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PREFACE: RED VIENNA ... FOREVER?

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Scarcity and Creativity in the Vienna Model of Public Housing Provision

The first part of our research engages in a qualitative analysis of the contemporary model of Vienna public housing provision. We study its stakeholders, its legal and financial framework (i.e. its policies and subsidy models), the discourses circulating within the model, as well as the artefacts produced by it (i.e. public housing projects). Our exploration is guided by the question “What kind of innovations can creativity foster within a standardised legally and economically defined system of housing provision?”

The purpose of our analysis is to understand what kind of limits and scarcities this unique and apparently successful, locally embedded, politically decisive, historically evolved and constantly evolving model produces. We ask about the limits and scarcities (1) within the model itself (i.e. in its interiority), as well as (2) towards its outside (i.e. the private real-estate market, the cities urban development, “global discourses” like that about climate change), and how this outside inversely shapes the model of public housing provision itself. Furthermore we are looking for modes of innovation and its effects triggered by creativity within the confines of the model as well as governed by its outside. In other words we try to conceptualise the Vienna public housing model as a moldable node embedded in a network of interdependencies. Here it is important to note that we do not limit acts of creativity to a certain so-called “creative-class”

(i.e. in our case: the architects). It is also noteworthy that we understand innovation as a highly ambivalent concept only marking a significant change (in values, in organizational set-ups, in the use of materials, in the changeover of subsidy allocation, etc.). An innovation is by no means to be understood in an ideologically positive nor in an negative way. An innovation always needs to be analysed by way of its intention and its effects onto the environment in the very situation. The significance of such a research is to map out the territory of the *Vienna public housing model* by transcending and interrelating traditional disciplinary perspectives onto the field in order to come up with a *heteronomic* concept of architecture, instead of understanding architecture as an autonomous discipline.

The Vienna public housing model is successful in providing housing for a huge part of the Viennese population. With its high standards it is actually being discussed as a form of “best practice” to be exported in other European contexts (see: Economic Commission for Europe, 2006). The public housing provision model, in which the city of Vienna actually owns or directly and through public subsidy controls more than 50% of the housing stock in Vienna, has been able to stabilize the real estate market to a great extend and keep the housing prices in general (i.e. rent and purchase) relatively low compared to other European cities over the last decades. Some even argue that resiliency and stability of the Vienna housing model actually absorbed the effects of the 2008 financial crisis. On the other hand, notwithstanding its nearly 100-years success story, the public housing provision model is under constant scrutiny from various sides, and many argue for adaption. It is not only the fact that Vienna, after years of a stagnating population of about 1.5 million inhabitants, is currently growing. It is estimated that by 2040 Vienna will be home to about two million inhabitants constituting an ever growing demand for space to live for a

socially diversified population.¹ Parallel to this, public housing provision is ideologically and politically a contested field. In recent years one was able to observe an ever more liberal tendency in the debate about housing issues. It produces a consistent, static idea of estate property. In Vienna one can observe an ever more aggressive liberal argument accompanied by legal and financial presets in favour of a “buyers-market” trying to supersede the “renters-market” historically typical for the city. One also has to state a negatively connotated stigma mostly visible in media coverage about public housing schemes, talking them bad. As well as a critique of subsidy in general. The well-known argument goes that the high quality of subsidised housing schemes distort the market.

These few, rather cursorily (ideologically and politically embellished) arguments and debates, will be dealt with in the evolving research in more depth. For now, however, these arguments outline the public housing model’s contested territory. They implicitly touch upon some of the modes of scarcities within its limits and scarcities it produces outside of the models confinements – e.g. the high standard of public housing puts pressure on the private sector, etc. They also sketches some of the reactions the model produces at the moment, as well as “innovative” proposals for a more liberalized, market-oriented model of housing provision in Vienna. In other words these arguments sketch a situation in which an unique, socially sustainable model of public housing provision is put under pressure and is in need to react to various changing environmental parameters (be it economic, be it ecologic, be it ideological, etc.). A further question then, is how the model can be modified, and how its stakeholders can act within the given situation in order to stay true to the models ideological and historic

¹ Statistik Austria:
http://www.statistik.at/web_de/statistiken/bevoelkerung/demographische_prognosen/bevoelkerungsprognosen/index.html [Accessed 17th January 2011]

program to offer affordable space to all. This will be part of the second part of our research in which we will be working on scenarios.

