

HARALD STOEGER

HOUSING AND SOCIAL EXCLUSION IN A COMPARATIVE VIEW (HASEC)

Paper prepared for the Conference of the Regional Studies Association: Regional Responses and Global Shifts: Actors, Institutions and Organisations, Pécs, Hungary, 24th-26th of May, 2010.

0. Abstract

Research on social exclusion has focused on the labour markets and on social networks. Relatively little is yet known about social exclusion in the realm of housing. Valuable empirical studies on homelessness and on extreme manifestations of socio-spatial segregation put the emphasis on the *results* of processes of social exclusion in the housing markets. By contrast, research has seldom analysed the process of social exclusion *itself*, in particular in a comparative perspective. Such an approach would require the analysis of *housing biographies* that are defined as the sequence of dwellings a household occupies during life.

Consequently, HASEC defines social exclusion in the housing markets as a *procedural* phenomenon. We examine housing biographies of individuals and evaluate the direction of their development. Exclusion in the housing markets is thus understood as a process of deterioration of the housing conditions (in terms of dwelling size, housing quality, neighbourhood conditions) during housing biographies. Furthermore, exclusion is *structured*, since the direction of housing biographies depends on the interference of macrostructural and individual factors.

HASEC hypothesizes that individuals become particularly prone to social exclusion processes in the housing markets, if they are affected by economic and labour market crisis, household breakdown, shrinking social networks and health problems. Related to the macro level, we hypothesize that the type of housing provision influences the way in which these risks shape housing biographies. This macrostructural hypothesis will be tested by varying the housing market context. For comparative research, we hence selected three distinct “housing regimes” (Austria, Germany, Hungary), which differ according to the structure of the housing markets (dualist versus unitary rental systems) and the housing policies. Since housing regimes are supposed to have strong repercussions at the local level, we chose four cities for empirical field work. Data is gained by analysing statistics on the local housing and labour markets, by expert-interviews with local/regional housing politicians and gatekeepers of the housing markets and by a survey in selected city areas enhancing information on the housing conditions at the current stage of the housing biography (compared with an earlier stage) and on the reasons for the last change of accommodation (e.g. job losses, divorce, illness etc). Survey data are analysed by using quantitative methods, in particular multivariate techniques such as the cluster analysis for the typologisation of housing biographies.

1. State of the art

1.1 Social exclusion in the domain of housing

Our research relies on three threads of inquiry. Firstly, it relates to the current discourses bearing on aspects of social exclusion. Secondly, it focuses on recent divergentist approaches related to the existence of distinct housing market systems in Europe, and thirdly the project follows current theories and research on housing biographies.

The term “social exclusion” denotes new forms of social inequality that cannot be adequately described in traditional terms of poverty. The American debates on the emergence of an urban “underclass” (Wilson 1987) and the French discussion on “exclusion social” (Dubet/Lapeyronnie 1994) represent two strands of a debate, which was soon followed up by empirical research in different European countries under this perspective (Mignione 1996, Haeussermann et al 2004).

Exclusion as a concept is not as straightforward as it appears, and it has different meanings in different contexts (Haeussermann et al 2004, Room 2004). Firstly, it is relational: exclusion is measured by the predominant standards of the respective society. Secondly, it is multidimensional: exclusion may take place in different dimensions (e.g. labour, health, social networks, education etc.). Thirdly, exclusion is a process not a condition, thus the focus is not on a single point in time but on the direction of development. Fourthly, exclusion is defined as a structured phenomenon both in terms of individual agency and structural determination. In this perspective, empirical research has mainly focused on the fields of exclusion in labour markets.

In consequence, the current discourses on the challenges of European societies concentrate on the risks resulting from changes in the labour markets and raise, for example, the question of whether and to what extent the impact of economic globalisation on employment biographies varies between distinct welfare regimes in the European Union (as a recent comparative empirical study: Blossfeld/Mills/Bernardi 2007). Relatively little is yet known about social exclusion in the field of housing. Some studies focus on the relational aspect of exclusion in the housing markets and thus examine relative deprivation in dimension such as the size and the quality of the dwelling, the rent-income-relation etc. Measuring deprivation by the predominant housing standards of the respective society means that households or whole groups not reaching the average societal housing standards are at risk of deprivation in the realm of housing (Till et al 2001; Hauser/Hübinger 1993). One main aim of these studies is to spell out the socio-demographic profile of those affected by deprivation in the domain of housing.

Other studies examine social exclusion in the housing markets by looking at the phenomenon of homelessness as “the extreme manifestation of social exclusion” (Breckner 2000; Fitzpatrick 1998, 302). Fitzpatrick (1998) and Busch-Geertsema (2005) investigate homelessness by analysing its quantitative dimension, the socio-demographic characteristics and living conditions of the homeless and the variations of the scale of homelessness within the European Union. The concept of risk is an important idea that underlies the more recent discussions on housing deprivation/homelessness (Avramov 2002; Forrest 2004). Risk situations are the result of a spread of vulnerability factors that are associated with economic and labour market crisis, the growing fragility of family structures, health problems and housing related hazards. As Herlyn (1990, 92 ff) points out, these particular types of risks often make changes of accommodation unavoidable. In contrast to marriage or the birth of a child, they normally reflect social marginalisation and disadvantaged conditions of living and often lead to a substantial deterioration of the housing conditions tenants face. Against the backdrop of the current economic crisis and the ongoing demographic changes of modern societies this approach is akin to the proposed research project, which tests hypotheses derived from the risk-concept.

