



Habitat Initiative Germany

The results of the 1996 Habitat II Conference in Istanbul did not have much impact on political debates in Germany, where the Habitat Agenda was mostly viewed as an Agenda for the South. The issues discussed at the conference and in the agenda seemed to lack relevance for Germany. In fact, the housing provisions in Germany seem to be relatively good, even in comparison to other European countries, and ecological aspects that used to be a major concern in settlement planning have played a role in most political discourses over the past decades.

Still, in spite of the country's wealth, its sophisticated social security system and its social and ecological consciousness, over **500.000 people are still homeless** in Germany. The growing poorer segment of the population is burdened with **increasing housing costs** and threatened by a **restructuring of the housing policies** with the **loss of important social housing institutions**. On the other hand, and in contrast to predominant political and ecological discourses, the settlement development is still characterised by **urban sprawl and land consumption** as well as by **dramatically shrinking cities** in some regions.



Germany, Important Cities and Boundaries

The low relevance of the **Habitat Agenda** in the political discourse of Germany is partially due to the fact that the agenda fails to address the specific issues of housing and urban problems in Europe or the United States. It also fails

to address the problems of privatisation of public housing, property oriented housing subsidies and their impact on regional development and urban sprawl tendencies, or the specific problem of shrinking cities. Obviously, some commitments of the Habitat Agenda need to be "translated" to fit the actual situations found in European countries (more than this will be the fact in other continents). The main ideas of the Agenda focus on existing housing and urban development problems in Germany, which will be presented in this small overview.



Street scene Kreuzberg Berlin (photo:Duyar)

Since the 1996 Istanbul conference, the German government has neither publicly announced a national or local Habitat follow up nor encouraged civil society to take part in such a process. A National Habitat Committee does exist, but it did not meet once between 1996 and 2001 and lacks any relevant activists, especially grassroots representatives. The German Federal Ministry of Traffic, Construction and Housing is responsible for the national Habitat monitoring. At the end of 2000, the Ministry drafted a version of the "National Report Istanbul+5" based on results of The National Urban Planners Conference of November 1999, but it was written without the participation of any relevant NGOs or grassroots representatives. As late as December 2000, the draft was being disseminated among an exclusive circle of institutions and professional chambers.

Habitat Arbeitskreis Berlin and Habitat Forum Berlin started an independent regional Habitat-Monitoring in January 2001 which assesses the experiences of different local initiatives, grassroots organisations and institutions working in this field. In North-Rhine-Westphalia in April 2001 a NGO-Habitat Forum was established which also works on independent regional reports on habitat-issues. Based on these two initiatives this paper has been put together by the Habitat Initiative Germany, a working group inside the NGO network *Forum Umwelt & Entwicklung*.

Habitat Initiative Germany is an alliance of local initiatives and interested individuals throughout the country working in the field of housing and urban development. Its aim is to provide a platform to exchange local experiences as well as to establish a national monitoring process on the development of housing, settlements and the public space in the context of the follow-up processes of the UN conferences of Rio (UNCED) and Istanbul (Habitat II). The initiative is a working group of the national network of NGO's *Forum Umwelt & Entwicklung*.



Sustainable Housing for All

Compared to the housing situation in many countries of the world, the housing provision and security of the majority of people in Germany seems very good. At Istanbul+5, the German government was able to report a relevant growth in the housing stock since 1996. But don't overlook the ugly stains on this beautiful picture: Not only is Germany's housing provision influenced by a dramatic cyclical crisis, but more than half a million of people are still homeless, the housing rights of refugees are systematically violated, increasing social inequity and segregation as well as regional differentiation inside the housing markets is becoming a fundamental structural problem and, lastly, the state has for the most part deregulated the traditional housing policies without supplying any secure alternatives to meet the future challenges.

Temporary Surmounting of the Housing Crises

The development of housing provisions during the second half of the nineties was characterised by a temporary surmounting of the serious housing crisis of 1989 to 1994, when not only over one million people were homeless, but even the majority of those housed suffered from the lack of housing possibilities.

The main reason for that crisis was the heavy decrease in newly built apartments during the eighties, the result of a reduction in public spending on social housing programs. The scandalous housing situation suddenly became one of the most discussed public issues and after some time politicians reacted by re-establishing active housing support with an emphasis on new building.

The resulting boom in housing construction reached its peak in 1994, when the construction volume of 1988 was exceeded by 250 percent. During the next few years the housing situation improved, but when the rents did not increase at the former high rates, the state and market again reacted with less spending and construction. Today the yearly construction rate is again very low and in some regions a new crisis is starting. At the present time, Germany seems less than ever to be able to control the cyclical housing conjunctions by central interventions.

Growing Housing Consumption and Redistribution

In Germany we have to consider a permanently growing need for houses, which is not caused by population growth but by the increasing number of households and their individual consumption of living space. The proportion of small households, especially single households, has been getting higher and higher for a long time. Young people today found families rather late and elder people tend to stay in their rather big homes even if their children have gone and their partners have died. Single households need much more living space than families and every new household needs a flat of its own.

A second important factor is the wish of many people to improve their housing conditions. Having a big apartment or a house is an important status symbol; more and more people need working space at home. But not all of the people are also able to pay the higher costs. Households with higher incomes demand much more living space than lower

income households. Inside the existing housing stocks heavy redistribution competition is taking place; the poorer people are naturally the losers.

The ecological and financial costs required to meet the needs are less and less financially feasible. Building capacities for sustainable management and more equitable distribution of the existing housing stock is one of the main challenges today.

Struggle about Rental Law

Since the sixties rental law has set a rather strong legal frame for rental agreements. Today it protects the tenants against non-justified lease termination and evictions and also regulates the conditions for rent increases inside an existing agreement.

During the past years, the government has tried to reform these rather complex laws with the rhetorical goal of achieving more user-friendly simplification, but the landlords fought heavily for liberal deregulations. After the 1998 election, the Social Democratic-Green government again started the negotiation process and at the end of 2000 it seemed that they also would aim to weaken rent control. But after heavy protests from the tenants' movement, the new law since passed is not worse than the old, though it still fails to solve some existing problems.

In general, rent control in Germany is some of the strongest in Europe. The main security risk is the landlord's right to evict the tenant if he wants the apartment for himself. Especially in attractive neighbourhoods many rental apartments get converted in private owner-occupied ones, the massive replacement of poorer households being the consequence.

