

Tackling the global housing challenges: Relevance and replicability of Switzerland's and Uruguay's housing cooperatives' policies and strategies

A research project funded by the Swiss Network for International Studies (SNIS)

Working Paper 3

Long-term Institutional analysis of national and municipal housing policy processes and outcomes in Switzerland

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ZHAW

26.05.2020

This working paper is part of the research project “Tackling the global housing challenges: Relevance and replicability of Switzerland’s and Uruguay’s housing cooperatives’ policies and strategies”. A research project funded by the Swiss Network for International Studies (SNIS).

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Content

1	The role of housing cooperatives: facts and figures	3
1.1	Housing policy and politics	6
1.2	Types of HC	13
2	History of housing cooperatives	14
2.1	Introduction	14
2.2	Phase 1 (1860-1918): Emergence and survival	16
2.3	Phase 2 (1918-1950): establishment and expansion	18
2.4	Phase 3 (1950-1990): Consolidation	21
2.5	Phase 4 (1990-2020): Re-politicization	26
3	The role of HC Associations	30
4	Housing cooperatives' values, principles, and strategies	32
5	Conclusions	34
-	Bibliography	37

1. The role of housing cooperatives: facts and figures

Switzerland, with its approximately 8.5 million inhabitants, is a country of tenants. Around 58 percent of all households live in a rented flat (Sotomo, 2017) and 37 percent are at home in their own property (house or flat). The remaining five percent reside in cooperative housing schemes. Cooperatives own around 170'000 apartments, equivalent to roughly 4 percent of the total number of apartments.

The geographical distribution of tenancy, homeownership and housing cooperatives is uneven. Home ownership is widespread in rural areas. In large cities on the other hand tenancy is prevalent (76%) and housing cooperatives and home ownership make up roughly 12 percent each (Sotomo, 2017). Of all apartments owned by housing cooperatives 55 percent are located in the ten largest Swiss cities; 25 percent (43'800) are situated in the city of Zurich alone.

Table 1: Number of co-op apartments in the ten largest Swiss cities (2015)

City	Total apartments	Total co-op apartments	Share
Zurich	223'000	43'800	19.6%
Geneva	108'200	5215	4.8%
Basel	98'700	9770	9.9%
Bern	78'700	6960	8.8%
Lausanne	77'500	5838	7.5%
Winterthur	54'500	5897	10.8%
St. Gallen	43'100	3240	7.5%
Luzern	45'800	5625	12.3%
Biel	30'700	4234	13.8%
Switzerland	4'469'500	170'200	3.8%

Source: BWO 2017

Table 2: Distribution of co-op apartments across Swiss cantons (2015)

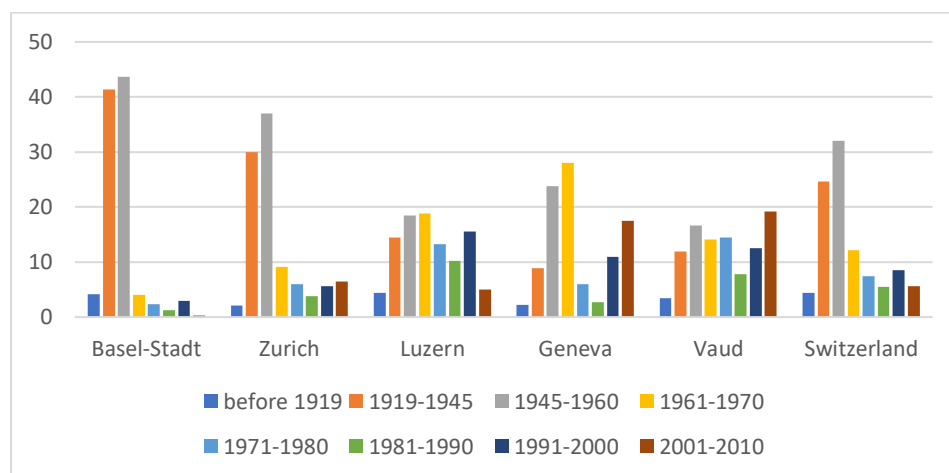
Canton	Total apartments	Total co-op apartments	Share
Basel-Stadt	109'500	11'100	10.1%
Zurich	737'800	69'100	9.4%
Luzern	195'600	14'800	7.6%
Geneva	231'800	9200	4%
Vaud	405'400	12'700	3.1%
Switzerland	4'469'500	170'200	3.8%

Note: Only cantons with more than 3% listed / source: BWO, 2017

The uneven spatial distribution of ownership models correlates with distinct housing typologies. 85 percent of all housing cooperatives' flats are in multi-storey homes compared to 67 percent of rented apartments and only 35 percent of owner-occupied apartments (Sotomo, 2017).

The historical development of HC does not follow a common pattern across the country (see also chap. XX). Rather we can speak of different local histories shaping the emergence and maintenance of HC in Switzerland. For instance, in the cantons of Basel-Stadt and Zurich more than two third of all buildings owned by non-profit housing organizations were constructed between 1919-1960. Whereas in Luzern and the canton of Vaud there is a more even temporal distribution between 1919 and 2010. In Geneva we see a spike after WWII and again an increase after 2000 (see Figure 1).

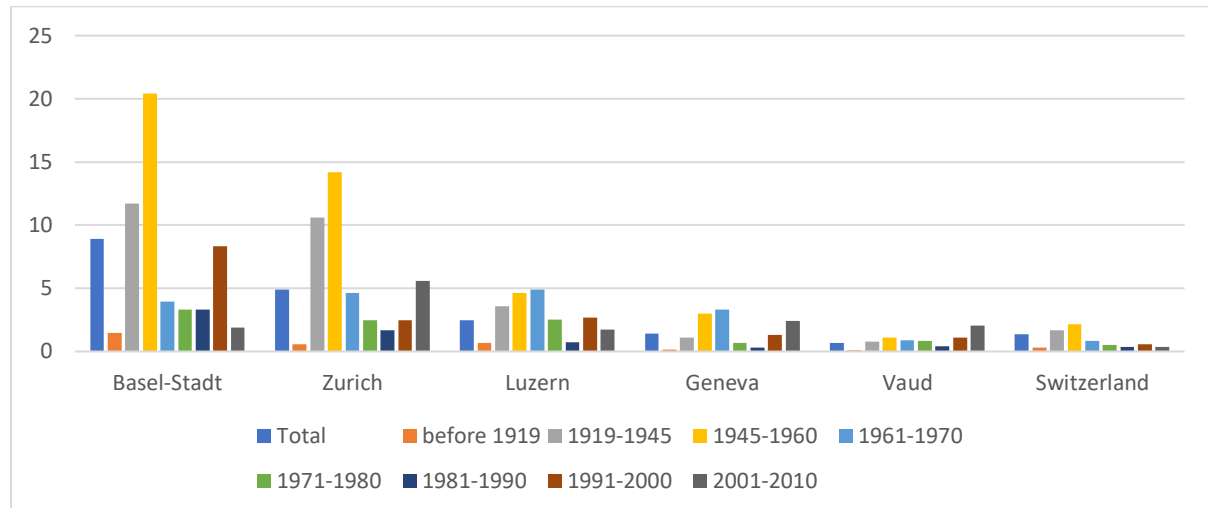
Figure 1: Distribution (in%) of non-profit homes by construction period and canton



Source: Based on data provided by the BWO (see: <https://www.bwo.admin.ch/bwo/de/home/wohnraumfoerderung/zahlen-und-fakten/zahlen-zum-gemeinnuetzigen-wohnungsbau.html>)

If we look at homes built by non-profit housing organizations as share of all building constructed, we see an overall decrease over the 20th century. In some cantons (Zurich, Geneva, Vaud) however HC are again on the rise since 2000.

Figure 2: Share of non-profit housing (in %) of all housing construction by canton and period



Source: Based on data provided by the BWO (see: <https://www.bwo.admin.ch/bwo/de/home/wohnraumfoerderung/zahlen-und-fakten/zahlen-zum-gemeinnuetzigen-wohnungsbau.html>)

In sum, the role of housing cooperatives in the Swiss housing market is limited. They play an important role in large cities but apart from there housing cooperatives make up hardly more than 3-5 % of all apartments.

1.1 Housing policy and politics

The general political framework

Switzerland is a cooperative federal state, i.e. federal, cantonal and local governments share power, resources and competences in a wide range of public policies. The three levels of government cooperate vertically and horizontally. In principle, the cantons are autonomous in so far as “their sovereignty is not limited by the Federal Constitution” (Constitution, Art. 3). The federal level can acquire new powers through constitutional amendment which is by necessity subject of a popular vote and needs to be approved by the majority of the voters and the majority of the cantons.

The domain of housing proper (excluding policy areas such as spatial planning, infrastructure, taxation) is divided into two distinct areas: the regulation of tenancy matters and the promotion of housing construction (Cuennet et al. 2002).¹ The regulatory framework of the relation between landlord and tenant is mainly in the responsibility of the federal level (since the mid 1970s) – and court rulings at all levels.² The promotion and support of housing constructing is a shared responsibility of all three layers of government. However housing policy at the federal level has a very limited range and at the cantonal and the municipal level it is unevenly developed. Struggles around housing unfold in various often unassociated political arenas at the subnational level. Accordingly they often have a distinct local colouring shaped by distinct local political systems and instruments of direct democracy.