Still other researchers grapple with the ways in which types of clusters of welfare regimes shape the risk of homelessness and deprivation in the realm of housing. Scholars have seized upon the three-fold typology of Esping-Andersen (1990) and have added the rudimentary (or Latin-rim) welfare type (for Southern Europe) and the “post socialist welfare disarray” for Eastern Europe (Leibfried 1992; Abrahamson 1999). Since housing has been regarded as an unsteady, if not wobbly, pillar of the welfare state (Torgensen 1987), comparative research on the welfare state has seldom included the domain of housing. For instance, previous research based on data from the ECHP (between 1994 and 1998) found that liberal welfare regimes are less successful in preventing short-term and long-term poverty than social-democratic welfare states. Simultaneously, a consensus seems to emerge that welfare regimes with higher level of poverty are more prone to a high scale of homelessness. The type of welfare state also appears to shape the composition of the homeless, as in liberal welfare regimes the homeless mainly consist of households with problems of access to housing and affordability, while in social-democratic welfare regimes a larger proportion of the homeless suffer from individual problems related to health or mental problems. Notably, incompatibilities in the existing data and different meanings attached to the term render cross-national comparisons difficult.

Dewilde/De Keulenaer (2003) examine social exclusion by applying a multi-aspectual and relational definition, which refers not only to a lack of income, but also to an inadequate participation in fields such as education, health and in particular housing. Based on such an operationalisation, the study assesses the relative importance of housing as a dimension of social exclusion. It is based on data from the ECHP, using confirmatory factor analysis, and includes Denmark, the United Kingdom, Spain and Belgium. The sampling of countries is grounded in their different position in current welfare state typologies. Data reveal that in countries, where housing provision is not considered as an integral part of the respective welfare state, inadequate (or deprived) housing conditions are a core dimension of social exclusion. This is the case for Spain and Belgium. By contrast, in Denmark and in the United Kingdom, this relationship is significantly weaker. The result for Denmark is explained with the universalist principles of welfare provision which aim at an equal distribution of high housing standards for all social groups as a civil right. With respect to the UK, the argument is that – despite large-scale privatisations during the 1980s - non-profit housing still occupies a relatively large part of the housing stock and is primarily targeted at needy households. This research result might appear a bit surprising, as mainstream research tends to associate liberal welfare states with a relatively high scale of social exclusion in the housing sector.

Another comparative study by Stephens (2007) examines the linkage between deprived housing conditions and the type of welfare regime. On the basis of data from the ECHP, the housing situation of the poor is analysed in terms of cost, quality and quantity and compared with the average housing conditions of households not living in (income) poverty. The main research goal is to find out to what extent the poor suffer from relative deprivation in the realm of housing. For the countries considered by this study, the results are expressed in a “decommodification-index” which is compared with a “poverty-index”. Stephens concludes that there is no necessary nexus between the score of the decommodification-index and the type of welfare regime.

To sum up, it can be said that the research discussed here does not provide a clear-cut picture regarding the impact of welfare regimes – and in particular liberal welfare regimes – on the likelihood of social exclusion in the realm of housing. This is partly due to the definition of social exclusion and the analytical technique applied, but also stems from the composition of the country sample and from how the complex relationship between welfare state arrangements and housing conditions is defined.

From a different perspective, Kemeny (1995) distinguishes between countries with “dualist rental systems” and “unitary rental systems”. In the former non-profit housing (or social rental housing) is a residual and state controlled tenure separated from private rental housing, while in the latter non-profit housing and private rental housing are integrated in one single housing market and compete with each other. It is claimed that unitary rental systems and dualist rental systems contrast starkly with respect to the level of socio-tenure segregation. In the former, non-profit housing is termed a socially mixed tenure, whose social composition is suggested to differ not too much from other tenure categories, such as in particular private rental housing and home-ownership. In dualist rental systems, by contrast, non-profit housing is supposed to be stigmatised and shaped by an increasing concentration of low-income and socially vulnerable households. Some studies have tested these assumptions against large-scale data from the ECHP. Hoekstra (2005) reveals a number of differences between these two rental systems, but he also reports that in the Netherlands and in Denmark, which both belong to the group of unitary rental systems, socio-tenure segregation has sharply increased during the second half of the 1990s. An empirical study of Magnussen/Turner (2008) reports a similar tendency for public rental housing in Sweden, which was perceived as a socially balanced tenure for a long time. By contrast, the comparative Socoho-project shows that in the unitary systems of France, Sweden and Austria socio-tenure segregation, measured in terms of the overrepresentation of low-income households in the tenures, is still weaker than in dualist rental systems (Czasny 2004). With respect to the single unitary rental system of Austria, a recent contribution by Deutsch (2007) arrives at similar research findings based on micro-census data. The point is not to go into detail now or to resolve these discussions, but only to emphasise that there are ongoing controversies in academic literature about the validity of housing typologies. With respect to the controversial nature of research findings, the validation of the different typologies requires further research.