But before we look into the future and think about scenarios, or, even before we start to lay out the analysis of the current model, we want to briefly look back to the moment of foundation of the social-democratic model in Vienna. Thus we will be able to trace some of the questions that we are involved in by using historic material. We will be able to frame the research in a more concrete way. For a start it seems easier to look back and understand from the distance about an extensively documented time. In doing so, we will be able to describe (1) the historic situation of crisis, (2) the innovative action taken by the social democrats in order to implement the public housing program. (3) We can ask for the modes and constitution of scarcities in the very moment. We can investigate the limits, standards and scarcities the housing model introduced in order to be able to implement the program, and we can briefly look into the effects the public housing program had at that time.

Thus the glimpse of the historic Vienna public housing model helps to conceive current problems and discussions in a contextualized way. This detour helps us understand to what ends the Vienna model was discursively and ideologically framed and how the situation has altered and changed over the last hundred years. In doing so our questioning will be accompanied by our thesis that *scarcity is never a problem for capitalism, only abundance is*. Thus, one can allege that, no matter when in time, the solidary housing policy of Vienna pragmatically intervened in a capitalist situation that is framed by scarcity (of living space). The housing model creates a regulated market by covering the demand in order to annul the scarcity of housing in Vienna. At the same time, it set up a machinery that has its limits and produces its own scarcities In the lines to follow we will be broadly drawing from two outstanding publications accompanied with

historic resources. The one book we refer to is Eve Blau's seminal book "The Architecture of Red Vienna 1919-1934" published in 1999,² the other book "Das Rote Wien, Sozialdemokratische Architektur und Kommunalpolitik 1919-1934" was written by Helmut Weihsmann, first published in 1985 (revised version 2002).³

(1) A Situation of Utter Crisis (Wohnungsmangel)

It was just months after the defeated first World War had ended, that the Social Democratic Workers Party, the SDAP won the absolute majority of the City's parliament in May 1919. It started "a radical program of municipal reforms designed to reshape the social and economic infrastructure of the Austrian capital along socialist lines"⁴. This "instable time with its unsecure future", as it had often been put, was also a moment of beginning, sustaining the potential of emancipation from history and its obsolete monarchic structure of society. The first republic had been declared in November 1918, the peace treaty was signed a year after. In February 1919 the constituent national assembly passed the Constitution that became effective in 1920. In February the same year, the last sovereign, Emperor Karl, had to leave the country and was subsequently expropriated. At the same time Vienna had in fact been degraded from being the metropolis and the centre of Royal power of the immense Austrian-Hungarian monarchy to be a capital of a small insignificant country, which measured only 12% of its former expansion posing not only a psychological problem for some of its inhabitants, but more so a situation of utter scarcity.

² Blau: Eve Blau, *The Architecture of Red Vienna, 1919-1934* (Mit Press, 1999).

³ Helmut Weihsmann, *Das Rote Wien: Sozialdemokratische Architektur und Kommunalpolitik 1919 - 1934* (Promedia, Wien, 2001).

⁴ Blau, 2

Due to the breaking apart of the Austrian-Hungarian monarchy, but also due to the enormous war-debts the first Republic of Austria inherited from the monarchy, this very period was characterized by a continuing economic instability, and by uncontrollable inflation and permanent currency deflation that only began to stabilize around 1922. Additionally the import of formerly cheap raw-materials and of food from the crown lands, as well as the export of goods to the crown lands ceased to apply.⁵ All of which effectively created a situation of scarcity (1) of housing, (2) of food and basic services and (3) of stagnating production due to closure of businesses having effect in a high rate of unemployment. This general condition was topped by a huge wave of immigration of civil servants of the former empire, ultimately tightening it, and not least intensifying the generally bad housing conditions in Vienna. As a result workers, as well as the middle class no longer could afford housing.