Federal housing policy and politics

At the federal level the support of housing construction is codified in the Housing Support Act (HSA) passed in 2003. The goal of the act is to support housing supply for low-income households and to foster access to home ownership. The HSA details four instruments to attain these goals:

- Direct support to non-profit (*gemeinnützige*) housing organizations through loans with reduced or no interest rates.
- Direct support of owner-occupant housing through loans with reduced or no interest rates.
- Indirect support to non-profit housing organizations firstly, by, providing funds for the operating capital (*fonds de roulement*), second by guaranteeing bonds issued by the umbrella organization of all non-profit housing organizations (*Emissionszentral für gemeinnützige Wohnbauträger*) and third, by supporting mortgage bond cooperatives.
- Funding of research and support of best-practice housing projects.

¹ Interestingly, housing as a policy domain has not received much attention from political science or policy analysis in Switzerland so far; it is not mentioned in the main overviews on Swiss Politics and Federalism (such as Linder and Mueller, 2017; Vatter, 2018; Knoepfel et al. 2017). The only monograph on housing policy has been published in 2002 (Cuennet et al, 2002) and covers the federal level only.

² In this working paper we will not engage with this domain (but see: Cuennet, Favarger, Thalman, 2002).

The means of direct support have been suspended in the course of the federal budget relief program by the federal government in 2003 (see: Lawson, 2009; Balmer & Gerber, 2017). But even before this suspension, the federal government did support only a small share of all new built apartments (5-7%) (Hanser, Kuster & Farago, 1995). Hence the federal policy is restricted to indirect means.

The *Fonds de roulement* provides loans to housing cooperatives and other non-profit housing suppliers. It is funded by the federal government and managed by WOHNEN SCHWEIZ and the WBG, the two associations in the domain of non-profit housing. To get a loan several conditions have to be met, such as: The HC has to be member in one of the two associations mentioned above, to be a non-profit organization, and the housing project has to comply to the housing quality standards codified in the *Wohnungs-Bewertungs-System* (WBS)³. There is a maximum amount issued for each apartment (currently 50'000 CHF). Since the introduction of the HSA loans, around CHF45m p.a. have been awarded to non-profit housing organisations supporting the construction of roughly 1500 apartments (ca 3% of total housing production) (Schweizerischer Bundesrat, 2018).

The *Swiss Bond Issuing Co-operative* (Emissionszentrale für gemeinnützige Wohnbauträger, EZW) is a cooperative founded by the housing associations and the federal housing agency (BWO). The purpose of the EZW is to pool equity in order to issue bonds in the capital market at preferential conditions. Through these bonds housing cooperatives get access to capital for their own housing projects.

In terms of *politics*, political struggles over the promotion and construction of housing has been absent at the federal level for a long time.⁴ However, in 2016 the Swiss association of tenants (Schweizerischer Mieterinnen und Mieterverband), the WBG, the Swiss federation of trade unions (SBG), the social democratic party and the green party launched a popular initiative⁵ and put non-profit affordable housing on the political agenda once again. The

³ See: <https://www.wbs.admin.ch/de> [accessed, 3 June, 2020]

⁴ See swissvotes.ch / Note however that tenancy matters have been salient for quite a while.

⁵ Popular initiatives can be launched on all levels of government however based on different regulatory frameworks. On the federal level – where this particular initiative was put forward – the popular initiative is a way to request an amendment of the federal constitution. To launch a popular initiative, 100'000 signatures have to be collected from citizens entitled to vote within 18 months. By signing, people declare the support of the initiative. After parliament has decided that the initiative is valid (which it usually does), the initiative is put to the vote of the People and the cantons.

initiative demanded that (on average) 10 percent of all new-built apartments should be property of non-profit housing organizations. To attain this goal, cantons and municipalities should obtain a preemptive right to buy building land and property.

The Federal Council (Bundesrat) rejected the proposal arguing that in the domain of housing the involvement of the state should be marginal. At the same time, the Federal Council acknowledged that there is a lack of housing supply for certain segments of the population. To tackle this issue the Federal Council suggested to increase funding for housing. The national parliament rejected the popular initiative, too. The initiative was only supported by the left and green parties. But a majority of the national parliament supported the indirect counter-proposal issue by the Federal Council to increase funding of the *fonds de roulement* by another CHF250m for the next ten years.

The initiative came to the vote in February 2020. It was rejected by 57 percent of the voters (turnout 42%). Only in the cantons of Basel-Stadt, Geneva, Vaud, Neuchatel and Jura a majority supported the initiative. Further, the result indicate an important cleavage between cities and rural areas. So in the aftermath of the vote, the liberal newspaper Neue Zürcher Zeitung argued that the “cities should solve their housing problem on their own” (Stadler, 2020).

Cantonal housing policy

When we look at the cantonal level, only nine cantons have adopted a legal basis to support the construction of affordable housing (see the BWO report for the national council 2018): Basel-Landschaft, Basel-City, Geneva, Neuchatel, Nidwalden, Vaud, Valais, Zug and Zurich. With the exception of Nidwalden and Valais, these cantons have in common to be highly urbanised. Following Balmer and Gerber (2018) we can distinguish between five different policy mechanisms: support of non-profit housing developer (1), zoning (2), support of individual non-profit housing projects (3), support of tenants (4) and public housing (5).

Table 3: Housing policy designs at the cantonal level

Canton / Mechanism	BL	BS	GE	NE	NW	VD	VS	ZG	ZH
support to non-profit housing developer		X	X	X	X				

zoning			X		X			X	X
support of individual non-profit housing projects	X	X	X	X		X	X	X	X
support to tenants		X	X			X			
public housing		X							

Source: BWO 2018 / WBG Infopool 10-2019

Geneva and Basel-Stadt have adopted a varied of policy means while others (e.g. Basel-Landschaft) support the construction of non-profit affordable housing on a strictly project-base level. Zoning is a relatively new instrument to foster affordable homes in Switzerland. New zoning rules – mostly as (indirect) results of popular initiatives – are pending or have been implemented in Zurich (on the cantonal level), Lucerne and Bern (both municipal level). Housing politics is not completely absent at the cantonal level but a survey of cantonal votes suggest that struggles over construction of housing and the provision of affordable homes are rarely addressed at the cantonal level.

Housing policy and politics in Swiss cities

If we look at the municipal level (i.e. cities), Balmer and Gerber (2017) identify also a certain degree of variation. In their study covering five cities they find that all cities support non-profit housing organisations and that the support has increased in the last decade or so. The main mechanism are ground leases observable in all cities. However the extent of its use and the impact on rent levels differs. Zurich uses the instrument most extensively. When it comes to the support of individual projects, only the city of Zurich and Basel make use of such instruments (e.g. financial and technical support in project development and buying of land). The financial support to tenants only exists in Basel (among the five cities under consideration). But vulnerable groups receive contributions for housing costs through social welfare programs in all municipalities.⁶ Finally, public housing plays a significant role only in Zurich, even though public housing schemes exist in all cities.

⁶ The difference between financial support via housing policy or social welfare programs lays not so much in the financial benefit of tenets but rather with regard to the policy programme and processes implemented, i.e. the procedures and conditions to qualify for benefits.

Table 4: Housing policy instruments at the city level

City / Mechanism	Zurich	Basel	Bern	Winterthur	Lucerne
support to non-profit housing developer	X	X	X	X	X
zoning	X		X	X	X
support of individual non-profit housing projects	X	X			
support to tenants		X			
public housing	X				

Source: Own summary based on Balmer and Gerber (2018)

To provide more detailed information, we look at the city of Zurich. The current housing policy has its legal and political foundation in a vote in 2011. In 2011, the electorate of Zurich approved in a counter-proposal of the city parliament which was itself as a response to three different initiatives in the domain of housing. The counter-proposal stated that the city government has to develop and implement policies to foster affordable housing. More precisely the proposal sets the target that as of 2050, one out of three apartments in the city of Zurich has to be owned by non-profit housing organizations (such as HC, public property, non-profit foundations). The proposal was supported by 76 percent of the voters (turnout 43%).

Based on this vote, the city government came up with an encompassing housing policy program based i.a. on the following means:

- The city buys land and/or houses either to expand public housing or to lease the land and/or houses to other non-profit housing organizations.
- The city (including the city-owned foundations) actively plans and develops public housing projects.
- The city captures increasing property values due to planning (*Mehrwertabschöpfung*) by defining – amongst other things – a share of non-profit or subsidized apartments on that land.

- The city supports non-profit housing through different financial means (direct financial support to housing projects, support to housing organizations, supportive calculations of land value when leased to non-profit housing organizations, support to individual apartments)
- In ground lease contracts between the city and non-profit housing providers, the city defines an appropriate share of subsidized apartments to be built and maintained.
- The city provides targeted housing support for asylum-seekers.
- The city government takes ecological, social and economic goals into consideration when it replaces or renovates its housing stock.

The historical analysis of HC in Switzerland demonstrates that housing policy and politics emerged first in cities. In the absence of an effective federal or cantonal housing policy, the main political level in the domain of affordable housing was and still is the municipality.