1.2 Research on housing biographies

Although their methods and perspectives differ, the empirical studies about homelessness and manifestations of socio-tenure (and also socio-spatial) segregation put their emphasis on the results of the processes of social exclusion; by contrast, a research perspective concentrating on the *process* of social exclusion itself would have to consider that social exclusion in the housing markets is already indicated by a deterioration of the housing conditions over time. Such an approach requires the examination of housing biographies (or “housing trajectories”, “housing careers”), that are defined as “the sequence of dwellings a household occupies during the life course” (Clark et al 2003; Abramsson 2008). The notion of a housing biography was introduced into research mainly by urban geographers who aimed

to contribute to an improved understanding of patterns of regional as well as interregional mobility in the housing markets. An important claim is that households normally do stay in the same dwellings during the whole life-time, but normally improve their housing standards through mobility in the housing markets, thus achieving a proceeding housing biography. This progressive or “upward” cycle, which is often considered as the standard type of a housing biography, is reflected in the notion of the “housing ladder”. Hence, housing biographies are often described as hierarchical developments with households starting at a relatively low rung of the housing ladder and subsequently moving to more attractive and desirable dwellings (Clark et al 1996; 2003). Notably, not every household starts from a similar position, moves up the housing ladder at “an equal rate” or reaches the highest position on the housing ladder at the top of the housing biography. Studies based on mass data conclude that the top of housing biographies is shaped by considerable variations in terms of dwelling type and dwelling size (Clark et al 2003).

Previous empirical studies also identify “downward” or “sideward” housing biographies, which are interpreted as deviations from the standard “upward” type. Research considers sideward biographies as typical for lower-income households, who are only able to improve their housing conditions incrementally. Downward biographies are related to health problems, to income losses, a shrinking household size and lower housing aspirations (Kendig 1990, Gober 1992). Case studies on the United Kingdom identified women after divorce or the breakdown of a relationship as particularly prone to downward mobility in the urban housing markets (for the state of research: DeWilde 2008).

The relationship between the type of housing biography and mobility in the housing markets is more complicated than it might seem at first glance. Naturally, without residential mobility it is not possible to proceed during a housing biography and most households are supposed to move, if they foresee an opportunity to improve their housing standards. On the other hand, mobility does not necessarily indicate progress during a housing biography. In the case of divorce and job losses, or if a housing estate is demolished, people may be forced to move to a dwelling that does not meet with their housing aspirations, thus experiencing a downward trend in their housing biography (Herlyn 1991). Immobility may indicate that a household has no option to improve the current housing conditions, but it can also reflect a certain degree of satisfaction with the current housing situation.

This section provides a concise overview of theoretical approaches concerning the explanation of housing biographies. Literature defines a set of variables that are considered as valuable for understanding the course of housing biographies (for a discussion:

Musterd/van Kempen 2007). These variables include the (changing) housing preferences, which are related to the structure and the size of the households as well as to the values of the respective society and the life-style. Without the necessary resources, it is impossible for households to get access to the preferred type of dwelling or neighbourhood. Notably, the notion of resources is not confined to economic resources, but often also encapsulates social resources in terms of social networks and cognitive resources such as knowledge about the local housing markets. In addition to these influences at the individual or the household level, some authors relate to the (local) housing market as the structural context shaping housing biographies (Bolt/van Kempen 2002, Gestring/Janssen/Polat 2006, Murdie 2002; Musterd/van Kempen 2007). In other words, variations of the housing markets in terms of the size of the different tenure segments, the vacancy rates and the volatility of prices/rents for dwellings) have strong repercussions on the development of housing biographies (Clark et al 2003).

A key theoretical approach is based on the assumption that housing biographies depend on the relationship of opportunities and constraints, which are in turn shaped by the individual and structural variables mentioned above. A growing household income, obtaining a mortgage or in-depth knowledge about the tenure structure and the prices in the local housing markets can open up opportunities. Constraints can be individual, if households lack resources or do not prefer a particular type of dwelling and neighbourhood, or structural as a consequence of tight housing markets or economic crisis (Abramsson 2008). The relationship of opportunities and constraints is considered to vary across different social and ethnic groups, and at least in Europe it is also influenced by the particular role of the state in the housing markets. A specific thread of research examined the housing biographies of different immigrant groups in the respective societies in order to find out the constraints immigrants face in terms of lower housing needs, scarcity of resources and discriminatory behaviour patterns of the so-called gatekeepers in the local housing markets. (Bolt/van Kempen 2002, Murdie 2002, Abramsson et al 2002, Magnusson/Özüekren 2002; Bremer/Gestring 2004; Gestring/Janssen/Polat 2006).

A second model for the explanation of housing biographies is the life-cycle concept, which divides the life-cycle into distinct stages, each related to the household size and household structure. A transition from one stage to another is then directly linked to decisions to move to a different accommodation. Previous research has modelled an ideal-typical life-cycle that is supposed to be reflected in a characteristic housing biography. One could of course object that there might be deviations from what is considered as the normal course of stages during the life-cycle. In particular, relationships are more instable than in the past and also changing

values with respect to family and partnership may lead to alternative life-cycles. Also, the life-cycle concept is a bit narrow in its scope, as it only accounts for household-related variables and neglects other factors driving housing biographies.

By contrast, the life-course approach is broader, as it describes the “way in which individuals move through different stages and positions in various careers during the course of life” (Abramsson 2008, 233). The life-course concept depicts how single “events” during life, which are not only related to changes of the household, but also relate to changes of job, income and personal interests, trigger moves. For example, the transition to a better job is identified as an important marker of residential moves to larger dwellings or to home-ownership (Clark et al 2003; Feijten/Mulder 2005). By contrast, households with income losses are more likely to move to smaller dwellings, since they cannot sustain the larger ones any more (as a case study on Sweden: Abramsson et al 2002). As an analytical tool, the life-course approach provides more flexibility in analysing decisions to move and possibilities of tenure change. In particular, it allows for identifying linkages between housing market biographies, labour market biographies and household structures. Although the life-course concept is necessarily related to the process of ageing, it moves research away from the widely used notion of linear age, where most households are supposed to reach a particular stage of the housing biography (for example home ownership) at the same age.

