

transformative  
social innovation  
theory

# Transformative Social Innovation: Co-operative Housing

A summary of the case study report  
on Co-operative Housing



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### **About TRANSIT:**

TRANSIT is an international research project that aims to develop a theory of Transformative Social Innovation that is useful to both research and practice. It is co-funded by the European Commission and runs for four years, from 2014 until 2017. The TRANSIT consortium consists of 12 partners across Europe and Latin America. For more information, please visit our website: <http://www.transitsocialinnovation.eu/>.

### **About this Document/ Disclaimer:**

This is a summary of a case study report on Co-Housing. Both, the case study reports and this summary, were guided by empirical research questions based upon a preliminary conceptual framework of the TRANSIT-project. These questions concern inter alia:

1. Emergence of Social Innovation
2. Transformative Social Innovation dynamics
3. Agency in (Transformative) Social Innovation

This summary presents the interpretations of the researchers, and does not necessarily reflect the views and nuances of the initiatives and respondents themselves. For a full account of each transnational network and local case, including interview quotes and expressed nuances by respondents, we refer to the case study report, which is available via [communication.transit@ihs.nl](mailto:communication.transit@ihs.nl). Both the case study report, as well as this summary document, are the basis for future research activities and publications.

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# 1. Introduction to Co-operative Housing

The co-housing movement, in terms of its international networks and regional, national and local institutions represents a clear initiative of social innovation; both for its history and its present. In this sense, this case is interesting for TRANSIT Project due to it enables analyses of TSI in terms of a long-term and scaled-up processes. In other words, the spatial and temporal framework can be enhanced, and also the revision of the concept of TSI (applied to co-housing) could be analyse not only in terms of “recently-developed practices” but also as long-term big-scales re-settlement and adjustment of practices in reaction with: i) changes in the context, ii) emergence of new narratives, iii) and changes inside of the TSI-initiative.

The co-operative housing movement has a long history. The first independent housing co-operatives were formed in the mid-19th century, when Viktor Aimé Huber initiated the construction of several dwellings in Berlin. Many co-operatives which are over 100 years old still exist today and are increasingly widespread in Europe and beyond.

In some countries, co-operative housing has been historically, and still remains, as an important part of the housing market. For example, adding Argentina and Uruguay (in Latin America), there are nearly 2,000 housing cooperatives (for almost 500.000 people). On average, 10% of Europeans live in co-operative housing. They show that living in a co-operative housing provides many advantages in terms of economic, social and environmental sustainability.

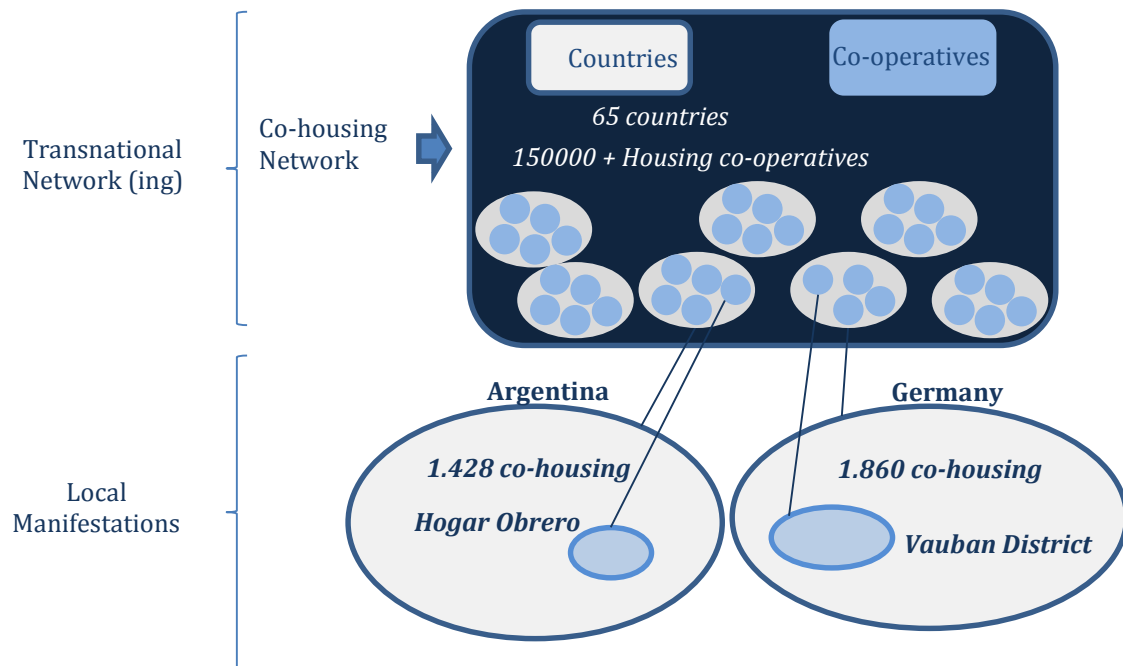
In the full report, three in-depth empirical studies about co-operative housing movement were performed trying to catch a wide-range of phenomena.

