment with new organisational structures and even umbrella bodies
- Keep and support diversity not only of community-led provider models but also of umbrella bodies within the cooperative movement → basis for social innovation

# Fellowship Research Agenda 2014-2017

- MAPPING evolution of cooperative and community-led fields in Austria and England and constructing meaningful typologies.
- FOLLOWING case study projects and exploring types of linking social capital and institutional design principles adopted.
- SAMPLING contrasting case organisations in the various community-led fields and exploring institutional design principles.
- QUANTITATIVE MEASUREMENT of linking social capital in English West Midlands and Vienna region in Austria.
- COMPARISON of emergent context and institutional responses in Vienna and English Midlands contributes to international review of potential of community led models.