When applying life-course approach, the ideal type of data is panel data over relatively long durations. But even working with a very good panel data file can cause considerable methodological difficulties in classifying and following households over time. If data at hand do not allow for observing housing biographies over the whole life course, the emphasis is put on single sequences of housing biographies and/or on the events separating them. Studies, which focus on the event of a particular move, are primarily interested in the circumstances in the labour market biographies and in the household context that influence the move. In this respect, it is a bit bewildering that specific types of critical events such as job losses or family breakdown have not received sufficient attention by empirical research, in particular in a comparative view.

2. Gaps of knowledge and fields of research

The proposed research aims to enrich the current state of research in at least five ways:

1. The review of existing literature has shown that research has mainly examined the *results* of the process of social exclusion in the realm of housing, whereas the *process* itself has only

rarely been dealt with, in particular in a comparative research perspective. Thus, the proposed project puts a stronger emphasis on the procedural aspect of social exclusion in housing by using the notion of a housing biography as an analytical concept.

2. We know a lot about social exclusion in the labour markets, but only little about how it interrelates with housing. We are aware that this would require the examination of both labour market biographies and housing biographies. Since the planned project is on a small scale, such an extensive inquiry is not feasible and will thus be left to future research. Within the framework of the proposed project, we concentrate on the influence of single “events” during the labour market biographies on the housing biographies. In particular, research has seldom analysed how the impact of labour market crisis on housing biographies varies between different housing market structures.

3. Furthermore, the project has a methodological added-value. Research investigates housing conditions by using objective or subjective indicators, or both. We intend to use both types of indicators, since this approach is only infrequently applied. In this way, we try to understand the subjective meaning of objective housing conditions. Some studies on social exclusion use qualitative approaches based on unstandardised data gained through face-to-face interviews. They are often explorative, using grounded theory as method. This type of research is plagued by the problem that using unstandardised data can render cross-national comparisons difficult. Still other studies are based on standardised survey data and apply quantitative approaches, calculating logit models to investigate the impact of a number of variables on the likelihood of social exclusion in one or more domains of life (Andreß/Lohmann 2008). The main goal of this type of analysis is to test theoretically justified hypotheses. Research on housing biographies based upon processed census data also applies modelling as methodological approach. We follow this stream of research and experiment with different quantitative and in particular multivariate techniques.

4. The project has an explicitly comparative research design, as it provides country-related studies and a cross-country comparison which use the same methods to reach comparability of research results. To our knowledge, there has yet been no comparative analysis of social exclusion processes in German and Austrian cities, which uses the notion of a housing biography. Also, recent comparative research concentrates on the national level and is based on (aggregated) secondary mass-data. These studies are valuable contributions to the state of the art, but from our point of view we need further studies with a stronger local focus, since we know that housing markets are regionally differentiated and that housing policies have devolved from the national to the regional/local level.

5. As mentioned above, some authors have tested Kemeny's (1995; 2006) theoretical approach empirically. Since this strand of research is rather new, it seems premature for a final judgement on the validity of Kemeny's theory. We need more in-depth empirical evidence on which rental system can best mitigate the effects of critical events on housing biographies. If one intends to test Kemeny's typology, it is not only necessary to analyse the housing outcomes (here: the housing biographies), but also to trace the housing policies and labour market processes that underpin the housing outcomes. For this purpose, the notion of a "housing regime" is useful, since housing regimes differ not only in the rental systems, but also in the housing policies and the underlying conceptions of housing provision (Arbaci 2007). Section four of this proposal argues that the housing market structures of Austria and Germany belong to distinct rental housing systems (each embedded into wider housing regimes), so that a comparison between these two countries is expected to contribute to the validation of Kemeny's typology and also the "housing regime" concept.

3. Main research hypotheses

From the discussion of the state of research it is possible to formulate the following four main working hypotheses for comparative research:

There will be a variety in the types of housing biographies to be observed among households moving in the housing markets. We expect that housing biographies can be described either as processes of social exclusion or as processes of social inclusion (H 1).

The following working hypotheses relate to the central explanatory factors of social exclusion processes during housing biographies.

Related to the micro-level, the hypotheses (H 2 –H 4) refer to crisis situations during the life course, which raise the likelihood of social exclusion in the housing markets. Hence, individuals are at risk of social exclusion,

if they are affected by labour market crisis (H 2)

if they face household breakdown (H 3)

if they suffer from health problems (H 4)

Furthermore, the housing biographies of men/women presumably differ, since gender (in particular with respect to single women with childcare responsibilities) is considered an important risk factor of social exclusion in the housing markets (H 5)

On the macro-structural level, the supposed influence of the housing market structures can better be understood by taking a fresh look at Kemeny's (1995; 2006) two-fold classification of "unitary" and "dualist" rental systems. In dualist rental systems, households unable to afford unregulated rents and the prices for home-ownership are compelled into residual non-profit housing, which offers poorer housing standards and neighbourhood conditions, as compared to private rental housing. Thus, living in non-profit housing couples a weak labour market status with poor housing conditions. By contrast, in unitary rental systems, due to competition between non-profit housing and private rental housing, these two tenures share a number of quality standards and rent level characteristics. Non-profit housing offers better housing standards than in dualist systems and it is designed as a socially balanced tenure for both low-income and middle-income households. Our sixth working hypothesis is:

The risk of social exclusion in the realm of housing varies between unitary and dualist rental systems. In dualist rental systems, individuals facing crisis might be compelled into residual non-profit housing and thus experience a deterioration of housing standards. By contrast, unitary rental systems presumably decouple the nexus between the incidence of crisis situations and less favourable housing conditions (H 6).