Termination of Social Housing at the National Level

Since the end of the war the social housing support has been the main factor behind the improvement of the housing of the masses. Support was mainly given in the form of cheap credits for legally defined forms of construction. During a defined period of time the law obliges the supported owner to give the apartments only to households with lower incomes, and local authorities may also decide that the apartments should be given to people with a special urgent need. During the period of obligation the landlord is only allowed to calculate rents within specified limits covering the costs. After paying back the credits, the owner is free to calculate at market rates.

Today the temporary character of the social housing commitment is one of the main problems in housing provision. The absolute number and the proportion of social housing is decreasing rapidly. In North-Rhine-Westphalia for example about 2 million social dwellings existed in 1980, but today only a bit more than 1 million still exist. The social need is significantly higher. Local authorities possess less and less rights to take over social apartments for people urgently needing them. One consequence is the concentration of poorer people in newly built social housing schemes; another is the increasing difficulty to integrate homeless people.

For over a decade now, politicians have discussed massive changes in the social housing system, claiming it was too



expensive and does not meet the needs of the poor. The Social Democrat-Green government has now finished a final draft for a new social housing law. The goal is no longer the provision of apartments for all but is rather the aid for poor households. The law will keep the program of giving subsidies for construction but also makes the regulations much more flexible. The federal states, not the national government, will be responsible for concrete housing programs and will be allowed to use public monies even for buying rights of occupation within the existing housing stock.

A more flexible frame is indeed needed to meet the very different conditions in the various German regions. Likewise, by focusing on the existing housing stock the possibility occurs to improve the housing provision of the poor using less resources and with less danger of social segregation. But this progress means nothing because the national government is simultaneously cutting back its expenditures on social housing to only 230 million DM. This is nearly nothing. In 1993, the expenditure on social housing was more than 1,5 billion DM. Social housing as a national program is dead. At regional levels the consequences of this law will vary a lot, depending on the political colour of the governments and their resources.

From Low Profit to Commercialisation

For a long time, low-profit companies in the ownership of industrial enterprises, the tenants themselves (co-operative housing), trade unions (up to the eighties) and (mainly local) public institutions were the main participants in social housing programs. Up to the eighties, a special law ("housing in benefit of the public") had given these sectors a variety of tax advantages and obliged the rental companies to calculate only cost-covering rents even if there was no obligation to the social housing law. Since the revocation of the law many of the companies have been looking for higher profits.

At the same time, industrial enterprises with big housing stocks once needed to house their workers try to gain profits from their real estate. Their main strategy is to sell housing schemes to speculators or to transform rental houses into owner-occupied apartments and sell them to the anxious tenants at high prices. The tenants concerned sometimes react with strong protests, but political influence is very low in this sector. Shareholder value and globalisation become serious dangers for these as yet modestly priced housing stocks.

Even companies belonging to state or local administrations are becoming more and more influenced by profit orientation. Even they are selling dwellings and are concentrating their business on new construction for private ownership. But the most serious danger in this sector is the sell-out of public companies as a whole. In 2000 the state sold former railway houses to multinational corporations. A couple of cities have sold their housing companies or large shares of them to private corporations or are presently planning to do so. By doing this, they give away their only possibility of direct intervention on housing construction and access as well as lose the chance to influence local housing markets. In some cities popular mobilisation against the selling of public assets is quite successful. This may become a chance to reinforce public housing policies at local levels.

Most of the housing co-operatives in western Germany were founded before World War II. In many cases they don't play an active role on the markets and just administer their existing stock. Although co-operative housing could be an alternative to the transformation into single ownership, only very few new co-operatives were founded during the last few years. One reason for this is the bad financial support compared to single ownership.

Private Property Orientation

In 1995, 270,000 new apartments in multifamily houses and only 165,000 one and two family houses were built in West Germany. By 1999 the numbers had gone in an opposite direction: 192,000 one and two family houses had been built, in comparison to only 114,000 new flats in apartment buildings with just 45,000 of them meant for rental purposes. While the numbers of multi-storey houses and rented flats were decreasing, those of private property were continuously increasing. This trend simultaneously reflected and contributed to the polarisation of income and property in Germany.



Social housing

It is estimated that private property construction in Germany is sponsored by national expenditures and tax exemptions of about 37 billion DM every year. This is eighty times more than the current expenditure on social housing. Most of the money is used for programmes which enable the middle class to buy or build privately owned houses.

It is a policy with heavily negative effects on social equitability and sustainability. The public support for buyers of single apartments is one of the main reasons why profit orientated construction companies can hope to sell at high prices. And these public expenditures are direct subsidies for new housing construction in sprawls and on the outskirts of towns. These subsidised one- or two-family houses require a much higher ratio of land for each flat that is built than multi-storey houses. Their insulation is generally worse and they need more energy. They require an extra and expensive infrastructure of water systems and transportation and also increase individual car traffic. They form middle class ghettos, weakening the economical capacities of the existing cities.

Increasing Housing Costs

With the exception of the decreasing stock of apartments with social housing obligations, rents in Germany are based on the free market, although their increase is limited by law. In every case rents have to keep within the range of a



statistical average based on the rents paid for comparable apartments in the local market. In order to enforce this rule tenants have to turn to the courts.

During the housing crisis of 1989-1994 in Germany rents increased by 30% on average. In some regions and in new rental agreements the increase was much higher. After the construction boom the rent increases became more moderate. In 1995 rents rose by 3,9% and in 1998 by 1,8%, but nowhere did they return to the level of the eighties. To date, rental prices have always risen more quickly than the general increase in the cost of living. In prosperous regions rents have again started to rocket, for example by 9,3% in Munich.

In the GDR rents were dictated by the state and were far from cost-covering. After the unification rents in eastern Germany were rapidly raised to a market level, which naturally caused housing costs to multiply. Although incomes were increasing too, the great number of unemployed were especially struck hard. Within a very short time they had to pay a much higher proportion of their income for housing. Even after 1995 the annual increase rate there was higher than in western Germany, but during the last few years this trend seems to have stopped because of emigration.