The first case is the **International Co-operative Alliance (ICA)** focusing in the **Co-operative Housing International (CHI)** (a whole co-operative ecosystem inside the ICA). CHI counts with 65 countries members (October, 2015), which are more or less active in the networking activities at a global level. CHI is the most representative international network of the co-housing movement in terms of: number of members, history, national associated involved and global influence in policy making. In terms of the temporal framework the case is analyzed for the period 2000-2015.

The first local case study of co-housing is **El Hogar Obrero (Worker’s Home)**, located in Buenos Aires City, **Argentina**. *El Hogar Obrero* (EHO) is a centenary consumption and housing cooperative founded in 1905. During its history (more than one hundred years) EHO built more than 15,000 homes and reached one million members; but due to changes in local and international context, EHO was almost death by the end of '80. Since 2005, EHO re-emerge as an alternative way of production of habitat and right to the city, recovering the learning of its previous history.

The second local case study of co-housing is **Vauban** located in the City of Freiburg, in the state of Baden-Württemberg in **Germany**. Vauban is not a single co-housing project, but a special model district of sustainable living and participatory planning in which several co-housing initiatives could be realized. Legally, Vauban is a newly build district of the city of Freiburg with 2000 housing units for about 5.500 residents. Vauban is a whole, somewhat unusual – and as such very specific and innovative – city quarter which is hosting a variety of different housing projects, with a special focus on citizen-lead building initiatives, ecological living and private co-housing projects.

**Figure 1: Transnational Network and local manifestations**



## 2. The Emergence of Social Innovation

Cooperative housing is a global movement since its foundation in 1895 and therefore, cannot be seen as recent social innovation. The global alliance of cooperatives in general, and in particular housing co-operatives, deals with the goal of foster the generation of social habitat by co-operative action and the own characteristics of each particular social reality in which co-operatives work.

In this sense, the global network works as a big container of different local initiatives. So, social innovation, in fact, is very related to each particular local conditions. However, we can state that in general terms, the social innovation foster by the global network is the generation of new ways of social relations, organized by co-operatives and oriented to:

First, the movement proposes cooperation against competition. That is, their main objective is to strengthen the cooperative values and cooperation between cooperatives at local, regional and international levels. The aim of the movement is no competition and overcoming other (in terms of zero-sum game), but social cooperation for mutual benefit.

Secondly, the cooperative movement despises the spirit of individual gain (in fact cooperatives do not generate profit rate) in order to activate dynamics of economic and social welfare.

So, if the global network is composed by local organization, the analytical attention in terms of TSI has to be focused in co-operative housing in relation whit each actual social context.

*El Hogar Obrero* (EHO) is an institution founded on cooperative values in Latin America, and after 100 years and a bankruptcy on your shoulders, is responsible for more than 50 co-housing projects in Argentina. Against housing policies that leave the access to decent housing to market, EHO says that free association and cooperation are the way to build lifestyles that guarantee the rights of individuals.