4. Welfare regimes or housing regimes? Towards a comparative research design

The validity of hypothesis six (H 6), which can be called the main thesis, can only be tested by varying the housing market context. Investigating social exclusion in only one country would not provide the necessary evidence, since the housing market structures remain relatively constant due to country-specific "path-dependencies" (Forrest 2004), at least in a short- or medium-term perspective. Thus, the proposed project has to be strictly comparative in its scope. Current research on welfare normally assumes the coexistence of distinct welfare regimes within the European Union and uses welfare state typologies as theoretical tools for the selection of countries for comparative research. Esping-Andersen's widely known "Three Worlds of Welfare Capitalism", which is one of the most influential contributions to comparative welfare research, is often chosen as the point of departure for comparative housing research. In this section, we argue why from our point of view this typology is not an appropriate starting point for the kind of research intended here. From the perspective of comparative housing studies, one core point of criticism is that Esping-Andersen offers a quite restricted concept of the welfare state, since he focuses on social insurance, while leaving out domains such as education, health care and – in particular – housing. The narrowing of Esping-Andersen's and other welfare state typologies could be explained as follows. Despite remarkable efforts to include housing into large scale cross-

national surveys such as the ECHP and EU-SILC, researchers in the field of housing are still confronted with a lack of consistent mass-data which allows for systematic cross-national comparisons. In addition, in most European countries, housing policy has never been designed as social policy alone, but has accomplished a number of different and sometimes contradictory policy objectives (Malpass 2008; Matznetter 2002). Housing policy and social policy domains such as social insurance also differ with respect to the level of policy-making (central state versus regions), the institutional settings, the actors involved and the degree to what these policy sectors are subject to conflict (Kearns/Lawson 2008).

Against the backdrop of these considerations, reassessing current welfare state typologies with respect to housing might appear as an overambitious research goal. Nevertheless, some scholars use the idea of the welfare regime as an ideal-typical instrument for analysis and attempt to identify repercussions of the overall features of the welfare state in the realm of housing (as a an overview: Allen 2004). The results of this strand of research differ. In a single case study of Austria, Matznetter (2002) reveals that the key patterns of the conservative welfare state, which he terms “fragmentation”, “corporatism”, “familialism” and “immobilism”, are reflected in the Austrian housing policies during the last decades. Regarding Belgium, which also belongs to the family of conservative welfare regimes, it has been argued that housing policy ties together a mix of principles from *different* welfare states. While rental housing is primarily based on liberal features, home-ownership and non-profit housing are dominated by conservative principles of welfare provision (DeWilde/DeKeulenaer 2003).

Still other scholars find it tempting to examine linkages between welfare regimes and tenure/housing market structures. In a seminal work, Kemeny (1995) shows that liberal welfare regimes with a market-led welfare provision have a high amount of home-ownership and in turn relatively low shares of non-profit and private rental housing. As public pensions are rather low, households use home-ownership as a buffer of wealth, which is sold to release funds for care. By contrast, social-democratic and conservative welfare states tend to have lower rates of home-ownership and higher shares of non-profit and private rental housing. Simultaneously, Kemeny emphasized the methodological difficulties of matching welfare regimes with housing market structures. Recent work focusing on *single* welfare state clusters shows the complicated and multi-faceted nature of the relationship between welfare states and housing markets. Bengtsson et al (2006), who compare Denmark, Sweden, Norway, Finland and Iceland, conclude that typical home-ownership nations such as Iceland and Finland with small rental sectors sharply differ from Sweden and Denmark with their relatively extensive non-profit and private rental housing sectors. These differences partly

stem from distinct country-related housing policy preferences and choices, institutional arrangements and patterns of housing production. Remarkable internal heterogeneity can also be found within the liberal welfare state cluster, where the size of non-profit housing varies between 9,9 % for Ireland and 25,6 % for the UK (1990). At least in 1990, the UK had a larger non-profit housing sector than the conservative welfare regimes (France, Italy, and Belgium) and the social-democratic welfare states with the exception of the Netherlands. Hence, the grouping of the UK to the liberal welfare cluster becomes a bit sketchy, if housing related indicators are taken into account (Groves et al 2007).

A key lesson from this brief overview of literature is that the incorporation of housing into welfare state typologies still remains a rather tricky research task. In particular, the type of housing market cannot be simply deduced from the type of welfare state, and thus claims about the interference between the welfare state and the tenure structure are rather difficult to sustain.

Therefore, instead of applying one of the welfare regime typologies we decided to use a “domain-specific” typology and chose the “housing regime” clusters from Arbaci (2007) as a tool for country selection. Housing regimes are shaped by distinct housing market structures (unitary or dualist rental systems), by a predominant tenure within the respective rental system and by related state housing subsidy systems which encapsulate a particular conception of housing provision and hence influence the housing market structure.

For the purpose of the project, we compare Austria, Hungary and Germany. In literature, both countries figure as conservative welfare regimes, but from our point of view they belong to different housing regimes. Archetypal for a clear-cut conservative welfare state, Austria displays a number of similarities with universalist (or “social democratic”) housing regimes, such as the Netherlands. It is shaped by a unitary rental system with a mature non-profit housing sector (cost-based rents) as the predominant tenure category. State subsidisation of housing (mainly by supply-side subsidies) is designed as a long-term measure targeted towards different types of private rental and non-profit housing. Competing with private landlords, the strong housing associations in the non-profit housing segment dampen the rent level in the private housing sector. Austria exemplifies a strong case of path-dependence, since the state-regulated “post war housing model” has remained more pronounced and better maintained than in many other European countries. Over time, non-profit housing has rather been extended instead of being restricted or residualised, and public budgets on housing have remained unscathed from dramatic cut backs, in contrast to state funded pension schemes, for example (Matznetter 2002, Stoeger 2005).