The costs of housing maintenance have also increased significantly within the last few years, which has made us used to speaking about a "second rent". Expensive investments into the sewage and garbage systems have caused the costs of public services to rise out of proportion. As far as heating costs are concerned, German law requires an individual bill based on the users' actual consumption. But besides individual behaviour, costs vary a lot depending on the quality of the heating system and insulation. These are factors that can hardly be controlled by tenants. The sharp rise of oil prices caused a similar increase in heating costs in 2000/01. An individual one-off payment to poor households by the state brought little relief.

Of course, the increasing housing costs are especially painful for the lower income groups. In western Germany the percentage of income spent on housing costs rose from 19,7% in 1991 to more than 26% in 2001. But households with high incomes still pay much less than 20% of their income for housing, while the poorest households (with an income of less than 1.000 DM a month) pay 67% for housing. Consequently, the quality of housing provision is becoming segregated, with the poorer households facing greater problems in paying rent and higher risks of eviction.

Individual Housing Aid

In 2001, after many years of stagnation, the government raised the housing benefits granted to low income households. But the benefits are not only still not high enough to help the poorest, but they are a relatively expensive strategy to guarantee housing provision as well. Therefore, it is absolutely necessary to keep a certain number of flats with subsidised rents and to strengthen the laws that regulate the markets.

In Germany, households with very low or no income receive social aid payments from the municipality, including payments for housing costs. Because of the high costs and the growing indebtedness of municipalities, the restrictions are becoming more and more intense. Many local authorities have set very low limits for housing costs and

have forced the recipients of such aid to leave their homes when the domiciles were regarded as too expensive. The result is the discrimination, replacement and a progressive concentration of poor people in some parts of the cities, in short: the ghettoization of the poor.

Persons Living on Social Welfare in Berlin

More and more housing associations ask their future tenants with low incomes to present a suretyship or payment guarantee. This especially affects people living on social welfare or dependant on other social benefits. A paper issued by the welfare office, which guarantees the payment of the rent or a deposit of three months' rent is not sufficient any longer. For those who live on the poverty line or amid a low income family structure, it is difficult to obtain a suretyship from friends or acquaintances. With this practice of housing associations the difficulty increases for handicapped people to acquire their own flat.

Homelessness and Badly Housed People

One of the consequences of the 1989-1994 housing crisis was a heavy increase of the number of homeless and badly housed people. Since 1995 the officially known numbers decreased significantly in regions with a good tracking system. This trend is primarily a result of the changed market situation although some important changes in the local aid systems for homeless people have taken place.

Although long demanded by homeless people organisations, no national statistical report on homelessness presently exists. Only Berlin and North-Rhine-Westphalia have started keeping numbers on homeless people. In North-Rhine-Westphalia, the officially registered number of homeless people rose from 36.900 in 1987 to 62.400 in 1994, though since then the numbers have been decreasing to the pre-crisis level. This data does not include unregistered homeless people, i.e. street people. The Federal Association of Homeless Aid, a national NGO, has estimated that there are still more than 500.000 homeless people in Germany.

Because homelessness is only one of a number of massive housing problems, the debates on aid systems have adopted the term "people with housing emergencies", which includes people in danger to loose their homes (due to such causes as rental debt, amongst others). Especially immigrants, elderly people, handicapped people and poor families are often living in bad housing conditions. The number of those affected is very hard to estimate, but it is much higher than the number of homeless.

No legal right to minimum housing provisions exists on a national, regional or local level. However, the German law does define homelessness as a "contradiction to order", which in turn forces the local authorities to shelter homeless people. Rigid restrictions and lack of intimacy inside the officially provided shelters lead many homeless people to the decision to live on the street. Inside shelter houses, habitants don't have personal rights comparable to those of tenants. Some institutions are provisional shelters for single persons run by municipal or private agencies, some are municipal shelter houses for couples or families. Although many people have lived in these houses for a long time, authorities can nonetheless evict them, assign them to



other places or put other people into the apartment they already occupy. The minimal standard of shelter is not sufficiently defined by law and is often discriminatory, and the habitants or their welfare institutions have to pay a rent fixed by the local authorities without any reference to market prices.

During the last decade the composition of the homeless has changed significantly. Fifteen years ago, most homeless were either big and poor families or single males, but today the proportion of homeless women, young people, children and immigrants is steadily increasing. Women escaping from abusive relationships, women from foreign countries or young women having conflicts with their immigrant families are some of the female groups facing homelessness. Release from a psychiatric hospital or from prison also results in a strong risk of becoming homeless. Illegal immigrants are also another group of not-official homeless people. The number of street children and young homeless, many of them escaping from violent or broken homes, has increased substantially over the last decades. There are up to several thousand in each of the bigger German cities.

Although not accompanied by significant changes in national law, the local strategies and practices to end or prevent homelessness have developed in a positive direction over the last years. Existing programs or initiatives in this field include: (1) improvements in the co-ordination of the municipal aid system, especially by establishing central co-ordination offices inside the local authorities; (2) attempts at "prevention against homelessness" by strengthening the financial aid and advisory support for people in danger of eviction; (3) the improvement of the accommodation system via "protected market segments" of housing corporations used to house homeless people; (4) mobile health services used to reach people in danger (as well as the provision of free or cheap food and clothes); (5) the diversification of aid structures orientated to specific groups, e.g. homeless women or children; (6) awareness building combined with self-help through the support of street-news-papers distributed by the homeless; (7) the transformation of provisional shelter houses into ordinary rental homes; (8) the support of self-help in the field of housing construction.

There are a couple of good practices in this field and a broad consensus amongst professionals about positive approaches. Nevertheless, these tendencies do not result in a general and obligatory strategy in all cities. A major deficit is that legal minimal standards of aid and shelter are not defined in the national law on social aid. The experiences of local initiatives reveal major deficits in the implementation of the officially recommended "prevention of homelessness" by the municipalities. Social funding for homeless people as well as subsidies for private institutions and self-organised initiatives working in this field have been cut in the last years because of the budget crises of many municipal authorities.



Housing Conditions of Refugees and Immigrants

Although foreigners make up around nine percent of Germany's population and many immigrants have lived here for generations, the official policies have refused up to now to characterise Germany as an immigration country. Over the last months debates about a new immigration policy have risen, mainly arguing that Germany needs good skilled foreign high-tech workers to develop its role as a global player. In addition, controlled immigration has been discussed as a necessary strategy to prevent the loss of population and to achieve a better population pyramid to support the social security system. But in spite of these discussions Germany is still practises a repressive policy against immigration and the housing system is not prepared to meet the needs of future immigrants.