In this case, the social innovation can be define as the generation of an alternative mechanism of production of housing and habitat-oriented to cooperative and collaborative inclusion of vulnerable sectors of society, which guaranteed access to the city for low-income groups. To achieve this goal of social transformation, EHO established an framework strategy that linked co-housing construction, credit provision and the expansion of consumption for those groups.

The main aspect of *Vaubans'* innovation is the negotiation process between the city's urban planning office and the strong citizen initiative of Forum Vauban with its diverse aims of a socially just, ecological district. For this reason we have strongly focused on the dynamics of participation, and on the various forms of interaction between the city and the citizens. Vauban is a case in which a city has been venturing something new in the field of city planning not only in terms of technical innovations of infrastructure, but in terms of social innovations – especially trusting in a citizen-lead initiative as an equal partner in the process of decision-making and planning. The city has invited the citizen-lead 'Forum Vauban' to its Vauban district planning council and additionally has co-founded the participatory process of the Baugruppen-building initiatives. When the city started the competition for planning the district, Forum Vauban and SUSI had already been founded.

It can be argued that the citizens had enough time and knowledge to professionally set up their concept so that the city could not work without them. The initiative had a certain degree of publicity in Freiburg and the majority of the activists could build on networks and on previous experiences in political campaigning, environmental expertise, and decision making. The citizens had created their own platform of a social network to plan and create

'their' district. Participatory processes and other disputes around potential investors were responsible for the fact that Vauban, while it had been planned to be finished in 2006 –was actually only completed in 2015 with the last building being realized.

### 3. Transformative Social Innovation dynamics

The main innovative aspect of the International Cooperative Alliance (ICA) and the Cooperative Housing International (CHI) networks is its ability to articulate, coordinate, organize and promote the cooperative movement worldwide. With an international committee and four regional offices, the International Co-operative Alliance brings together the visions, interests and activities in over 100 countries and millions of cooperatives.

Its most important task is to ensure the free government and promote the development of different sectors, including co-operative housing. CHI is responsible for promoting co-housing sector worldwide, promoting technological and social innovation in the field of habitat.

The principal CHI dynamics is an intensive process of identification, articulation, visibility and reflection about the practices of co-housing in a world in order to confront the mainstream ways of production of habitat: the market provision (for middle and high classes) and the Estate provision (for poor-population). In this sense, the TSI dynamics lies in the empowerment of communities in terms of actual decision-making spaces related to where, when and how people want to live.

The solution style developed by *El Hogar Obrero* is aimed to tackle systemic problems, generating empowerment of low-income sectors of society. These systemic solutions are articulated so that the cooperative built his viability. The savings sector allowed the finance loans of EHO, to apply for housing construction and consumption of wage goods. In turn, both operations (savings and loan) allowed EHO to continue the process of building houses.

From a construction point of view, several of the dwellings had cooperative supermarkets in their plants. The building structure of collective housing created the consumption section members, which in turn are funded by the consumption of goods. In turn, the houses design is aimed at reducing hygiene problems and the spread of disease of its users, the design that favors ventilation and sunlight in the spaces.

In the education and cultural activities areas, EHO formed a circle of belonging, he confirmed their narratives and reaffirmed its identity. Finally it is seen a substantial change in the role of users in these two ways of constructing housing solutions. On the one hand, isolated solutions built a passive user, who is the recipient or beneficiary of the actions of another. Instead, on systemic solution produced by EHO, the strategy built a type of active user who is part of a process that must be committed and act as a transforming agent.

The ten co-housing projects in *Vauban* could not be examined in detailed. Nevertheless, we have taken a closer look at Genova. It was one of the precedents in cooperative housing which started the 'participatory wave' of Vauban with the help of the experts of Forum Vauban. Genova has become a stable co-housing project, even though the enthusiastic spirit from the beginning has meanwhile decreased.