Until about the mid-1990s, Germany represented the prototype of a conservative housing regime characterised by a unitary rental system and by private rental housing as the predominant tenure category. Unlike in Austria, state subsidisation of non-profit and private rental housing was only acceptable as a temporary intervention to remedy scarcity of dwellings. Since the 1960s, the German housing regime has undergone a change, since the state began to withdraw from direct intervention in the housing markets by reducing subsidies for housing construction and by deregulating rents. This policy trend has intensified since the 1990s, when German politicians developed a preference for a market driven housing provision and pursued large-scale privatisations (Haeussermann/Laepfle/Siebel 2008, 285-293). Therefore, non-profit housing has significantly lost market shares to private rental housing, thus becoming a residual and stigmatised tenure. Hence, Germany shifts to a dualist rental system, as it is typical for liberal housing regimes as the UK. In the particular case of Germany, it is also crucial to consider the country's twofold background, which is due to its division into two separate states before 1990. A systematic comparison between the eastern and western part of Germany should make it possible to answer whether and how different starting points and distinct housing policy paths in the two former German states generate different housing outcomes.

Similar to the other countries of the so-called Central European Housing Model the state directly controlled housing construction and housing finance in Hungary. Besides a private rental housing market, which was under indirect monitoring by the state, Hungary had an extensive public housing sector as the predominant tenure. Before changes in the political system occurred, Hungary began to reform its housing policy in an incremental manner. The state diminished control over the private housing sector and started to change the housing subsidy system towards tenure balance. Substantial shifts were undertaken in the 1990s, when local housing policy became independent from the central state and mass give-away privatisations of public housing led to an expansion of home-ownership, which thus became the dominant tenure in the Hungarian housing market. The large scale privatisation was not only a withdrawal of resources from this sector, but also an important symbolic sign of social and political changes. State influence on housing diminished to a minimum and hence, in Hungary housing provision is more market-led than in most Western European countries.

We expect that the likelihood of social exclusion in the realm of housing considerably varies between the countries under observation here. For Hungary, we assume a high likelihood of social exclusion, as market forces influence housing provision to a large extent. We expect the opposite for Austria, where state intervention in the housing markets is still strong and

non-profit housing presumably serves as a buffer against social exclusion in the field of housing. Finally, in the case of Germany, we propose that social exclusion in the housing sector is more likely to occur, because the impact of market forces has grown particularly during the last decade. Variations between the two parts of Germany will be systematically monitored.

As convincingly shown by the most recent micro-scale studies (overview in: Matznetter 2006), housing regimes have strong repercussions at the local/regional level. We thus choose four cities as areas for field work: one in Austria, one in Hungary and two in Germany, one in the eastern and one in the western part of Germany. Comparative research will be conducted at two levels: At the intra-national level we aim to compare the two German cities, while at the international level a comparison between the Austrian, the Hungarian and the two German cities is intended. Comparative research efforts will of course address the six main research hypotheses from the beginning.

5.1 Selection of research areas and collection of data

The proposed project is expected to find out the specific role played by distinct housing regimes in social exclusion processes in the housing markets. In particular, we propose to trace differences between housing regimes with respect to whether housing biographies (or at least sequences of them) indicate processes of social exclusion or inclusion in the housing markets. As outlined above, research will concentrate on the city-level. Appropriate areas for field work are selected in a two-step procedure. In a first step we select a middle size town (between 40.000 and 90.000 inhabitants) in each of the two countries under observation, since the majority of the population lives in cities of this particular type. A second criterion is a high unemployment rate, since unemployment is an indicator for a high risk of social exclusion.

In selected neighbourhoods in each city observations based upon a detailed observation scheme and a survey are conducted. It is intended to use a standardised questionnaire to collect data about the housing biographies and the socio-demographic profile of the individuals and the households they belong to. The data gained will be analysed by the use of various quantitative methods, such as bi- and in particular multivariate techniques that should facilitate both intra- and international comparison. In addition to the survey we plan to conduct semi-standardised interviews with tenants' representatives and urban departments for planning and housing in order to gain valid information on the goals of local housing policies and on the structure of the local housing markets.