An large part of refugees is forced to live in provisional shelters without civil housing rights. New asylum-seekers are generally forced to live in centralised camps which are managed in an authoritarian manner. Refugee shelters do not provide private space or privacy, and their sanitary conditions are in many cases very bad; sometimes women are even forced to use the same sanitary rooms as men.

The most questionable aspect in the housing situation of refugees is that asylum-seekers are not allowed to leave their area of residence and are thus forced to move in a very restricted area. In many cases, refugees have been arrested while travelling to relatives in other cities.

Because of the restrictive immigration laws an increasing number of people live without any legal status of residency, which means that they don't have the right to work, to educate or to house themselves in the market. Their security of tenure is not guaranteed. Deportation to warring regions or to countries where political, ethnical or sexual oppression awaits them is practised. Refugees from Bosnia, for example, were forced to move into regions where they had never lived before and all houses and infrastructures had been demolished. Romany from South East Europe who did not achieve legal residency in Germany escaped their deportation by moving into neighbouring countries where they also have no right to stay. More and more refugees live in illegality, resulting in dramatically unsure living conditions which have sometimes driven people insane and even resulted in suicides.

But even the legally accepted immigrants from the first generation of guest-workers and their children, born in Germany, are still far removed from having rights as German



citizens. The rate of unemployment and poverty within immigrant communities is much higher than among native Germans. Although some immigrant families are able to buy houses, immigrants often live in bad houses with relatively high rents. Elder immigrants who have lost contact to their countries of origin or don't have the money to return to them are often insufficiently assisted by the German systems of care for the elderly.

In spite of their large number, official housing policies ignore the special situation of immigrants. Rather, they are influenced by the fear of a major concentration of immigrants inside city districts and neighbourhoods. The percentage of "non-Germans" in a district is often used as an indicator of slum tendencies. Campaigns saying that the percentage of immigrants is too high in some neighbourhoods have been started in cities like Frankfurt/Main or Berlin, with the goal to establish proportion rules preventing foreigners from living in houses controlled by the local authority.

In recent years, minorities in Germany such as immigrants, coloured people and the homeless have suffered a heavy wave of violent fascist attacks. In some regions of Germany people with coloured skin have to fear for their bodies constantly. The fascist violence exercised by young people - often coming from regions with high unemployment rates - was partially encouraged by an irresponsible populist propaganda against increasing immigration espoused by "normal" conservative politicians. The organisation of the radical fascist groups is becoming stronger, and the main danger is that racist action is now becoming rooted in the subcultures of young people.

Undocumented Persons

Immigrants without any legal status rarely appear in the general debate in Germany. Nevertheless, their number in Berlin alone is estimated at 100,000. Other European countries have also taken on the problem of the "sans papiers". In Italy, 150,000 illegal aliens were legalised in the past year. In Spain, France and Belgium amnesties for illegal immigrants have also taken place. However Germany has opted for the perfection of bureaucratic control and is paying a high price for it economically - as well as from a viewpoint of human rights.

Illegal aliens are cut off from the basic rights ensuring a humane life and have to rely on the help of ethnic communities, churches and independent organisations. Generally, these people have small rented apartments for themselves, live in cramped conditions with friends or relatives, dwell in containers, take care of wealthy Germans' second apartments or use institutions of the homeless. In the last location there have been reports of friction between Germans and foreigners. Most problematic are the prison-like housing conditions of forced prostitution.

Segregation Inside Housing Markets

Presumably one of the most remarkable developments in Germany since 1996 has been the trend towards socially segregated housing markets. While higher income groups can easily provide for themselves on the market, neither the state nor the market have done anything much to improve the quantity of houses for people with low income.

It seems that social segregation will become a fundamental structural condition of housing in Germany in the future. A growing (or at least not decreasing) number of poor are going to be faced with a rapidly decreasing number of cheap rental apartments still regulated by laws or programs. This trend could cumulate within the next few years and lead to another serious lack of housing with regional and social consequences. Without a significant change in political priorities, the federal states will not have the capacity and resources to deal with this new challenge. Governmental policy might even shift towards poverty housing programs, thus repeating the mistakes of other countries.

Another significant feature is the emergence of structural differences between the regional housing markets in Germany. While more than one million apartments remain unoccupied (mainly in the new federal states in the East of the country) and rents in some places are dropping, the centres of the new economy (like Munich, Frankfurt/Main or Düsseldorf) already suffer a serious lack of housing. This difference between the "losing" de-industrialised regions with a decrease in population on the one hand and the prosperous agglomerations attracting labour force and immigrants on the other is very likely to grow in the coming years and calls for adequate regional and local policies.

Housing Market in Eastern Germany

The trend towards regionally segregated housing markets is most visible in the relationship between West and East Germany. In the former GDR, the so-called "Neue Länder", incredibly large sums of money have been invested into the infrastructure and the improvement of housing. While 51,000 new one and two family houses were built, there were only 20,000 new apartments in tenant structures. Of course, the generous subsidies for new housing could not prevent the loss of population following the breakdown of the GDR-economy

The emigration is most visible in the prefabricated complexes built at the fringe of the towns. As a result, prospective tenants are in a position to demand lower rents. The housing companies affected, which are already under financial pressure because of rehabilitation and debt repayments, are now threatened in their existence and therefore demand state subventions for the demolition of unwanted housing.

Self-determined and Informal Housing Solutions

In contrast to poor countries informal housing is not a mass phenomena in Germany required to satisfy the need of shelter for poor or homeless people. In Germany, informal settlements - or squats - are motivated by the desire of independent groups of mainly young people to develop alternative forms of living. As the private and public supply is mostly oriented towards standardised housing for nuclear families or singles, only informal solutions lend themselves to alternative forms of living in the cities.