The politics of housing differ between layers of government; but on a general note, the promotion of housing construction has become turned into a widely supported political demand again mainly in cities in the last decade (Balmer and Gerber 2017). Political parties and organizations on the left rally for a more expansive promotion of affordable housing in cities but also in urban cantons. The proposals focus on the supply-side of housing pushing for more public and cooperative housing even in cities and cantons where subject-oriented policies (with demand-side subsidies) were in place.

What is also apparent is the urban-rural divide in housing politics. This divide can be interpreted in different ways; Economically, the housing shortage is (and always was) most salient in cities as is the increase in rents and land prices; in a more socio-structural perspective, urban and rural populations differ significantly when it comes to policy preferences such as the role of the state and the importance of equality. From a political agency perspective political organizations in cities – in contrast to rural but also suburban and periurban areas – are numerous, influential and capable to mobilize political support. What is more they often compete for the same members/voters with similar political platforms. Hence these - mostly green-leftist - organizations act in a politically very competitive environment. This means in concrete terms that political organizations in cities have to campaign and remain visible in order to sustain.

1.2 Types of HC

Cooperatives are membership-based legal corporations (Körperschaft). The main goal is to promote and to secure the economic (and social and cultural) interests of its members through collective self-help. In contrast to other corporations (such as public/private limited companies or public holding companies or public-sector companies) the voting power of its members does not depend on the amount of shares. The one-person-one-vote-principle of cooperatives induces a strong democratic imprint. In principle cooperatives need to be open for new members and, if there are conditions to become a member, they should not be obstructive.

With regard to housing cooperatives we can distinguish between residential housing cooperatives (Wohnbaugenossenschaften / WBG) and housing construction cooperatives (Baugenossenschaften /BG). They differ in their membership-base: The members of the WBG are individual persons (or households). The members of the BG are building companies. The WBG build apartments to house its members, while the BG build houses (based on a cost-rent-model) to generate revenues for their members as they construct the houses.

In terms of residents, the BG are generally more open as tenancy is not conditioned on membership. Within the group of WBG, Pattaroni and Marmy (2016) suggest to make a further distinction between residential cooperatives (coopératives d'habitation) and cooperatives of residents (coopératives d'habitants). The difference is that the former are more detached from its members than the latter. The authors add an additional dimension which refers to the social and political goals of the cooperatives. Based on a survey in the canton of Vaud they show that the older cooperatives are, the more traditional are their values, while young cooperatives pursue often more innovative goals and are more participatory in their organizational practice.

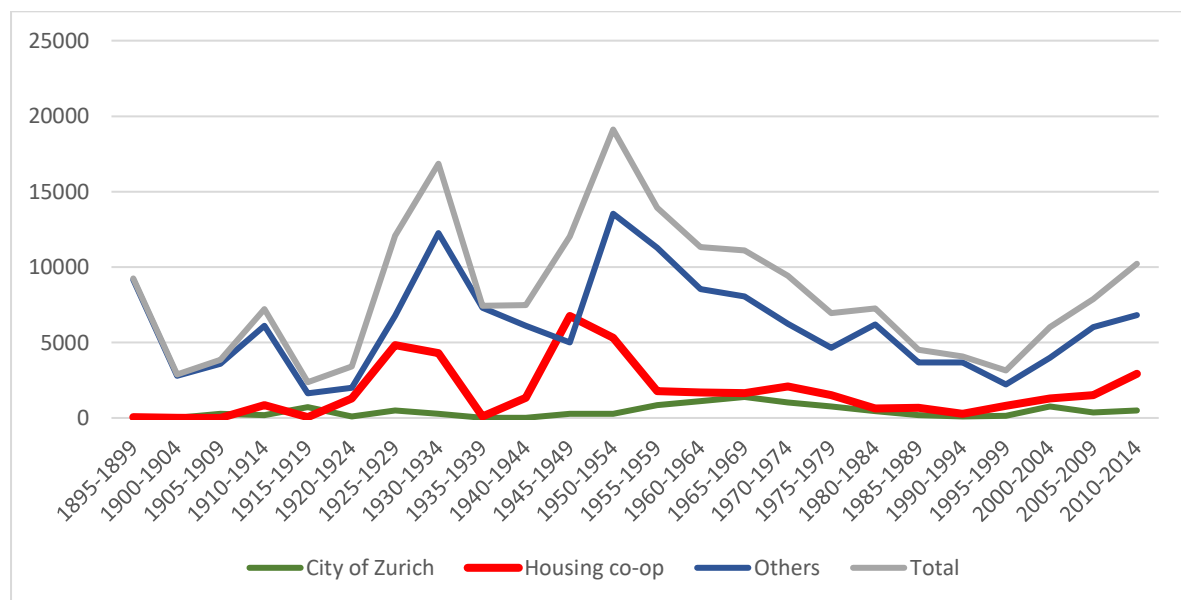
2. History of housing cooperatives

1.3 Introduction

Housing cooperatives (HC) have a long and uneven history in Switzerland. Their role differs in time and space. This is due first to the federal structure of the Swiss national state where the local and cantonal political level was – and still is to a large extent – mainly responsible for housing policy. Second, the housing cooperatives' values, principles and strategies have changed in the course of the last, say, 150 years. This transformation cannot be understood only as reactions to external developments (legal regulations, economic development, dramatic housing shortages and devastating housing conditions etc.) but also as an effect of organisational changes within housing cooperatives themselves.

In what follows we will focus mainly on the history of housing cooperatives in Zurich (Switzerland). Zurich is a frontrunner in the cooperative housing movement and has established a wide and expansive range of different policies. Further, the cooperative housing movement in Zurich is well established and also well documented.

Figure 3: Number of built apartments by type of builder (in Zurich)



Source: Statistical office of the city of Zurich

Figure 1 displays the production of apartments by type of builders. On a general level, the figure shows that before WWII the production of housing was very volatile. For instance, between 1895-1899 more than 9000 apartments had been built and in the five years to follow that number decreased by more than 6000 to a total of less than 3000 built apartments. Such a rapid shift occurred in WWI and after the global financial crisis of the early 1930s again. After WWII the development of housing follows a more steady pattern. Until 1955 the number of built apartments increased rapidly. Between 1955-2000 the number of built apartments decreased slowly but steadily to reach a minimum with 404 newly built apartments in 1997. Since then the number of built apartments grows again at a steady pace.

The contribution of housing cooperatives changes over time. In the period between 1895 and 1919 housing cooperatives built around 1000 apartments which made up around 4 percent of the whole housing production and which is less than the public housing schemes construed by the municipality of Zurich. In the following thirty years however housing cooperatives built 1 out of 3 apartments in the city of Zurich reaching an all-time high in 1948 with 1800 apartments.

After that housing cooperatives never gained the same importance at least in quantitative terms. From the late 1970s up the mid-1990s, the cooperative production of apartments nearly sank into insignificance. In these two decades the number of apartments built by housing cooperatives rarely exceeded ten percent of the total production of apartments. This is in part due to the population decrease in cities (i.e. suburbanization) and the rather passive reaction of HC to this development. In the last twenty years, however, housing cooperatives regained traction. Housing cooperatives were responsible of 1 out of 4 newly built apartments since 1995.

Based on this strictly quantitative perspective on housing, we divide the history of HC in Zurich into four distinct phases:

- Before 1918: Housing cooperatives emerge as organizations in the housing market. Their contribution remains limited.
- 1919-1950: Housing cooperatives become a significant provider of homes.
- 1950-1990: Housing cooperatives consolidated as organizations and reduced their building activities.

- 1990-now: Housing cooperatives re-start to build new apartments and homes.

Our narrative on these four phases focuses on the HC's contribution to the supply of homes and the (external and internal) conditions explaining their contribution.

1.4 Phase 1 (1860-1918): Emergence and survival

Short summary: Between 1893 and 1918 HC built roughly 1000 apartments in Zurich that amounts to 4 percent of the whole housing production in this period. In the late 19th century, the housing question becomes subject of urban politics and, as a reaction, public policies to tackle the lack of decent housing were developed. In this political juncture, housing cooperatives emerged as an heterogeneous group of organizations trying to provide housing for the lower classes and the poor. Most of them were short-lived due to an obstructive (political and/or financial) environment or due to internal impediments.

In the second half of the 19th century, industrialization and urbanization led to a massive influx of workers into cities and towns. There was a sharp increase in people per apartments mainly in the working class neighbourhoods. Tenancy became dominant in the housing market and housing conditions deteriorated mainly among the poor segments of the population. In the late 19th century, housing became a problem of public concern and field of political struggle (Kurz, 2008, 47-70; Fritzsche, 1977; Fritzsche and Lemmenmeier, 1997, 191-198; Kurz and Maurer, 2015; Lawson, 2010).

The city government of Zurich addressed the housing question for the first time in 1894 (Schnüriger, 1990; Kurz, 2008). As a reaction to homelessness the Stadtrat (City Council – the executive branch of the city) proposed measures to mitigate problems related to the housing market. One measure was to conduct an housing survey following the example of Basel (Kurz, 2008, 80) and other Swiss cities (1889 in Basel, 1894 in Lausanne, 1896 in Zurich, Winterthur and Bern, 1897 in Luzern) (Kurz and Maurer, 2015). The surveys revealed the often devastating living conditions for large parts of the population and the lack of affordable apartments.