In terms of societal transformation, Vauban is a strong model which is still looked at and visited by experts, as well as interested people from all over the world – especially from East Asia. The visitors are attracted by this colorful district, its ecological aspects of eco-housing, the ecological block heat and power plant, the car-reduced infrastructure and the

participatory and builder-lead planning process. However, Vauban's mobility concept has never been politically supported to be copied even inside of Freiburg.

Anyway the cooperatives are changing, for instance they are hit by and react to the social deficits (Argentinian case of El Hogar Obrero) or new forms of cooperative housing, that include private ownership and bottom-up planning by the residents (German case of Vauban). Housing cooperatives are becoming increasingly active in ecological housing intentions and local energy. Housing cooperatives are considered a promising form of sustainable social and economic organisation. For their members, cooperatives represent an opportunity to shape their local communities and environments while sharing resources, knowledge and economic power to their benefit (Schröder et al. 2011). Many local authorities in Germany, look at housing cooperatives as stability factors in the development of quarters development and management, and very important for achieving a sustainable urban social development (ExWoSt, 2007:49).

Housing cooperatives involve different opportunities to contribute to a more sustainable development. The aspect of climate change or energy saving strategies is only recently stressed by mostly new cooperatives within their statutes. Enkeleda (2011) concludes policy mechanisms must enable, facilitate and encourage housing companies as well as tenants to recognize the energy saving issue in their strategy and behaviour. Especially for new housing cooperatives advice, finance, qualification, networking and support are the main elements needed.

The two local co-operative housing cases show how citizens can shape and care for their living environments collaboratively. They care not just for their private houses but for collective, semi-public, and even public spaces in their neighbourhood, because they were involved in planning the infrastructure and they could co-create their house with their previously chosen neighbours.



## 4. Agency in (Transformative) Social Innovation

ICA and CHI do not exercise the agency directly, but through the member countries of the organization. Thus, the greater or lesser capacity to achieve the goals set at the international level depend largely on the ability of local agency of the national members. However, over the years, the different regional offices were evolved in creating mechanisms to influence public policy at the local level, with significant results. Currently, the incidence is a central axis of the cooperative movement.

Throughout more than 100 years, EHO showed a great capacity for agency at different levels. First, from the positioning of the cooperative as a way of organizing people in Argentina and the region and installing cohousing as a form of access to housing for the working class. Second, achieving significant volume production and distribution of goods and services. Third, focusing agency on public policy in the field of co-housing and consumption in different governments since 1905 to today.

The main goal achieved by EHO, in its history, is the empowerment of the working class in terms of the generation of alternative ways of live grounded in the cooperative values, actual exercise of rights, identification of social needs and production/provision of goods and services previously only affordable for middle class. To achieve this goal of social transformation, EHO established an framework strategy that linked co-housing construction, credit provision and the expansion of consumption for working class groups.

In the case of *Vauban*, empowerment was among the main intentions when this new city district was built. In this sense, the city as an actor used to practicing top-down planning was open to a participatory planning process that was strongly and professionally suggested by the citizen-lead Forum Vauban. The process of participatory and citizen-lead planning has caused a number of unforeseen and innovative dynamics. These dynamics developed between the two most important groups of social actors: the City of Freiburg, including political decision makers and the planning department on the one hand, and the citizen initiatives which had become a strong and professional force, concentrated in the “*Forum Vauban*” on the other hand. When the City of Freiburg decided to build the new district in 1993, the citizen-lead initiative of *Forum Vauban* had already been active in setting up their plans and visions. The City of Freiburg agreed to invest an unusually high amount of money into the participation process. With additional funding raised by the *Forum Vauban* registered association, events and speeches on topics of interest for potential future settlers of Vauban were organized. The events successfully brought together interested future home owners and helped them to organize themselves in co-housing groups (*Baugruppen*) according to common interests with regard to construction and housing types. In result, many unusual building projects emerged while the city could benefit from the creative, voluntary power of the population. However, the quarter has also seen a number of serious conflicts.

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