Examples of such informal housing exist in most bigger German cities. This includes squatters living together in former empty apartment houses as well as "wagon people", who convert construction wagons into homes and place them in inner city locations in groups of 5-30 wagons. The



reasons to live under such conditions vary. Perhaps the inhabitants cannot pay rents or they refuse to pay rents due to a non-commercial attitude. They may also have no access to social housing (possibly as a result of their status as undocumented immigrants or for being minors) or they do not want to live in anonymous social housing conditions on the city outskirts, while others want to live close to nature or prevent buildings from demolition. They all accept a sort of technical substandard and a minimum of consumption to be part of a self-sustainable and self-sufficient lifestyle in the industrialised world.

They save resources through the reuse of houses or land and by the collective use of a technical infrastructure, they promote participation skills through their grassroots organisation and they give space to new forms of households which offer perspectives different from the nuclear family and give place to more gender equality.

Squats and "Rollheimer" in Berlin

Squats and "wagon camps" have their own history in Berlin that has escalated in the last ten years. After the reunion of the capital city those informal settlements were assessed as filthy and politicians tried to criminalise and remove them.

Five years ago, in the inner city of Berlin 34 squats and 12 "Rollheimer" places (wagon camps) still existed with a total of 900 inhabitants. Of fourteen evacuated squats, five buildings have remained empty since then and four have been redeveloped into luxury apartments. Eighteen other houses got legalised (giving contracts to the squatters and making them tenants or owners) and redeveloped by the inhabitants with support from a governmental programme. In some cases, the original group of squatters was replaced by other individuals.

From the former twelve wagon camps only six are left, and none of them have been legalised. Their situation is still precarious. Some "Rollheimer" groups have been forced to change place twice or more times. Evictions executed by the police have sometimes had a high degree of violence, mostly without any provocation by the inhabitants. Only two sites at the very periphery, overcrowded since years, are legally allowed by the city government.



"Berlin loves its wagon camps" an affirmative campaign of an evacuated group, spring 2001

Change of the Perspective?

For many decades, a framework of strong legal and institutional regulations, state interventions and public financial support influenced the housing markets in Germany. During the period of industrial growth, this framework was an integral part of the basic social compromise which enabled markets to meet the housing needs of the masses and the shareholder interests as well as the ideologies of private property and maximised private profit. One lasting result of this unique strategy is the comparably high proportion of rental housing in the possession of a rather large group of private landlords and companies which still remain the basis for the broad provision of housing in Germany. But with the crisis of the industrial growth model and the strengthening of markets, the regulations of the rental sector have been turned to more and more flexible modes. The importance of the private property sector has increased at a large scale.

This heritage and its contradictions are still present in contemporary discussions about the necessary turn of orientation. It is obvious that the state today possesses only limited resources in managing the economy of shareholder value and globalisation, to meet the growing diversity of living styles and social conditions or to enable a social and ecological renewal of the habitat. The gap between challenges and capacities is increasing globally. To overcome it, a new consensus would be necessary; the old social compromise about housing is broken.

At the abstract level of goal settings and in some local 'best practices', we may consider elements for a possible new strategy, but there is no indication how they could gain general acceptance and implementation. Obviously there is no political intention to react on time or to concentrate on social and ecological priorities. Housing interventions in Germany have always been the results of heavy social struggles. What is missing most at the moment are strong social movements for a new habitat approach.



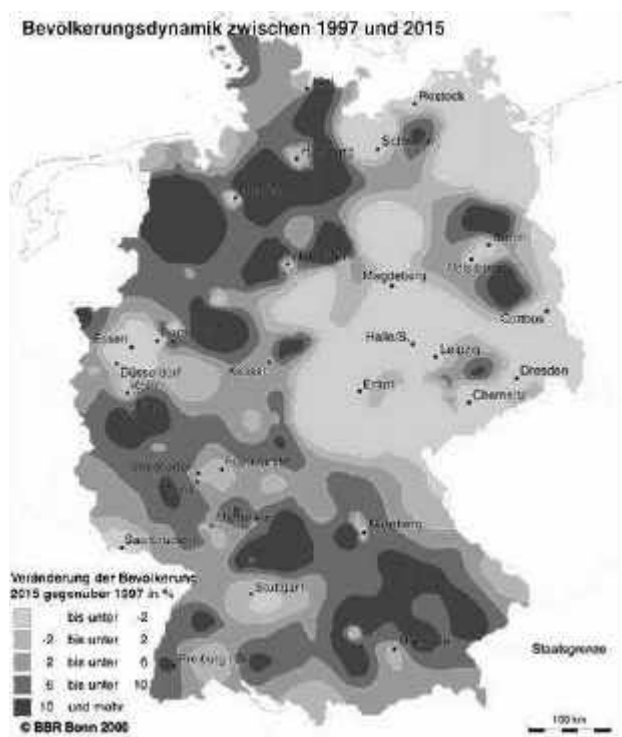
Squatted apartment house and evicted squat in Berlin



Sustainable Settlement Development- Land Consumption and Urban Sprawl Tendencies in Germany

Initial Situation

Until the reunification in 1989, East and West Germany had been developing in two completely different directions. East Germany was characterised by a restrictive spatial planning policy limiting urban development to the major cities and selected smaller agglomerations. Locations for urban growth were determined according to industrial production. Municipalities were not allowed to designate land for building purposes on their own. Urban development therefore followed an overall plan. West Germany developed in the opposite direction. Similar to other Western European countries, it was characterised by a continuous suburbanisation, which was already part of a critical debate by the time the reunification occurred.



Fluctuation in population between 1997 and 2015

Illustration: BBR, Bonn 2000

These different initial conditions become visible when reviewing the ratio between the cities and their surrounding areas. In contrast to metropolitan regions in the West, cities in the East still had a distinct edge as well as a considerable difference in the population density between the city

and the surrounding areas. After the reunification a dramatic process of reversal began in the newly-formed German states. This is still going on today even though the speed has decelerated in recent years.

Changes in the Settlement Development

Since 1989 all bigger cities in Eastern Germany have seen a continuous loss of population. Apart from a drop in the birth rate, there are various migration processes taking place that increase the negative effect in the population development. The two main tendencies are a classic suburbanisation on one hand and a migration to the old West German states on the other hand. Both tendencies can be traced back to existence and non-existence of job opportunities respectively suburbanisation being a spontaneous result of wealth following well paid jobs and the migration to the old West German states as a reaction to the lack of jobs.