At this point, the city of Zurich began to implement an active land policy; in 1896 the city bought 22 hectares of land at the Friesenberg (Nigg, 1990; Balmer and Gerber, 2017). But it was not until 1907 that the city built its first public housing units (Housing estate Limmat I) after a fierce political campaign (Kurz, 2008, 80). In the same year, the municipal charter was

supplemented by the following passage: “The city promotes the construction of healthy and affordable dwellings as well as the building of “Logishäuser” and shelters for the homeless” (Schnüriger, 1990, 10). In 1910, the city adopted the first housing policy principles including means for the support of non-profit housing schemes (transfer of land, loans and purchase of cooperative shares) (Schnüriger, 1990, 12).

The more active role of the city government was in part also a reaction to the failed attempts in the private sector to provide decent housing for the poor. In the middle of the 19th century housing cooperatives – or their precursors – emerged in different cities. These organizations were far from homogeneous and most of them were rather short-lived. The emergence of some of these organisation went hand in hand with the formation of numerous political organizations related to the workers movement at that time. The federation of trade unions was founded in 1880, the social democratic party in 1888, and tenant organisations in 1891 in Basel and Zurich. Some proponents, spokesmen and members of these organisations were eventually elected into office in different citie. Most notably for Zurich was the election of Emil Klöti 1907 in the City Council. He was the main promoter of an active housing policy in Zurich including the support and expansion of housing cooperatives. He was also the first president of the federal housing association (WBG).

Ruf (1930) identifies the first housing settlements for “the poorest amongst the workers” in Basel in the late 1850s built by the “Basler Gesellschaft zur Förderung des Guten und Gemeinnützigen (GGG)”⁷. It is from this point onward that similar private construction societies (Baugesellschaften/Bauvereine) began to build affordable housing units. In Zurich the Grosse Stadtrat (City Parliament, the legislative branch of the city) listed the following seven such companies in its commission report on the “Arbeiterwohnungsfrage”(workers’ housing question) in 1898 (Ruf 1930, 32):

- Aktiengesellschaft für die Erstellung von Arbeiterwohnungen (1860)
- Aktienbauverein (1872)
- Genossenschaft Eigenheim (1890)
- Zürcher Bau- und Spargenossenschaft (1892)

⁷ The GGG was founded in the late 18st century by members of the social and political establishment of Basel (e.g. Isaak Iselin) and it still exists. The GGG was inspired by the enlightenment and pursued often progressive programs (or policies one might say) later taken over by the state.

- Genossenschaft Daheim (1895)
- Westheim (1898)
- Genossenschaft des Zürcher Mietvereins (1898)

As Ruf (1930) points out, only few organisations survived and maintained their non for profit, social utility (gemeinnützig) in the time before WWI. And only few of them were housing cooperatives owned by the tenants themselves and were put in place by- or for workers. A big share of these organisations were led by the city's philanthropic elite. Lindig (1979, 107-108) even claims that the early HC were not at all connected to the workers movement as workers made up only a small share of the members and the price of shares was rather high and thus unaffordable for people from the working class.

The first HC were experimenting albeit mostly unsuccessfully with different modes of financing forms of organization and relations to the local government and bureaucracy as a reliable and supportive legal, financial and political framework were not yet in place (Bächi, 1943; Klöti, 1930; Ruf, 1930). What is more, the housing cooperatives were often confronted with conflicting values between liberation of the working classes and their integration into the bourgeois society in terms of the value of private property against the common good, dominant gender roles and the active fostering of self-reliance in contrast to community organisation and solidarity (Kurz, 2000 and 2008; Capol, 2000).

In sum, from the mid-19th century up to the outbreak of WWI the housing question became a problem of public concern in cities. City governments, philanthropic clubs or other civic society organizations began to produce knowledge and data to capture housing as a field of political intervention and struggle. In Zurich the city government established policy measures and an active role in the provision of affordable housing. Further the government adopted instruments to foster private but non-profit housing schemes.

1.5 Phase 2 (1918-1950): establishment and expansion

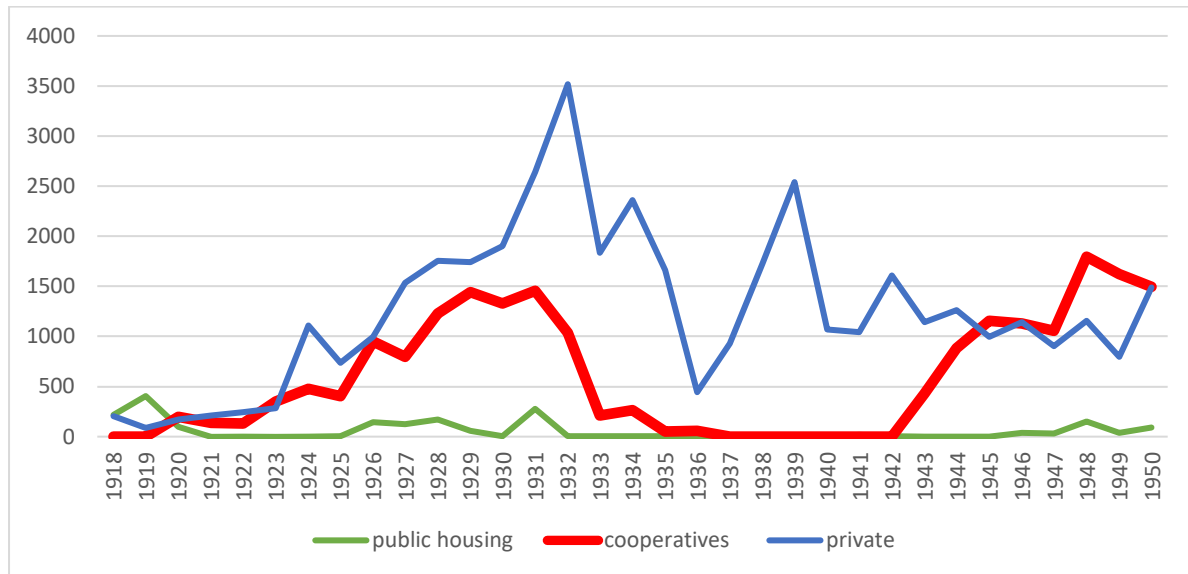
Short Summary: In the second phase (1918-1950) the HC built around 20'000 apartments in Zurich (31 percent of the total). All levels of governments helped to establish the political, legal and financial framework for the housing cooperatives to become important actors in providing housing for the lower middle and working classes. Their goal was – supported by the city

government (“Rote Zurich”) – to build housing units outside speculative markets. They began to build large and impressive housing complexes (Kolonien) but also single-family units for their members. At the same time, the housing cooperatives facilitated the (social) integration of the urban working class into the Swiss society.

At the end and after WWI class struggle dominated Swiss politics. The pre-emptive occupation of the city of Zurich by national military forces provoked the general strike in 1918 which shocked the whole country (Kurz, 2008). Strikes were widespread and the political situation remained heated. One major field of political struggle was housing as there was a dramatic housing shortage.

Despite the tight financial situation, the city of Zurich built public dwellings from 1917 onwards (Kurz, 2008, 228; König, Kurz and Sutter, 1997, 301) partly subsidised by the canton and the federal state (Klöti, 1930). However, the public housing effort was not enough to mitigate the housing problem. After the federal council eased the wartime rent regulation in the mid-1920s rents soared up to 150 percent (König, Kurz and Sutter, 1997, 302). Protests initiated by tenant organization were widespread and well-attended. And as the federal subsidies were cut entirely in 1924, the city of Zurich adopted the guidelines to support non-profit housing supply (Richtlinien zur Förderung des gemeinnützigen Wohnungsbaus) which are in principle still in place as of today. In this guidelines the city eased the conditions for HC to get mortgages equivalent to up to 94% of the capital investment. In addition the city takes 10 percent of the cooperative shares and that the city can give land to HC on a leasehold basis with a renewable duration of up to 90 years. It is from this point onwards that the HC contributed significantly to the housing production in Zurich (Schnüriger, 1990; Klöti, 1930). In the years between 1924 and 1932 they built more than one-third of all apartments in Zurich.

Figure 4: Number of built apartments by type of builder (1918-1950)



The strong support of the city government helped to establish HC as not-for-profit housing providers. But the city government also strengthened its influence on the HC. Emil Klöti, the council member responsible for housing policy at that time, made it clear early on that “cooperative housing can only become a steady activity ... if it is connected tightly to the municipality and the state” (Klöti, 1920, cited in Lindig, 1979, 109). This connection was subsequently established through detailed rules and regulations (i.e. representation of the city in the executive boards of the HC). Arguably the HC became a de facto part of the city government increasingly dominated by the social democratic party who by 1928 held a majority in the city government as well as parliament. It was the period of the “Rote Zurich” (Lindig, 1979; König, Kurz, Sutter 1997, 265-66).