The lack of adequate housing cannot be blamed solely on the devastating years of the first world war and its post-war economic consequences. Especially when one takes into account that the city's real estate structure was not affected by the war. The housing shortage, bad standards and conditions, as well as the lack of legal security for those renting a flat, needs to be traced back into the pre-war years. Thus it is directly linked to the "Gründerzeit" years from 1840 until 1910 with its radically liberal urban development of real estate. In fact the Christian-Conservative mayor Karl Lueger had implemented a huge array of credit-financed municipal large-scale projects aiming to improve the life of the petit-bourgeoisie. During Lueger's mandate between 1897 and 1910 the gas- and electricity provision, as well as the tram-way network got municipalized, the water supply got extended with the "2. Wiener Hochquellenleitung", and some social institutions such as the Psychiatry in Steinhof got built. These projects of the so-called "Gemeindesozialismus" can be seen as the infrastructure on which

⁵ Wehsmann, 2002: 18-23

the Socialist housing policy could built upon but also had to deal with. During Gründerzeit the real-estate market for housing can be described as completely liberalized. It was in fact the product of housing-speculation, resulting in horrendous living conditions for the worker's class. The housing market was coined by sub-standard flats following the logic of short-term maximization of profit. In 1917 about 93% of housing units in Vienna were small flatlets with maximum of one chamber and one *Kabinett* (a small room), some of the flats even only had one small chamber. The comparatively high rent constraint workers to sublet their flats to "Bettgeher" [bed renting lodgers]. Statistically it is been said that 85% of workers did not have their own flat in pre-war years. After the war the generally tense housing situation did not relax at all. Despite of a small vacancy rate of about 1,5% of housing units being unoccupied, the general housing conditions resulted in situations in which – for example – 4 adults and 2 children would share a one-chamber-flatlet with two beds, but with no running water or even a toilet.⁶

(2) The Emergence of Gemeindebau

The foundation of the reformist Socialist policy in Vienna after the first world war is based on a huge array of reforms aiming not only to improve housing conditions, but on a broader societal level to implement a new, emancipated workers society. Thus the measures also included education programs and the health-system. In line with the political aspiration, the housing schemes of "Red Vienna" where not mono-functional blocks, but would be supplemented by large community facilities, like bathrooms⁷, laundry, kindergarten, playgrounds, schools, recreational club homes, and sport- and recreational facilities, aimed to increase the living standard, accompanied with emancipatory socialist activities and discourses.

⁶ Weihsmann, 2002: 18-20

⁷ Actually bathrooms in the flat are first introduced after 1945.

The socialist policy in those years was by no means revolutionary. It was informed by co-operative ideas and tried to balance a middle way distancing itself from a revolutionary and internationally oriented Marxist reading.⁸ It is this reformist attitude that led to allegations from an ideological left that reproached the Social Democratic Party to be opportunistic. It is also this bias that was and still is the foundation of heavy criticism. A criticism that can also be found in the architect's discourse on the Vienna housing model. Famous is of course Manfredo Tafuri's critical text "Austromarxismo e città: 'Das rote Wien'" (1971),⁹ as well as his book on "Red Vienna" (1980).¹⁰ Both of which have not been translated into German, nor into English and are thus inaccessible and became somewhat mythological. In order to be able to judge on the social-democratic project in Vienna it is relevant to understand the pragmatic stance within a broader political situation in Austria. Only Vienna was ruled by the social democrats. The rest of the country and notably the legislative national parliament was ruled by the Christian-Conservative party. This created an insular existence and thus a logic tension between the capital city and the parliament. This interdependency consequently led to highly pragmatic politics by the social democrats, in order to be able to negotiate – for example – new laws necessary for the Socialist program.

Significant for the actual housing policy was an extensive tax reformation between 1919 and 1923. Besides taxes on luxury goods and a transaction tax, this reform would include real estate issues. A land tax and taxes on rent got introduced, as well as a tax on capital gain [Wertzuwachsrate] when selling real estate property. Finally a housing tax, the "Wohnbausteuer" was implemented with some amendment by the Christian-Conservative. This tax becoming effective in 1922 started to

⁸ The Vienna socialist party's foundation and slogan was no longer the communist manifesto, but was centered around "future visions"

⁹ Manfredo Tafuri, "Austromarxismo e città: 'Das rote Wien'," *Contropiano* 2, 1971.