In the absence of inter-municipality agreements and planning, as well as legal regulations, this excessive suburbanisation has developed in a more or less uncontrolled process. New settlements on virgin land were quickly erected without any consideration for regional development. Each community in the immediate sphere of influence started to designate land for building purposes to attract new investors and, in turn, tax payers. Increasing mobility in form of car ownership and the rapid restoration of streets and highways further encouraged a decentralised settlement development independent from existing urban agglomerations and public transport infrastructures.

The result was a social and systematic segregation of various functions such as the residential, shopping and industrial areas. With the introduction of new large scale shopping centres, traditional main streets in the towns and villages lost their meaning and economic viability.

This development was further accelerated by generous government funding schemes that introduced tax cuts for investments into new housing production. The program was meant to stimulate the market and therefore fuel the economy, but investors were mainly interested in saving taxes and thus started to build regardless of whether there was a local need for housing or not. As a consequence of this, there was an uncontrolled growth and overproduction of new housing. The real needs had been either ignored or overestimated. This has led to the peculiar situation that there are a lot of empty new buildings in locations that are difficult to access and a lot of dilapidated old buildings in the centre of towns and villages. Under the conditions of the program it was economically more advantageous to invest in new buildings than to renovate the old.

Building new houses was equated with economic development and could not be politically questioned until in the mid nineties. Under this dictate of growth the few hundred thousand empty apartments already existing in the former German Democratic Republic were ignored. Ten years after the reunification the housing industry is asking the government for the funding of a large scale demolition program to "stabilise" the housing market. According to a report about the housing situation in the newly-formed German states about 350 000 houses need to be demolished in the coming years.



Reasons for Suburbanisation

When reviewing the development in German cities it becomes clear that the people move out of the core city but do not want to live without the city. Therefore it is logical that the population growth converges on the peripheral zones of the city. Comparing the motives of the people who move out with the political and planning measures undertaken by the cities, it becomes evident that the actions fail to meet the requirements of the people.

Although there has been a continuous migration from the city to the suburbs for years, the aim of the people might not be the suburbs as such but rather the improved conditions available. The step to leave the city has to be considered as a decision based on an evaluation of the advantages and disadvantages which ends positively for the suburbs. Studies conducting interviews among people interested in self-owned property showed that most of them consider the suburbs as a "second best choice". Important criteria for the decision were the available type of housing, the difference in price and the "better" neighbourhood.

In regards to the continuous loss of population to the suburbs many Eastern German cities take an ambivalent position towards the problem. On one hand there is the vision of the "compact city", of multi-storey housing blocks with hard edges and few open spaces that ignore the demands of the urban dweller. On the other hand many cities are repeating the mistakes of the suburbs by building suburban housing within their jurisdiction to keep taxpayers within city limits. New forms of housing that could combine the best of both worlds are rarely considered.

Brown fields (fallow industrial sites) could offer plenty of space for potential redevelopment within the city limits but the costs remain a major obstacle. As long as smaller neighbouring villages can just designate virgin land for building purposes the reactivation of brown fields in the cities will remain too expensive. As a result even shrinking cities in the newly-formed German states are still growing in terms of covered surface. Thus communal land management can only be successful on a regional level.

Future Developments

The urban visions of the "compact city" and the "decentralised concentration" referred to in the German "National Report Istanbul +5" still address traditional images of the city. However, for most of the urban inhabitants today, the administrative border of the city has lost its meaning. In all likelihood, there are few people who know where it is exactly. When regarding the settlement development in Germany during the last ten years it becomes clear that the economic and physical sphere has spread from the traditional European city centre towards the peripheral areas. Increased mobility and modern media have enabled us to inhabit and cover a much larger area. The regions between prosperous cities have become the major growth areas in recent years. Because of this, it is necessary to develop new forms of administration that relate to the actual urban landscape.

When comparing current policy with the prognosis of several studies that were published in the last years there is no indication that the land consumption rate shall change extraordinarily. Besides, the objective of a sustainable development is questioned by political decisions, which promote

a further decentralisation of settlement areas (via tax cuts for commuters or subsidies for property ownership e.g. detached houses).

So far national policy is still based on a status quo approach. The call for equal living conditions in all parts of the country has mainly been interpreted as an invitation to bring the rate of land consumption and sealing in Eastern Germany up to a level similar to that in the West. Looking at the migration processes of Germany in an overall perspective it becomes visible that certain areas grow and others shrink. In contrast to the political vision, people do not tend to spread out equally. Until now this has primarily been regarded as a negative development and therefore discouraged. But why shouldn't these dynamics just be followed and the areas from which people retreat de-sealed?

Inner-urban Social Segregation

Social differentiation of residential areas is nothing new to Germany. For a long time former "worker's neighbourhoods" stemming from the second half of the 19th century have been considered disadvantaged. Especially in Eastern Germany, but also in the big cities of the West – in spite of decades of urban renewal policies – there still exist a lot of these quarters with substandard housing and a very low environmental quality. The large housing estates of the post-war period have also turned out to be problematic because of their anonymous and monotonous architecture, their lack of mixed use and their deficits in social infrastructure.

Social segregation has become more definitive in the 1990s, though. On the one hand the inhabitants of many inner city areas and social housing estates are collectively experiencing the decline caused by the structural economic change and crisis of the welfare state. On the other hand the social patchwork of the neighbourhoods is getting torn by selective movements in inner-urban migration. Well-off middle-class families turn their backs towards most parts of the inner city and the large housing estates. There are attempts to combine state-subsidised and privately financed housing in order to create 'new city extensions' where different social groups can mix. But the vast majority of new housing is single-family homes in suburbs and the cities' peripheral regions. This development not only results in ecological destruction, it is also undermining the social and cultural basis of cities and municipalities.

There is a growing interest in "Social Urban Development" but the self-determined isolation of households that are well-off is rarely seen as a problem. Almost always it's the so-called "problematic areas" that are discussed in this context. At least partly they are a result of the deregulation of the housing sector because market forces and municipal policies of social housing tend to concentrate poor and socially discriminated households in neighbourhoods that are unattractive for private investors. These areas are characterised by individual deficits of housing provisions and a quality of living that is far below the German average. Moreover, in some areas the accumulation of social problems has serious consequences on the quality of education. In that way areas are created that have little perspective and cause further disadvantages for their inhabitants. It's the recipients of social aid, natural German immigrants from Eastern Europe and other migrants who suffer most from this kind of marginalisation.