Some of the housing estates built in this period represent the pride and ambition of the HC convincingly. See for instance the early projects by the Allgemeine Baugenossenschaft Zürich (ABZ)⁸ Ottostrasse (1927), Sihlfeld I (1928) and Entlisberg (1928). The HC also departed from the dominant housing development patterns (Blockrandbebauung) in Zurich towards a more modern understanding (see Koch et al., 1990): less density, building of gardens, orientation towards the sun, building of community infrastructures. It is in this period that the Zeilenbau became a dominant pattern. But also in terms of architecture the (politically aware) HC established ideas and practices that should help to foster the cooperative housing

⁸ The ABZ is the largest HC in Switzerland.

movement (see Koch et al., 1990, 38). Especially the use of colours and paintings should produce a certain atmosphere and should distinguish the cooperatives' housing estate from the grey-coloured private ones.

However, the strong ties to the municipality and the ruling social democratic party also detached the HC from more radical forces within the workers movement congregated more and more within the communist party founded in 1921 (König, Kurz, Sutter, 1997, 257; see also the history of Fritz Brupacher and his comments on the social democrats in this era, König, Kurz, Sutter, 1998, 290-292). In terms of housing this became apparent when the communist party and the social democratic party launched popular initiatives at the canton level in the domain of housing in the mid-1920s. The communist party claimed a right to housing for all people without an apartment and that the state should provide necessary housing (SZW, 1927, 1). The social democratic party demanded financial support from the canton for the building of modest apartment (SZW, 1927, 2). The social democrats withdrew eventually their proposal in support of a counter-proposal promoted by the cantonal parliament which was based on the social democrats' initiative but foresaw a smaller amount of financial support. Both proposal came to vote in February 1927.⁹ The communist proposal was rejected by roughly 80 percent of the votes while the counter-proposal was accepted by roughly 60 percent.

In 1950, the Swiss voters rejected the extension of the federal support of housing initiated in 1942. A short episode of housing promotion supported by all three layers of government came to a temporary conclusion.¹⁰

1.6 Phase 3 (1950-1990): Consolidation

Short summary: In the third phase (1950-1990) the housing question moved from the urban core to the agglomeration due to suburbanization (and eventually periurbanization). Housing cooperatives maintain their position in the city and some of them even tried to get a foothold in suburban areas. The contentment of the class struggle after WWII, the nearly full (political and social) integration of the (Swiss) working classes and the federal legislation on housing

⁹ https://wahlen-abstimmungen.zh.ch/internet/justiz_inneres/wahlen-abstimmungen/de/abstimmungen/abstimmungsarchiv.html?tag=13.02.1927

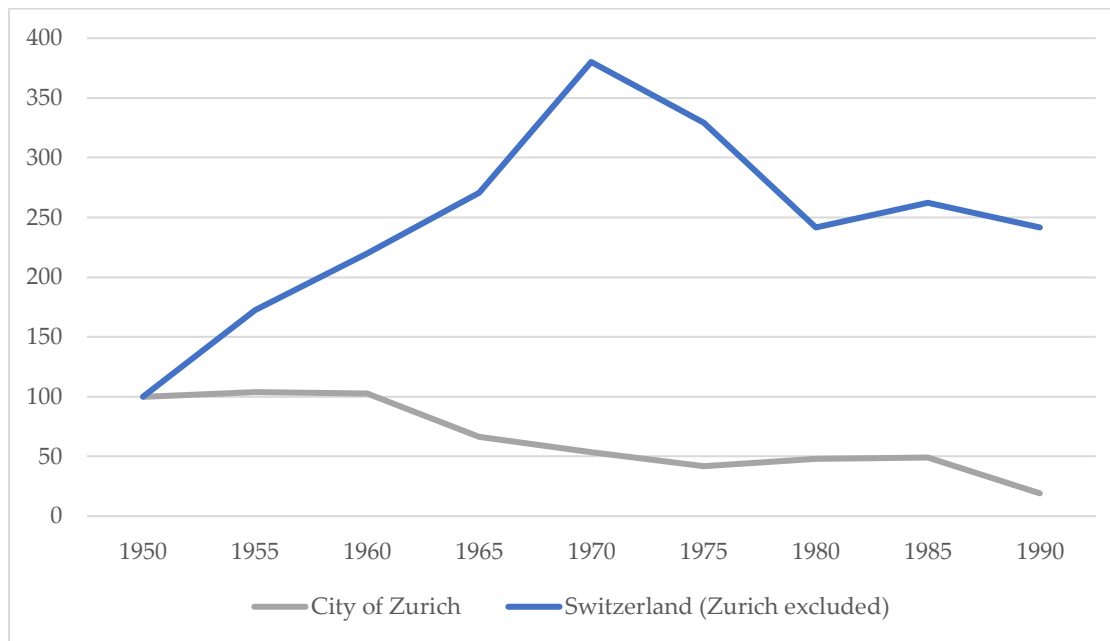
¹⁰ <https://swissvotes.ch/vote/150.00>

support enacted in 1975 led eventually to the depoliticization of the housing cooperatives movement in this period.

After 1945 housing construction became a driving force of the economic boom in Switzerland. The increased demand for (bigger) apartments and detached single-family houses (due to smaller households, increase in marriages, immigration and increasing salaries) exceeded supply by far. In 1950 20'000 new apartments had been built (1 out of 3 by housing cooperatives) in Switzerland. Within 20 years the number of new-built apartments had tripled surpassing 60'000 in 1970 (1 out of 10 by housing cooperatives). The private for-profit sector started to dominate housing production as expected profits from real-estate markets began to climb (Nauer 1976). However, spatial development was geographically uneven in this period.

Figure XX shows the number of new-built apartments between 1950-90. In the city of Zurich the number decreases rapidly over time from 3000 apartments in 1950 to less than 600 in 1990. The picture is different when we look at the development of apartments in Switzerland (Zurich excluded). The building of apartments peaked in 1970 with more than 60'000. From this point onwards the figures decrease to less than 40'000 in 1990. The difference in development between Zurich and Switzerland is due to suburbanization (and eventually periurbanisation) stimulated by new transport infrastructures and the territorial restructuring of the economy (Schuler 1994; Bassand...). Thus, the growing demand for new homes and flats was mainly met outside the core cities.

Figure: 5 Number of new-built apartments (1950=100)



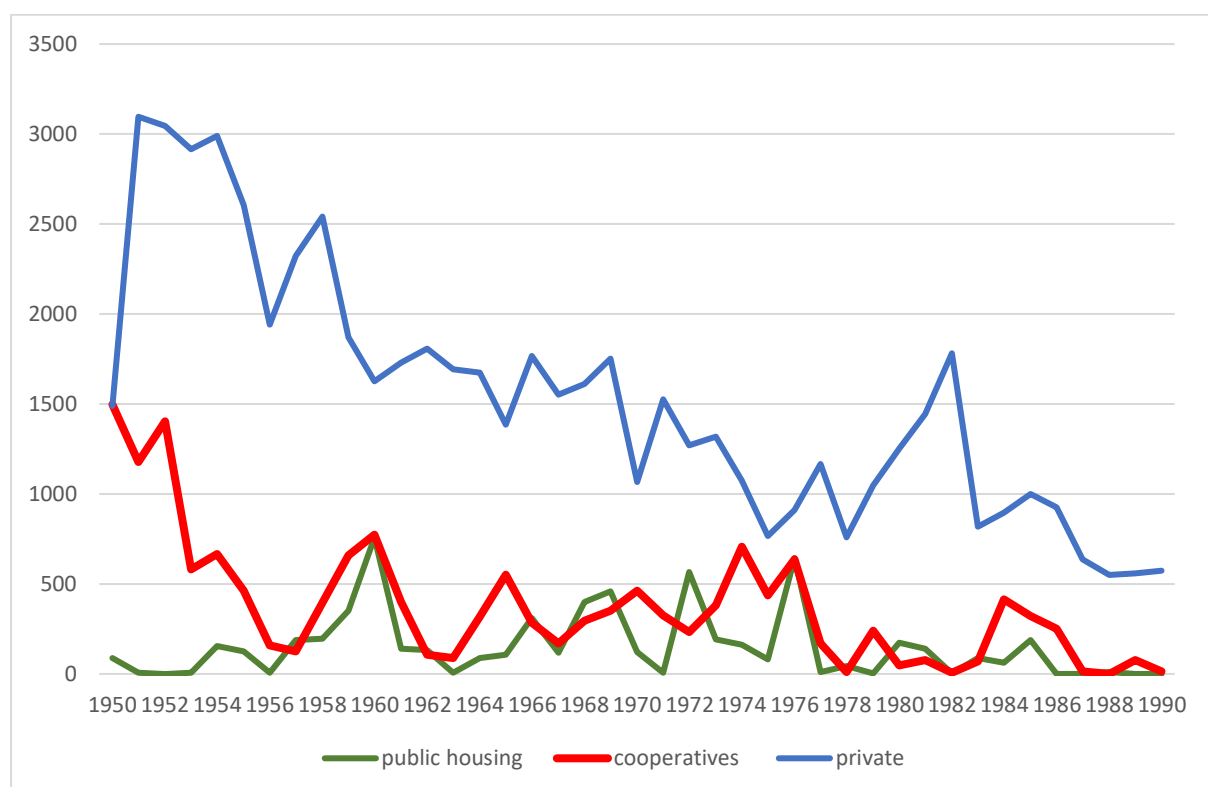
When we look at the city of Zurich we not only observe the steady decrease of housing production between 1950 and 1990. More important for our purpose, the share of apartments built by HC also decreased significantly from 50 percent in 1950 to around 2 percent in 1990 – of course with some spikes in between. Yet, the trend was evident; private for-profit companies became more dominant in building new apartments while HC were mainly occupied with maintaining or eventually replacing their existing housing stock (see also Schmid, 2005).