¹⁰ Manfredo Tafuri, *Vienna Rossa, La politica residenziale nella Vienna socialista 1919-1933* (Electa, 1980).

implement a social grading of dues within the housing sector.¹¹ These reforms have been accompanied by comprehensively widening the legal frame-work ensuring tenants rights, that finally passed the Austrian parliament as federal law in 1922.¹² This can be seen as the expansion of the first ever implementation of tenants rights in Austria during the first world war by the Austrian Emperor Franz Josef I in 1917. The so-called “emergency decree about the protection of tenants [Notverordnung über den Schutz der Mieter]”¹³ reacted against hyperinflation in the war years defining stronger dismissal protection, as well as stricter rules for rent introducing the first juridical tenant-protection against boosting rental-prices.

Within these first scarce years of Socialist rule the focus on creating housing space was three-fold. Most prominently the focus lay on subsidizing the co-operatively organized “Wiener Siedlerbewegung [Vienna’s settlers-movement]” that already existed since the war years. Soon the city government introduced the Viennese Settlers department (MA 16) within the administrative body of the city of Vienna, and Adolf Loos became its director. Another measure was to claim empty flats in the city by introducing an “emergency measure”. Finally barracks of the Arsenal-area got provisionally adapted, and apartment blocks in construction [Rohbau] got bought in order to create so-called emergency- and ersatz-flats [Not- und Ersatzwohnungen]¹⁴.

Only with the financial budget of the City council loosening its tight grip the Social Democrats were able to present its first five-year building program in Fall 1923. The ambition was to build 25.000 new dwelling units

¹¹ A detailed description is cited in Blau, 137-140

¹² With the votes of the Christian-Conservative Party, Social Democratic Party and the nationalist “Pan-German” party

¹³ *Reichsgesetzblatt* 34/1917,< <http://anno.onb.ac.at/cgi-content/anno-plus?aid=rgb&datum=19170004&seite=00000092>> [Accessed 15th September 2010.]

¹⁴ Weihsmann, 96 and Blau, 88-134

within five years. And the city was in favour for dropping the garden-city idea in favour for the block- or *Hof*-type. The official argument for dropping the support of small-scale and low-rise settlements and instead of focusing on the erection of large, high-rise building blocks was an entangled problem of an economic, a legal, an ideological, and a populist-political dimension. The city of Vienna's constitutional status changed in 1922. From that moment on, Vienna was a city-state. Each acquisition of land outside the cities legal boundaries would need in fact constitutional amendment. Additionally the garden city idea could only be implemented in areas of Vienna not connected to any means of existing public transportation. 1923 saw also an new mayor. Jacob Reumann, in fact a supporter of the cooperative settlements, retired. His successor Karl Seitz, along with other members of the Social Democratic leadership, like Otto Bauer, was in favour for the high-rise block. One argument was that large housing complexes with their extensive communal facilities relieved working women from the "double burden" of job and household.¹⁵ Another argument was, as Eve Blau writes, that the extensive communal facilities could only be provided and sustained in unified housing blocks. Finally one has to take into account that in 1924 the numbers of homeless would still be rising. Thus the social democrats needed popular action that is "quicker and more visible results"¹⁶ Something that the high-rise block promised.

In fact the results of the socialist effort could be seen faster and more effective that one ever would have imagined. In 1923 25.000 dwelling units had been announced to be built within the next five years. But already after 3 years the planned target was reached and new goals could be easily set. With the *Hof*-type [courtyard type] housing block, as can be seen it the most famous Karl-Marx-Hof, and that was so typical for the "Red Vienna" public

¹⁵ It is interesting how the argument has been put. It is the organization of the apartment-block/of the architecture that is able to emancipate women. In other words, it is not the woman itself, nor is it its solidarity and organization with other women that triggers emancipation. Emancipation is actually imposed from above (from men) onto the workers...

¹⁶ Blau

housing schemes, it was able to achieve various goals. Compared to the “Gründerzeit”-block this *Hof*-typology reduced the density from a factor of 85 to 15, creating spacious protected courtyards as public spaces by achieving the objective of creating a huge mass of dwelling units. The small-sized dwellings itself would offer an ante-room marking the entrance to the private, individual sphere, a kitchen-living room, as well as a chamber for sleeping. Compared with international examples of that time, the dwelling units were too small. Still they would make a difference to the existing conditions. Parallel to this the new range of public facilities, like public baths, libraries, but also the communal facilities in the housing blocks itself created a sphere of good living.