Urban Renewal, "Social City Programme" and Neighbourhood Development

In the Federal Republic of Germany for more than 30 years now there have been programmes of urban renewal jointly funded and implemented by the Federal Government, the *Länder* (states) and the municipalities. Alongside the aim of the cities' physical renewal they have always been guided by social policies. At the beginning, the ideas of renewal were rather authoritarian and the predominant strategy was to replace "backward quarters" with modern housing estates. After civil protests and growing criticism against the destruction of "the old city" the idea came to be accepted that social progress can only be fostered by a gradual renewal of the existing building stock that also respects the existing social milieu. For this reason civil participation and procedures of social assistance have been made obligatory.

As long as the modernisation of rented apartments was heavily subsidised and rents were kept modest by state legislature, urban renewal policies had an impact of social homogenisation. But since the 1980s the state has progressively reduced its intervention in the housing sector. Today, earlier strategies of urban renewal that tried to cover whole districts of a city are no longer regarded as viable. The modernisation of the housing stock is now predominantly financed by private owners while the municipalities co-ordinate and control this process. They also contribute to it by the improvement of urban infrastructure, the support of the local economy and a reorganisation of local traffic. Since public intervention into urban renewal is meant to be in line with the market they cannot prevent (and sometimes may even add to) the growing gap between inner-city areas that are getting gentrified and others that experience social decline.

In the 1990s several German states developed neighbourhood-oriented policies in order to stabilise disadvantaged parts of the city. In 1999, after the last change of government the Federal Ministry of Traffic, Construction and Housing designed a new programme under the title "Neighbourhoods with a Special Need for Development – the Social City". A yearly budget of 300 million DM is available for the support of different policies developed on the local level. They are supposed to co-ordinate and create synergies between public works, social services and employment policies. They should include new co-operations between public and private agents and local initiatives. They are meant to improve the consultation and active participation of the inhabitants at all planning processes that concern the neighbourhood.

Some German cities have introduced so-called intermediary organisations whose duty is to bridge the gap between local citizens, businesses and initiatives on the one hand and the different branches of the administration on the other. So far what has been funded are measures to improve the habitat or housing environment, non-commercial centres for the youth or elderly, intercultural projects, new activating methods of participation or neighbourhood councils. Concrete projects to "fight poverty" and new jobs in municipal or state-subsidised enterprises are rather an exception. The local "exchange circles" and "social department stores" mentioned in the "National Report Istanbul +5" are very rare in reality and have mostly been created independently from the government's programme.

In general the approach of the "Social City Programme" should be judged positively. Politicians have learned that public works are not sufficient to improve people's living conditions. Local government often lacks teamwork and co-ordination between different branches of the administration; now there are many attempts for reforms according to local needs. Last but not least the program opens up new opportunities for people's self-determination because many of the projects mentioned above are the result of local NGO initiatives.

In spite of this, the official presentation of these topics in Germany's National Report for UNGASS has to be criticised. Germany is not on the way towards a sustainable development of human settlements since it does little to ensure social cohesion. The funds used for this goal are totally insufficient and the overall tendency to cut social spending is counteracting local achievements. Many of the planners and politicians involved in the programme concede that much larger parts of their respective cities need similar actions. And there is no way to tell how positive experiences made by the programme's special funding could ever be transferred to all the neighbourhoods in question.

Therefore the most important point of criticism is the limited view of "social urban development" that never takes into account the entire city or agglomeration. While concrete improvements in some neighbourhoods are funded, in general, the state tends to leave the housing provisions of economically weak households up to the real estate market.

At the same time there are still massive tax incentives for house ownership that will surely add to the deepening of social segregation. A social counterbalance between disadvantaged and rich parts of the city has not even been discussed. Therefore, the problems manifested in the disadvantaged areas and the solutions proposed are mere symptoms of basic unsolved conflicts within the German society.

Many neighbourhoods that have been singled out as "social hot spots" have a very high percentage of foreign population. The creation of ethnic 'ghettos' is a consequence of a series of discriminations in the housing and job market. It is accompanied by constraints on foreigners' political rights and their cultural exclusion from the overall society. The unemployment rate among former guest workers and their relatives is significantly higher than on average. Recent research has shown that their children reach lower school grades and have less access to apprenticeships in vocational training than German youth. Since most of them are from Turkey or other non-EU-member-states they do not even have the right to vote on the local level. Those applying for political asylum and war refugees are not allowed to work, either.

The fact that Germany has become a country of immigration is only slowly and with great reluctance gaining acceptance. The migrants have to be granted equal political rights and economic liberties if a further disintegration of the society is to be prevented. Nothing would contribute more to the development of the neighbourhoods in question. Additionally, special efforts have to be made in the education and formation of the foreign youth.

There is a broad consensus that the most important resource for the development of poor neighbourhoods lies within the activation of their endogenous potentials. The political strategies for the endowment of community work range from emancipative concepts of empowerment to very



repressive ones. In many places local initiatives and social services organised on a self-help basis are getting public support. But at the same time certain preconditions are raised for those entitled to receive social aid. In Berlin, for example, some recipients have been forced into programmes that are supposed to provide "integration through work" and have to carry out low-paid jobs to improve habitat conditions (like the gardening of public green spaces). There are also offers of consultancy and special credits for unemployed who try to establish their own enterprise. In these cases services for a local market are first subsidised but are supposed to become economically viable in the long run.

Generally speaking one is looking for exits from the crisis of the western working society that do not require a new increase in public spending. But most of the proposed solutions ignore the fact that voluntary activities require material security. Or they are unaware that new forms of local economy can only develop where people have the necessary buying power to pay for social services such as the delivery of groceries for the old or homework assistance for pupils.

Institutional Development and Participation

In official rhetoric much importance is put on the institutional structure of German territorial administrations giving much scope to local decision making. The principle of municipal sovereignty over territory and land use, as well as personal and financial matters, is much cherished. The command over urban infrastructure, its construction and management (either direct or in delegation) flows from this. The locally elected council is thus given responsibility for the social equality and management of resources enhancing a sense of sustainability and coherence among the local population.