6. Selected Bibliography

- P. Abrahamson, The welfare modelling business, in: *Social Policy and Administration* 33 (1999), 394-415.
- M. Abramsson/L-E Borgegard/U. Fransson, Housing Careers: Immigrants in Local Swedish Housing Markets, in: *Housing Studies* 17 (2002), 445-464.
- M. Abramsson, Housing Careers in a Changing Welfare State. A Swedish Cohort Study, in: *Housing, Theory and Society* 4 (2008), 231-253.
- J. Allen, *Housing and Welfare in Southern Europe*, Oxford 2004.
- H.-J. Andreß/Henning Lohmann (Eds.), *The Working Poor in Europe. Employment, Poverty and Globalization*, Celtenham 2009.
- S. Arbacı, Ethnic Segregation, Housing Systems and Welfare Regimes in Europe, in: *European Journal of Housing Policy* 4 (2007), 401-433.
- D. Avramov, *People, demography and social exclusion*, Strasbourg 2002.
- M. Weichbold/J. Bacher/C. Wolf (Eds.), *Umfrageforschung. Herausforderungen und Grenzen. Sonderheft 9 der Österreichischen Zeitschrift für Soziologie*, Wiesbaden 2009.
- J. Barlow/S. Duncan, *Success and Failure in Housing Provision. European Systems Compared*, Oxford 1994.
- B. Bengtsson, *Varför så olika? Nordisk bostadspolitik i jämförande historiskt ljus*, Malmö 2006.
- H.-P. Blossfeld/M. Mills/F. Bernardi (Eds.), *Globalization, Uncertainty and Men`s Careers. An International Comparison*, Celtenham 2007.
- P. Boehnke, *Am Rande der Gesellschaft. Armut und soziale Ausgrenzung*, Wiesbaden 2006.
- G. Bolt/R. van Kempen, Moving Up or Moving Down? Housing Careers of Turks and Moroccans in Utrecht, the Netherlands, in: *Housing Studies* 17 (2002), 401-422.
- L. Brannström, Poor Places, poor prospects. Counterfactual models of neighbourhood effects on social exclusion in Stockholm, in: *Urban Studies* 41 (2004), 2515-2537.
- I. Breckner, Wohnungsnot, Obdachlosigkeit, in: H. Häussermann (Hg.), *Großstadt. Soziologische Stichworte*, Opladen 2000, 209-221.
- P. Bremer/N. Gestring, Migranten – ausgegrenzt?, in: H. Häussermann/M. Kronauer/W. Siebel (Hg.), *An den Rändern der Stadt. Armut und Ausgrenzung*, Frankfurt/Main 2004, 258-285.
- N. Buck, Identifying Neighbourhood Effects on Social Exclusion, in: *Urban Studies* 38 (2001), 2251-2275.
- J. Burgers/R. Kloosterman, Dutch Comfort. Postindustrieller Übergang und soziale Ausgrenzung in Spangen, Rotterdam, in: W. Heitmeyer/R. Anhut (Hg.), *Die Krise der Städte*, Frankfurt/Main 1998, 211-232.

V. Busch-Geertsema, Homelessness and the Changing Role of the State in Germany, Brussels 2005

W. A. Clark/M.C. Deurloo/F.M. Dieleman, Housing careers in the United States, 1968-1993. Modelling the sequencing of Housing States, in: Urban Studies 40 (2003),143-160.

W. A. Clark/F.M. Dieleman, Households and Housing. Choice and outcome in the housing market, New Brunswick 1996.

K. Czasny, The importance of Housing Systems in Safeguarding Social Cohesion in Europe, Vienna 2004.

E. Deutsch, Einkommensverteilung im sozialen Wohnungswesen, in: Jahrbuch des Vereins für Wohnbauförderung (2007), 15-45.

C. Dewilde/F. DeKeulenaer, Housing and Poverty. The "Missing Link", in European Journal of Housing Policy 3 (2003), 127-153

C. Dewilde, Divorce and Housing Movements of Owner-Occupiers, in: Housing Studies 23 (2008), 809-823.

F. Dubet/D. Lapeyronnie, Im Aus der Vorstädte. Der Zerfall der demokratischen Gesellschaft, Stuttgart 1994.

B. Egner et al., Wohnungspolitik in Deutschland, Wiesbaden 2004.

G. Esping-Andersen, The Three Worlds of Welfare Capitalism, 3. Aufl. Oxford 1996.

A. Farwick, Segregierte Armut in der Stadt, Opladen 2001.

P. Feijten/T. Mulder, Life-course experience and housing quality, in: Housing Studies 20 (2005), 571-578.

S. Fitzpatrick, Homelessness in the European Union, in: Kleinman/Matznetter/Stephens, 1998, 197-214.

S. Fitzpatrick, Explaining homelessness. A critical realist perspective, in: Housing, Theory and Society 22 (2005), 1-17.

R. Forrest, Shelter, housing and inequality, in: P. Kennet (Hg.), A Handbook of Comparative Social Policy, Cелtenham 2004, 355-372.

J. Friedrichs/D. Blasius, Leben in benachteiligten Quartieren, Opladen 2000.

N. Gestring/A. Janssen/A. Polat, Prozesse der Integration und Ausgrenzung. Türkische Migranten der zweiten Generation, Wiesbaden 2006.

Dies., Prozesse der Integration und Ausgrenzung. Türkische Migranten der Zweiten Generation, Opladen 2006.

P. Gober, Urban housing demography progress, in: Human Geography (16) 1992, 171-189.

R. Groves / A. Murie / C. Watson (Eds.), Housing and the new welfare state. Perspectives form East Asia and Europe, Aldershot 2007.

M. Harloe, The people´s home ? Social rented housing in Europe and America, Cambridge 1995.

R. Hauser/W. Hübinger, *Arme unter uns. Teil 1, Ergebnisse und Konsequenzen der Caritas-Armutsuntersuchung*, Freiburg 1993.

H. Haeussermann/M. Kronauer/W. Siebel, *Stadt am Rand: Armut und Ausgrenzung*, in Haeussermann/Kronauer/Siebel (2004), 7-42.

H. Haeussermann/W. Siebel, *Soziologie des Wohnens*, Frankfurt/Main 1996, 2000.

H. Haeussermann/W. Siebel, *Stadtsoziologie*, Frankfurt/Main 2004.

H. Haeussermann/D. Laepple/W. Siebel, *Stadtpolitik*, Frankfurt/Main 2008.

W. Heitmeyer/R. Anhut, *Bedrohte Stadtgesellschaften*, Frankfurt/Main 2000.

U. Herlyn/U. Lakemann/B. Lettko, *Armut und Milieu: Benachteiligte Bewohner in großstädtischen Quartieren*, Basel u.a. 1991

U. Herlyn, *Milieus*, in: H. Häussermann, (2000). 151-160.

M. Hill, *Social Policy. A comparative Analysis*, London et. al 1996.

J. Hoekstra, *Is there a connection between welfare state regime and dwelling type? An exploratory statistical analysis*, in: *Housing Studies* 20 (2005), 475-495.