The main explanation for this trend is that building land had become increasingly scarce and as a result ever more expensive. Under these circumstance housing cooperatives were less able to build houses at a reasonable and affordable price. [This is especially true for areas in the core of the city and less so at the fringes (Altstetten, Höngg, Oerlikon, Affoltern, Seebach and Schwamendingen) where HC still built numerous smaller and larger housing complex.] The city of Zurich reacted to the increase in land price in 1966 when they adjusted the basis for calculation of the rate of interest on public land leased to HC from the principle of market value to the principle of investment costs (i.e. before the city had to calculate the interest rate based on the assumed market value of the land; now the city calculates the interest rate based on a ratio of the total cost of the housing project (Anlagewert)).

Yet, another explanation points to organizational barriers. Schmid (2004) for instance argues that existing members of a housing cooperative were rather reluctant when it came to

building new houses and apartments. For one, they are afraid of economic risks. But in addition some members wanted to maintain the (perceived) homogenous community and as a result reject the inclusion of new – maybe more affluent or non-Swiss resident – members. In turn, those HC which actually developed new housing schemes in or outside the city became more similar to private developers in terms of the organizational practices, political ambitions but also with regard to the architectural and urban design (Banz et al., 2016; Kunz & Maurer 2015).

Figure 6: Number of new-built apartments in the city of Zurich (1950-90)



In terms of policy, the focus shifted from the local to the national level as despite intense housing production, the ratio of empty flats never exceeded 1 percent between 1950-1970 and rents soared (but so did salaries). The lack of housing in general and affordable housing in particular gave rise to political demands from different actors. Up until the 1970s, the federal housing policy consisted of sporadic funding but a stable program including guaranteed funding never emerged (Lawson, 2010). As a reaction to popular initiatives put forward in the late 1960s and early 1970s the federal government developed a new housing policy. In 1972, an new article was added to the federal constitution. From now on, the promotion of housing became a permanent responsibility of the federal government. Based

on this article the federal government passed a federal law to foster the construction of affordable homes and to promote property of apartments and houses in 1974 which came into force 1975. The federal law provides financial guarantees (Bürgschaften), repayable advances (Vorschüsse) and non-refundable subsidies (à fonds perdu Beiträge). Based on this law, the federal government subsidized around 40'000 flats corresponding to 7 percent of all flats between 1975-1995 (Kunz & Maurer 2015: <https://hls-dhs-dss.ch/de/articles/013916/2015-01-11/>; Hanser et al. 1995). The number of directly subsidized flats increased in the early 1990s from around 2000 p.a. (1985-1990) to around 6000 p.a. between 1991-1996. In the late 1990s the number of flats decreased again to around 1000 p.a. Under the new law, 1500 flats p.a. have been indirectly supported by the federal government.

Compared to the previous periods the economic and legal context has changed significantly. How did the HC respond to these changes and what was their role in this period?

Most housing cooperatives and mostly the large ones were founded and were mainly operating in core cities. So suburbanization shifted housing construction to areas where HC were not active or not present. Some large HC tried to establish a foothold outside the city centres (Nauer, 1966; see also the ABZ) but most of them just maintained and renewed their existing housing stock in the city. In the canton of Lucerne – and in few peri-urban areas – housing cooperatives or to be more precise housing construction cooperatives thrived in this period mainly as an effect of the new federal law.

However, the policies outlined in the federal law turned out to be problematic at least for some HC. It was construed on the basis of the economic boom in the 1960s with increasing interests and land values (see ch. housing policy). But from the mid-1970s onwards interest rates and land values stagnated. So it was ever harder for the HC to pay back the loans from the federal government. As a result, equity and revenues of the HC were low so that they were not in the financial position to build new houses. On the other hand, low interests on mortgages and loans made it cheaper to buy property, hence the demand for cooperative apartments decreased (see Schmid 2004). Related to that some sources mentioned that in this period the HC had increasing difficulties to get funding in the capital market (see

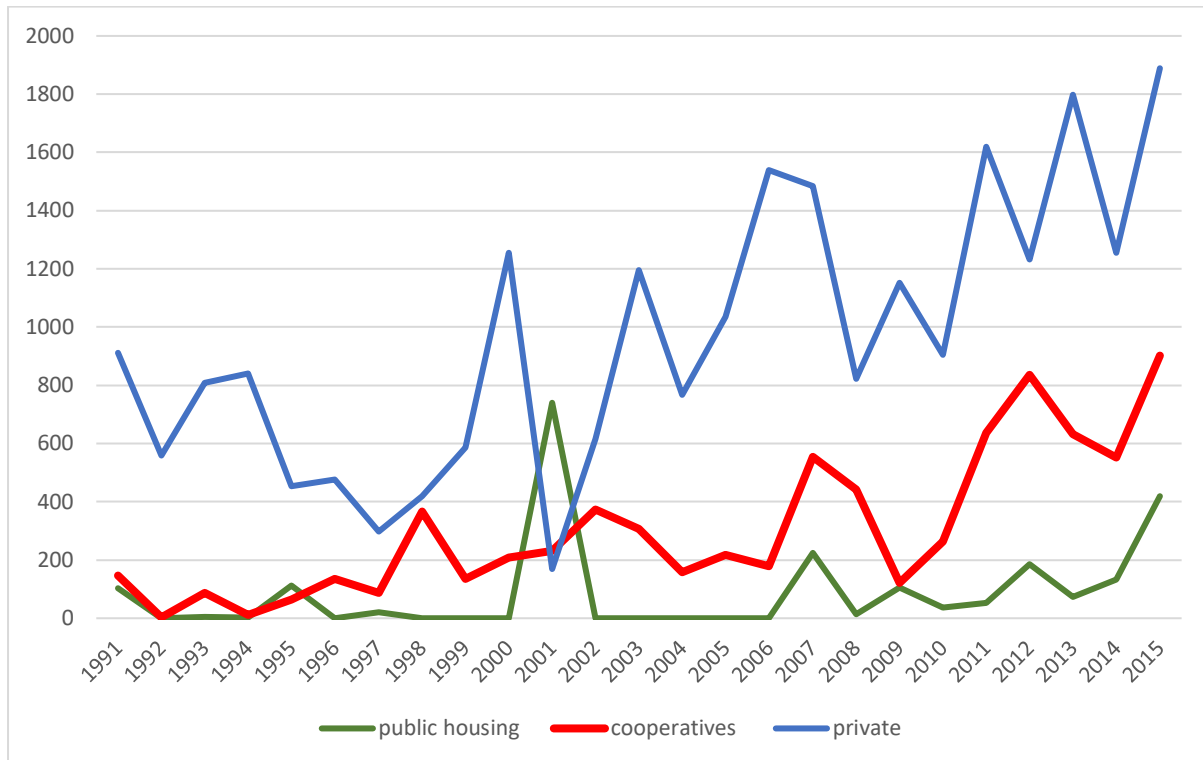
Guggenheim, 1975). The for-profit construction of housing was so profitable that banks preferred to give mortgages to private developers than to HC (Nauer 1976).

1.7 Phase 4 (1990-2020): Re-politicization

In the fourth phase (1990-2020) housing cooperatives re-gained importance in terms of quantity but also in terms of their qualitative reformulation of housing in the city. We identify two reasons for this development. First, the deindustrialization of the city created new opportunities for urban development and transformation accompanied by heated political struggles and, eventually, a re-politicization of housing. By the end of the 1980s the left parties won the majority in the executive and began to foster non-profit housing strongly supported by the electorate. Second and intertwined with the first development, a new generation of housing cooperatives entered the scene. These housing cooperatives by and large were founded since the late 1970s and were a (also) political reaction to the (qualitative and quantitative) lack of housing opportunities in the city. They put the right to housing on the political agenda once again. But they also challenged established housing cooperatives which eventually lead to their transformation.

From the mid 1990s onwards, we see a steady increase of housing production in the city of Zurich (see Figure XX). By 2015 the number of apartments built in one year reached again the level of the post-war period (of roughly 3000 apartments).