(3) Modulations of Scarcities and Moments of Creativity

To sum up: The Vienna model of housing provision got implemented in a setting of utter crisis in order to relieve the scarce housing situation and to assist in a broader emancipator political and ideological campaign. In the first place it was a slow *heteronomic* process and a process coined by pragmatic, but also creative decisions, that finally led to the introduction of standards that had to be fulfilled. By doing so, by finally implementing a standardized legally and economically defined system of housing provision, with all its consequences, the social-democratic city council also created new and unforeseen scarcities. In return, ever since, these constructed scarcities triggered and still trigger different reactions, some of which might have been creative and political with the aim of changing the system. And some of these reactions might have been taken up and embraced by officials and the housing model, labelling them innovative.

In the very moment after the first world war, a pragmatic fiscal policy, as well as the symbiotic partnership with the settlers movement paved way for a change from a scarcity of housing units towards a scarcity of demand on the real estate market by building *en masse* public housing units, and

consequently weakening the private real-estate market, thus controlling the City's housing provision. This subsequently helped the city to acquire land to modest prices and ideally accelerating the possibilities for housing production made by the City's council. Thus building can be understood as a tool for controlling the economic development and – in line with the social-democratic idea – a tool for creating social balance.

“Red Vienna” was affected by different sets of scarcities. Besides of a somewhat “given” situation of crises after the second world war, one can deduce scarcities and restraints governing the emergence of the public housing program. An international discourse on hygiene is certainly one aspect shaping the Vienna public housing program from the outside, leading not only to a renewed health care policy, but also to factory-like laundries like the one in Karl-Marx-Hof, or the radically de-densified housing schemes in general. Internally constructed scarcities, that is scarcities that follow the inner logic of the public housing provision system can also be deduced. Fundamentally these are related to the implementation of rules and regulations. Thus these “inner scarcities” can be described as scarcities of choices. It is these internally constructed scarcities, something like rules of a game, with which the different stakeholders, be it the administrative body, be it the architects, be it the users need to start to work with, be inventive, be creative in order to make the system better, or change it.

Summary

We have briefly been looking into the situation of crisis in which the Vienna Public Housing model emerged nearly 100 years ago. It was a condition of scarcities of housing with acceptable standards, of food and basic services and of stagnating production. We have concisely followed the foundational process of “Red Vienna” with its pragmatic politics, its tax reforms and its finance-policy in order to be able to implement the socialist (housing) provision. And finally, we have shortly been discussing the housing schemes

themselves and its huge effect and success at the time, as well as the scarcities being constructed by the implementation of the housing provision model itself.

Of course one could argue that it is simply impossible to compare the “Red Vienna” *Gemeindebauten* to the current model of public housing. And of course, our analytic framing, in which we looked at the *Gemeindebauten* from the 1920’s varies significantly from today’s model. The crisis that we are allegedly living in differs considerably from that a hundred years ago, but also finance, as planning, or the building process, as well as administration and distribution of the dwelling units, or the ideological discourse, have massively changed. It was not our intention to take off into an comparative study, examining historic artefacts side-by-side with contemporary ones, but to analyze the historic Vienna public housing model in an *heteronomic* fashion from a distance in order to be able to conceive today’s problems and chances in a contextualized way. Besides of understanding scarcities that shape the model from outside and scarcities produced by the model itself, by its interiority, we could briefly touch upon moments of creativity, even *moments of the political* (in terms of Jacques Rancière) that introduce change. By looking from a distance it was actually possible for us to delineate the above mentioned analytic parameters, that will frame our research into the contemporary model. The *heteronomic* understanding in which we look at the historic model will stay the same when we look and investigate into the current model of public housing provision. Though the question is, in what form has the model and its analytic elements changed. How are we to understand scarcities of an ever more liberalized discourse? How did the architectural object change over time? Can it still be described as the modernist subjectivation-tool for governing masses¹⁷ as the social democrats did in the 1920s? Or do we need

¹⁷ Sven-Olov Wallenstein, *Biopolitics and the Emergence of Modern Architecture* (New York: Princeton Architectural, 2009)

to come up with another conception of architecture, when we take into account that creativity is no longer exclusive, but has become part of a larger mode of production-process. What then is a moment of creativity? And what can its effects be within the model itself? These are just a few questions that will us lead into our first, analytic research of the current model of Vienna housing provision.

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