W. Hübinger, *Prekärer Wohlstand. Neue Befunde zu Armut und sozialer Ausgrenzung*, Freiburg 1996.

A. Kearns/J. Lawson, *Housing Stock Transfer in Glasgow – the First Five Years. A Study of Policy Implementation*, in: *Housing Studies* 23 (2008), 857-878.

K. Keller, *Dynamiken sozialer Exklusion in Plattenbausiedlungen. Quartierseffekte und Alltagsstrategien*, in : Walther/ Mensch (Hg.), *Armut und Ausgrenzung in der „Sozialen Stadt“*, 2004, 86-111.

J. Kemeny, *From Public Housing to the Social Market. Rental policy strategies in comparative perspective*, London 1995.

J. Kemeny, *Corporatism and housing regimes*, in: *Housing, Theory and Society* 23 (2006), 1-18.

H.L. Kendig, *A life course perspective on housing attainment*, in: D. Myers (Ed.), *Housing demography*, Madison 1990, 133-156.

M. Kronauer, *„Soziale Ausgrenzung“ und „underclass: Über neue Formen der gesellschaftlichen Spaltung*, in: *Leviathan* 1 (1997), 28-49.

M. Kronauer, *Exklusion. Die Gefährdung des Sozialen im entwickelten Kapitalismus*, Frankfurt/Main 2002.

M. Kronauer, *Quartierseffekte. Einführung und Kommentare*, in: Walther/ Mensch (Hg.), *Armut und Ausgrenzung in der „Sozialen Stadt“*, 2004, 17-25.

M. Kronauer/B. Vogel, *Erfahrung und Bewältigung von sozialer Ausgrenzung in der Großstadt: Was sind Quartierseffekte, was Lageeffekte*, in: Häussermann/Kronauer/Siebel (2004), 235-257.

M. Kronauer/G. Linne (Hg.), *Flexicurity. Auf der Suche nach Sicherheit in der Flexibilität*, Berlin 2005.

S. Leibfried, *Towards a European welfare state*, in Z. Ferge/J. Kolberg (Eds.), *Social Policy in a Changing Europe*, Frankfurt 1992, 245-279.

L. Magnusson/S. Özüekren, *The Housing Careers of Turkish Households in Middle-sized Swedish Municipalities*, in: *Housing Studies* 17 (2002), 465-486.

L. Magnussen/B. Turner, *Municipal Housing Companies in Sweden. Social "by default"*, in: *Housing, Theory and Society* 25 (2008), 275-296.

P. Malpass, *The wobbly pillar? Housing policy and the British postwar welfare state*, in: *Journal of Social Policy* 32 (2003), 589-606.

W. Matznetter, *Social Housing Policy in a Conservative welfare State. Austria as an Example*, in: *Urban Studies* 2 (2002), 265-282.

W. Matznetter, *Micro-scale studies in comparative housing research. Paper for the 6th International Conference of the EAUH, Stockholm University, August 2006.*

E. Mingione, *Urban Poverty and the Underclass*, Oxford 1996.

A. Murdie, *The Housing Careers of Polish and Somali Newcomers in Toronto`s Rental Market*, in: *Housing Studies* 17 (2002), 423-433.

S. Musterd/R. van Kempen, *Trapped or on the Springboard ? Housing Careers in Large Housing Estates in European Cities*, in: *Journal of Urban Affairs* 29 (2007), 311-329.

H. Ruonavaara, *How Divergent Housing Institutions Evolve: A comparison of Swedish tenant co-operatives and Finnish shareholders' housing companies*", in: *Housing, Theory and Society* 22 (2005), 213-236.

G. Room, *The European Challenge. Innovation, Policy Learning and and Social Cohesion in the New Knowledge Economy*, Bristol 2005.

M. Stephens, *Necessary, Contingent or independent? Exploring the relationship between Welfare Regimes and Housing Outcomes in Western Europe*, Paper for the ENHR Comparative Housing Policy Workshop, 2007.

H. Stoeger, *Housing Policy in Austria. The "Second Republic". Final report to the Austrian Science Fund (FWF), University of Salzburg, 2005.*

H. Stoeger, *Welfare Regimes, Housing Markets and Social Exclusion in Europe. Some Considerations on a complex issue*, Paper presented at the CURES Conference „Sustainable Cities. Enabling Vision or Empty Talk?“, Örebro University, Sweden, 6th – 9th of March 2009.

M. Till et al, *Housing Stress: An Overview of Risk Populations and Policies in the EU*, 2001

U. Torgensen, *Housing: the wobbly pillar under the welfare state*, in: B. Turner/J. Kemeny/L. Lindquist (Eds.), *Between State and Market: Housing in the Post-industrial Era*, Stockholm 1987, 116-126.

U.-J. Walther/K. Mensch, Armut und Ausgrenzung in der „Sozialen Stadt“. Konzepte und Rezepte auf dem Prüfstand, Darmstadt 2004.

W. J. Wilson, The Truly Disadvantaged. The Inner City, The Underclass and Public Policy, Chicago 1987.

CONTACT DETAILS:

Dr. Harald Stoeger

Institute for Social and Societal Policy

University of Linz, Austria

harald.stoeger@jku.at