Figure 7: Number of new-built apartments in Zurich (1990-2015)

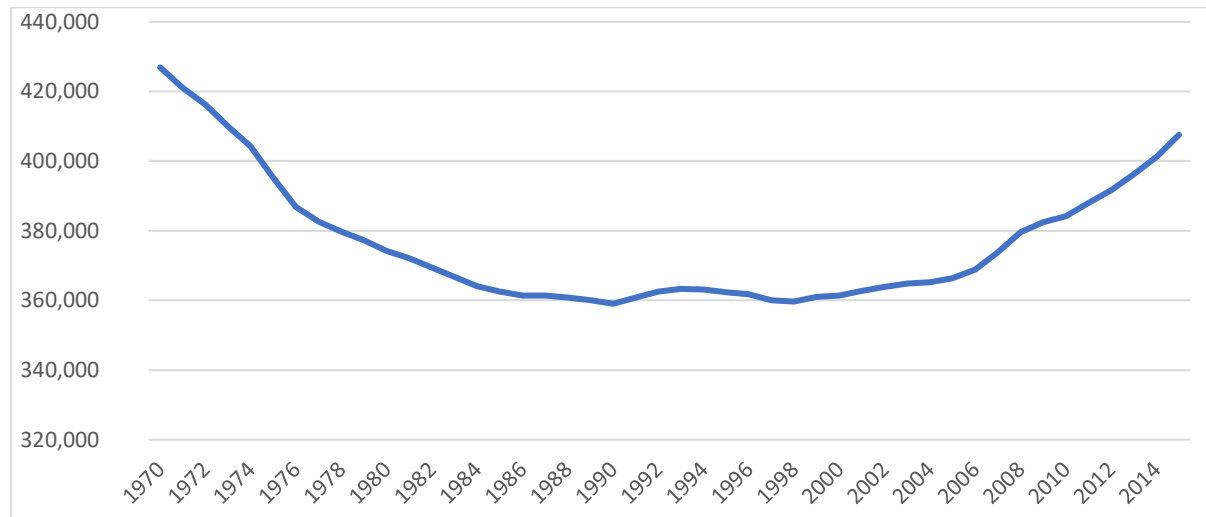


In contrast to the previous period housing cooperatives contributed significantly to the increase. In the early 1980s they built less than 10 percent of the new housing stock compared to more than 20 percent in the early 2000s and nearly 30 percent in the 2010s. Yet, they did not just build more of the same. Instead housing cooperatives realized new forms of living, established participatory processes for (future) residents and tried to implement ambitious sustainability goals (Martignoni, 2017; Kurz, 2017; e.g. Hellmutstrasse (WOGENO, 1991), Siedlung Hardturm (Kraftwerk1, 2002), Siedlung Kalkbreite (Kalkbreite, 2014), Hunziker Areal (Mehr als Wohnen, 2015)). In the period from the 1990s onwards we can speak of a true rejuvenation and also repoliticization of housing cooperatives in the city of Zurich. In what follows we want to delineate some of the main driving forces of this process.

Between 1970 and 1990 Zurich lost almost one out of six residents with the sharpest decrease occurring in the years after the economic crisis of 1973. Within 7 years the population shrank by 36'000 (or 9 percent) to 375'000 residents in 1980. The rapid decline continued for another five years before the city's population levelled off at around 360'000 residents until 2000. Yet, the situation in the housing market remained tight. Between the 1970s and the 1980s numerous apartments and residential property was converted into offices (Stahel, 2006: 86).

Further, in this period the average area of a flat by dweller climbed from around 30 sqm (1970) to 41 sqm (2000) while the number of resident by flat decreased from 2.7 (in 1970) to 1.8 (in 2000) (Böniger, 2013).

Figure 8: Population development City of Zurich (1970-2015)



In the same period, the economic structure of the city of Zurich changed dramatically. In 1955 around 50 percent of all employees worked in the manufacturing sector. By the mid 1970s the share was 30 percent. By the end of the 1990s only 1 out of 7 jobs was in the industrial sector. Deindustrialisation was accompanied by the rise of the service economy, in Zurich mainly banking and insurance. Zurich turned into a global city attracting headquarters of numerous large service companies (Hitz et al., 1995).

These transformations unleashed harsh political struggles in the early 1980s (Kriesi, 1984; Hitz et al., 1995). Especially young people claimed the right to the city. The so called 80s-movement opposed the further development and extension of the “central business district” and the demolition of existing housing stock and they were fighting for cultural space and affordable housing. Housing became (again) a salient issue (Hitz et al., 1995; Stahel, 2006). Some actors of the 80s movement rediscovered the organizational form of the housing cooperative as a mean or an instrument for their purpose (Stahel, 2006, 386ff.). New housing cooperatives were formed, some based on the principle of self-help. First, the focus of the HC was on the existing housing stock due to their limited financial means. In the 1990s the option to build new homes came to the fore.

The HC also received more support from the city government from the 1980s onwards. The Wohnbauaktion 1990 provided more funding than earlier programs for HC. Further the establishment of a new foundation owned by the city (PWG) strengthened the position of non-profit housing organisations (Koch & Küng, 1990).

In this new context also the traditional HC began to change. The trigger was both external and internal. The political agenda of the city government from the late 1980s was to enhance the quality of life in Zurich and to strengthen the residential sector. And the HC should play a central role in this plan. The revision of the zoning regulation defined that the now vacant industrial areas should be open for residential use – and not only for offices. Later, the city government stated that they plan to build 10'000 apartments in ten years. While this call was not backed by any financial means it nevertheless stimulated existing HC to build new homes (Kunz, 2017).

The internal trigger is related to debates around the renewal strategies of the HC. Some HC mainly the large ones (e.g. ABZ, FGZ etc.) were increasingly detached from their members and residents. This became visible as they plan to demolish and rebuild existing houses and apartments. Numerous plans got rejected by the members in the 90s not only because the plans were not satisfactory but also because the processes were often opaque and detached from the visions and principles of the HC themselves (Stahel 2006, 385-7). It was around this period that the association of the HC realised that also the traditional HC had to reinvent themselves. In 1990 the former president of the WBG stated that HC have an obligation to contribute to a sustainable urban development and to become more accessible to diverse forms of living (Nigg, 1990, Banz, Fitze, Weidmann, 2016).

3. The role of Housing Cooperative Associations

In what follows we will describe the associations of HC in Switzerland and Uruguay. On a general level, associations have to respond to two different logics (Schmitter & Streeck, 1999): a logic of membership and a logic of influence. The logic of membership relates to the need of associations to provide incentives (services, information, solidaristic goods etc.) for their members so that the associations can extract resources from them to ensure their own survival or growth. The logic of influence points to the associations' interactions with its organizational environment. Associations must be organized so that they gain access to public authorities (or other organizations) and extract resources from them. In most examples associations provide compliance of their members in exchange for resources or political support in political decision-making process. Those two often conflicting logics shape the structure and practices of associations.

There are two associations in the domain of non-profit housing in Switzerland WOHNEN SCHWEIZ and the WBG. Both are recognized by the Housing Support Act and are involved in its implementation. Commissioned by the federal government they jointly manage the *fonds de roulement* (see above) and are involved in the management of the EZW. Further they render services for the federal government such as the consulting and training of their members.

WOHNEN SCHWEIZ is the associations of the housing construction cooperatives (Baugenossenschaften). It was formed in 2010 when the association of liberal housing construction cooperatives (founded in 1965) and the association for housing and ownership promotion (founded in 1981) merged. The association has around 400 members with 40'000 apartments (in total). The purpose of the association is mainly to provide services to its members such as consulting, legal advice, financing, training and information. In terms of politics the main goal of WOHNEN SCHWEIZ is to foster the support for housing cooperatives amongst liberal and conservative parties. The association has formed a political advisory board for this purpose in 2012. It is composed of seven members of the national parliament from all liberal-conservative parties (FDP, CVP, SVP, BDP, GLP).

WOHNEN SCHWEIZ positions itself in the conservative ("bürgerlich") area of the political space but according to the statute it is politically independent from any political party.

(However the current president is member of the Liberal Party (FDP Luzern) and state attorney of the Canton of Luzern for the liberal party. And the vice-president is the former president of the Christian-Democratic People's Party of Luzern.)

The other association – the *wohnbaugenossenschaften schweiz* – association of nonprofit housing organisations (WBG) – has around 1100 members with around 150'000 apartments in Switzerland. The WBG has a decentralized structure, i.e. it is composed of 10 regional associations with Zurich as the main one. The WBG was founded in 1919 (as *Schweizerischer Verband zur Förderung des gemeinnützigen Wohnungswesen* / Swiss association for the promotion of non-profit housing) by members of public authorities, architects and politicians. In the first year 57 cooperatives joined the association. The first president was Emil Klöti (1919-1921) who was at the same time member of the city government of Zurich and responsible for the expansion of nonprofit and public housing. The focus at that time was the development of housing standards but also of principles and fundamentals to found and operate a housing cooperative. To this purpose, the association launched a journal «*Das Wohnen. Schweizerische Zeitschrift für Wohnungswesen*» in 1926. The purpose of the WBG is still to support non-profit housing organizations (consulting, training, service, financing), to represent the interests of its members vis-à-vis public authorities and other organizations and to foster solidarity and cooperation amongst its members. Apart from jointly managing the *fonds de roulement* the WBG runs two own foundations to support its members financially. Like WOHNEN SCHWEIZ the WBG is not affiliated to a specific political party. The political activities are mainly focused on lobbying at the federal level. However in 2016 the WBG launched for the first time in its history a popular initiative. Currently the president of the WBG is Louis Schelbert a former member of the Federal Assembly for the Green Party.

Both associations are dominated by a logic of membership. They focus on support of their members. What is more, while they are both involved in the implementation of housing policy as they jointly manage the *fonds de roulement* they are no active political actors in housing politics. In an analysis of federal votes (both referendum and initiatives) (in the second half of the 20th century), cooperatives had no leading function on a political level. The large players supporting the protection of tenants and the right to adequate and affordable housing were the Swiss 'Mieterschutzverband' (Tenants' Association) and the Geneva-based organization 'Mouvement Populaire des Familles' (Popular Family Movement). Support to initiatives or

referendums focusing on housing mainly derived from labor unions or other associations directly connected to tenant protection. Political support by cooperatives might be found through media reports; still, it is clear that cooperatives were definitely no leading figures in the federal votes related to housing in the evaluated years.

4. Housing cooperatives' values, principles, and strategies

When we talk about values, principles, and strategies of housing cooperatives we need to be aware of how heterogenous these organizations are, in terms of origin, size, geographical location etc. (see Schmid, 2004). In what follows, we can only shed light on some aspects.

On a very general note, HC are founded on the rules of collective-ownership and democratic management and they are committed (usually codified in their statutes) to the principles of non-profitability. This means that they rent out apartments without attempting to make profit. The calculation of rents is based on a cost rent model, meaning that the cost of rents consists of the rate of interest on borrowed capital, the costs of maintenance and administration and the accrual of reserves for renovations. The goal of HC is thus the de-commodification of housing and the withdrawal of homes from rent-seeking (speculative) markets.

In a recent study (Sotomo, 2017) commissioned by the Federal Housing Agency, the authors showed that rents in HC are 15 percent lower (on average) compared to for-profit apartments. The difference increases to 24 percent in core cities. In contrast, when we look at rural areas, we hardly find any difference between HC and regular apartments. Based on this study we can conclude that the HC's goal of de-commodification works, especially in tight markets (such as in urban areas) where the demand and as a result speculative pressure is high.

Some HC have articulated values beyond de-commodification and housing properly, such as fostering social inclusion, communal activities and the promotion of sustainability (see Kries et al. 2017; Martignoni, 2017; Stahel 2006, Koller, 2019). Empirical evidence in this regard is somewhat scattered.

When we look at social inclusion the picture is not straight forward. From a historical point of view, Ruf (1930) and Lindig (1979) show that in the early 20th century housing cooperatives were targeted at lower middle and upper working classes. But the urban poor (no savings, no regular salary) were rarely members of HC. For one that was (and still is) due to the cost of shares every member had to buy. But also to the strict social values that members of the HC had to comply with. The ABZ for instance inspected every apartment annually (up until the mid 1980s) to ensure that the apartment was in good shape and that the occupants complied to the rules and values of the cooperative (i.e. no subletting, only families, no foreigners) (Banz et al. 2016, 30). At that time, the authors conclude, HC were not organisations seeking for radical social or political transformations; rather HC established themselves as housing providers for the lower-middle class striving social advancement and upward mobility (König, Kunz, Sutter, 1997, 303-305).

However and even at that time some HC challenged dominant social norms and values and tried to establish different lifeworlds. Ruf (1930, 58) mentions for instance the Selbsthilfekolonie in Winterthur. In order to lower housing costs, members of the HC had to participate in the construction of the settlement. Another example are HC of employed and/or single women. In Zurich the Baugenossenschaft berufstätiger Frauen, die Heim- und Protektoratsstiftung für alleinstehende Frauen und die Baugenossenschaft Lettenhof built the first apartments for women only in 1927 (Ruf 1930, 55; Koch et al. 1990, 234).

In more recent studies and articles, HC were often criticized for their restrictive rules of membership and renting (Jacob, 1997). The normative image of numerous HC was to provide homes for “average” (i.e. non-divorced, male breadwinner) Swiss families. Non-swiss residents (but also single mothers/fathers or living communities) were often excluded from apartments (Banz et al. 2016). This bias is reflected in the composition of the residents living in HC apartments – but has diminished over the last decade. In 1970s only 4 percent of persons living in HC apartments were non-Swiss compared to 16 percent of all households. By 2000 this gap has attenuated to 3 percent (15 percent HC, 18 percent all other households) (Statistisches Amt des Kantons Zürich, 2004). In the most recent study, the authors (Sotomo 2017) show that by 2015 the difference in the share of non-Swiss residents disappeared. The same holds true for different family patterns and other households (Sotomo, 2017).

When we look at communal activities, Schmid (2014, p. 63) details that 3 out of 4 HC provide communal activities (such as social gatherings, shared communal spaces, craft rooms, communal gardens, lunch tables, individual financial support). Further Schmid (2004) shows that only in few HC the members and residents take care of the administration of the HC. Most HC have established some form of professional (i.e. salaried) administration but residents are still involved on the day-to-day and sometimes strategic activities of the HC. But Schmid (2004) does not provide any evidence in terms of protection of the environment or sustainability. In this regard, the evidence is mainly based on single cases (i.e. Kalkbreite, Mehr als Wohnen etc.). Yet, based on survey data and not related to explicitly stated goals Sotomo (2017) finds that households living in HC consume less land and space than similar households living in rented flats or in their own property.

5. Conclusions

Housing cooperatives in Switzerland are primarily an urban phenomena. Not only in that they mainly emerged and thrived in cities (- geographically and politically bounded places). But their formation and their development, their goals and values are related to processes of urbanisation.¹¹

The uneven distribution of housing cooperatives (and non-profit housing more generally) between cities points to the crucial role of the local political context in explaining the emergence and establishment of HC (- especially in the absence of any meaningful housing policy at the cantonal or federal level). The historical evidence suggests that in order to thrive HC had to establish some forms of mutual relations with local governments. Local governments dominated by social democratic parties (especially in Zurich) used HC to foster de-commodified and affordable housing without having to rely on public funding entirely (Lawson, 2010). This was only possible through political leadership and innovative crafting of

¹¹ By urbanisation, we not only refer to dynamics of economic agglomeration and distinct relations between locations, land uses and human interactions (see Scott and Storper, 2015). But also to the process that transforms or uses the built environment of the city as investment space and a source of surplus (Walker, 2016) – a crucial aspect when we look at the development of housing and real estate markets in urban areas (Theurillat et al, 2015). Last but not least, urbanization is closely intertwined with powerful actors, struggles over power resources, and the emergence (and dissolution) of political agents (Ward et al. 2011; MacLeod, 2011; Brenner and Schmid, 2015; Beveridge and Koch, 2018; Hitz et al., 1995).

policy instruments especially in terms of financial support (ground leases, issue of bonds, securing of mortgages via state-owned pension funds etc.).

Further HC were also instrumental to establish and maintain political ties to the urban working class (in competition with the communist party) and the emerging middle-classes (in competition with the liberal political forces). HC were never formally incorporated into the local public administration, yet the influence of the local governments on their operation and strategy was significant. This claim is substantiated also when we look at the board of the housing association created in the mid-1920s which was dominated by public authorities.

The close ties to the public administration and their important role in the implementation of the city's policy contributed to a separation and depoliticization of the HC. From the 1950s onwards when the construction of homes by private companies outside the city centre soared and the social democratic party (and the (Swiss) working class) was politically incorporated into the Swiss political system (Linder & Mueller, 2017), the HC lost traction. Market-oriented housing became ever more attractive. And even as the federal government adopted the first Housing Support Act HC were not in position to gain a more significant role outside urban cores. Most HC settled for their existing housing stock and their existing residents. They became ever more self-enclosed and attached to relatively conservative values of family and community. HC turned into private clubs rather than political organizations. Nevertheless, most of them maintained their legal principles of collective property, democratic management and decommodification of homes.

A period of rejuvenation began when the urban and the housing question re-emerged in the 1980s. After 30 years of suburbanisation the urban cores became again the focal point of economic investment and political struggles. Deindustrialization introduced new opportunities for investment but also for experimenting with new forms of co-living. Squats popped up (not only) in Zurich. The lack of affordable homes – amongst other salient issues – as a result of the conversion of apartments into offices unleashed political protest by new social/urban movements. Some of the movement actors re-discovered the organizational form of a housing cooperatives as a means to establish collective forms of living. They could rely on already established legal principles and means of financial support. New HC emerged with a far more progressive and political vision of the social and political purposes to which

HC should contribute. The new HC redefined the content, values and practices of HC in the years to come and re-established HC as political agents not only at the city but also at the federal level.

Balmer and Gerber (2017) argue that housing cooperatives became an attractive policy instrument to tackle the lack of affordable housing in recent years. Their position at one remove from the state shields them from direct confrontation from both, political actors who demand more market-based housing policies and political actors who demand budgetary cutbacks. Based on our analysis, we might add that HC are not only an instrument but also political subjects as well, developing new ideas of housing and engaging in housing struggles.

Despite the broad popular and political support of HC, there are challenges ahead for the existing design of housing policy and for HC as actors. Housing policy must focus now on the existing housing stock as there is hardly any undeveloped land left – not even outside the urban cores – and the new Federal Law on Spatial Planning forces densification. But the renewal of the existing housing stock comes with a sharp increase in rents even in the non-profit housing sector. The challenge for HC and the political struggle to preserve and expand affordable homes is to develop new organizational but also policy strategies directed towards the existing housing stock. Such strategies might contain, first, a rebalancing of ecological and cost targets in the approval procedures for renovation and renewal permits. Second, existing policies for new-built developments need to be adapted to renovation/renewal projects (i.e. introducing new zoning regulations). Third, there is a lack of knowledge and engagement on the side of planners, architects and HC to develop new maybe piece-meal approaches with regard to the existing housing stock. Last but not least, even though a lot of policies are increasingly framed as “metropolitan” and a range of organization, projects and also policies work on the metropolitan level, there is still a lack of any metropolitan housing policy and HC operating at the metropolitan level.

6. Bibliography

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