The range of municipal action has always been far more restricted than officially acknowledged, its limited reach further undermined consistently in the past decades due to the more or less frequent interference by federal and federate state (Länder) authorities, both in administrative terms as well as in party politics. This is the result of changes in the fiscal system which put much of the social burden of the overall economic development on the local institutions without allowing for additional sources of revenue. The consequences of this tendency, nurtured by the federal government's finance sector, have never been seriously reflected upon, let alone opposed by the institutions concerned with the federal housing and local development policy, including the responsible federal ministry. The various ministries did not oppose the general tendency neither, at best they introduced some modifications in details regarding the competencies allocated to local government. Finally, despite the independent associations of the cities and the smaller communities (Deutscher Städtetag and Deutscher Gemeindebund) with the aim of strengthening the role of the local authorities, the problem has not yet been tackled in any fundamental way. Rather, they have been instrumental in streamlining the local administration with the effect that some municipalities are the "slimmest" and relatively most "efficient" public administrations in the country in general.

The concept of local democracy, taken for granted in the official discourse, has not been discussed fundamentally at either a national or local government level. Administrative restructuring in public institutions has always been justified

with technical and financial arguments, including the recent district reform in Berlin (end of 2000) which reduced the number of districts from 23 to 12. The growing gap between public administration and the citizens is being deplored, but the remedy is usually sought in making public matters more economical, i.e. efficient at the surface.

Local problems, however, have brought about the introduction of a new, more down-to-earth level in settlement matters. Larger cities have introduced district or ward committees. These are boards of local representatives composed according to the results of the council elections. They have been given the right of commenting council decisions in view of local conditions, but lack any decision making power, let alone executive competencies. The considerable potential of this emerging institutional structure for democratising development has not yet been discussed at all. And certainly it needs to be explored systematically and implemented.

Local Agenda 21 and Related Participatory Planning Initiatives

The idea of Local Agenda 21 is to aim at an ultimately sustainable style of life in general, i.e. energy-saving, resource-conserving, waste-recycling, but also socially equitable, convivial, intellectually satisfying etc., through interventions geared at local level. It was proposed in the final document of UNCED in Rio 1992. The suggestion in chapter 28 was to consult the local population and make them participate in the process of reorienting public measures and individual actions to fit the aim in general.

In Germany, there is no consistent policy towards the Agenda 21 objectives and no federal policy supporting Local Agenda 21 initiatives. At the next tier, at Länder-level, in some cases there is a modest encouragement of Local Agenda 21 activities, be it towards the respective governments, be it towards encouraging local level activities.

In 2001 in the State of North Rhine-Westphalia, for example, it was finally decided to create an Agenda 21 for its territory. An institution called "Agenda-Transfer" had already been established in 1996 to enhance the corresponding actions at the local level. Since it is understood that the concerns of Agenda 21 fall under the sovereignty of Local Government the latter is held responsible for conceiving the Local Agenda 21 interventions. Agenda Transfer's first task was and is to convince the respective municipalities in starting the corresponding actions. Its activities have brought about a considerable raise in the number of Local Agenda 21 communes. In addition, these are instrumental in enhancing the process generally, always with the intention of fostering popular participation.

Of those municipalities which have joined the movement (20 % of the communes in NRW are still waiting, most of them are rather small), there are two tendencies (and this reflects the state in Germany in general). The first type of municipalities integrates the tasks indicated by Agenda 21 into its current council administration. In this case a department or section is opened which initiates a process of consultation. This is done more or less top-down, sometimes with the effect of discouraging bottom-up initiatives aiming at the same goal. In most cases, however, there is an ongoing and open process of consultation in which the grass-root groups are heard. The population is involved



more or less actively, depending on the individuals implicated.

The second type of municipalities provide little official support for the Local Agenda activities. Consequently, the initiative lies with the grass-root initiatives. This model depends not only on the individual citizens concerned and their personalities, but also on specific local traditions. The result is a large variety of patterns, mostly middle-class oriented under the leadership of professionals in retirement or other intellectuals. This movement is structured so extremely bottom-up that there is little co-ordination and networking among the various cities and towns. The federal government and most Länder governments look at this kind of movement with great indifference.



Perspectives

As we tried to show in this short overview, the development of habitat in Germany is at a crossroads. Actually we are confronted with at least four challenges:

- (1) the crisis of traditional instruments and the decrease of capacities, especially in the field of social housing and of local management;
- (2) growing social segregation, poverty and exclusion;
- (3) the inability of existing institutions and enterprises to introduce a sustainable strategy to reduce the consumption of natural resources;
- (4) the political climate and political tendencies opposing an urban society open to migration and diversity that gives equal rights and opportunities to all its members.

How will Germany - more and more integrated within the European context and influential in European politics - meet these challenges?

We are not able to present solutions to all these issues, but we think that it is most important to develop a strong framework of permanent debates and evaluation tools fully involving the NGOs and grassroots movements.

Because of this we call for a monitoring process leading to a broad and permanent discussion on the future of housing and settlement, including strategies, tools, regulations and institutions.

There are many non-profit-organisations and local initiatives concerned with housing, social and ecological issues. Their experiences have to be taken seriously. The German

government should assume its responsibility and invite the civil society to develop its own 'Habitat Agenda'. This should include the development of effective tools to evaluate the implementation of goals at all institutional levels, with the aim to control the realisation of innovative programs and measures at a local level.

We think the following topics should be put on top of the agenda of such local monitoring processes:

- (1) Germany needs new concepts for social housing which guarantee self-determined housing and urban living conditions.
- (2) There is no legal guarantee for the human right to housing nor exist any legal rules for minimal standards of housing in Germany which could obligate state authorities to promote housing access for all. This will gain major importance in face of a new housing shortage expected within the next years.
- (3) No habitat monitoring can ignore the situation of immigrants. There is an urgent need for the improvement of the living and housing conditions of refugees and 'undocumented migrants'.
- (4) In large parts of Eastern Germany the economic collapse has been followed by a sharp population decline. So far neither urban planners nor politicians have presented convincing strategies on how to deal with the growing numbers of empty flats and the phenomenon of 'shrinking cities'.
- (5) All over Germany, there is a progressive consumption of space by new settlements as well as growing inequalities between different neighbourhoods' living conditions. While there is a broad consensus among experts that public sponsorship for private property has to be questioned, the political coalition necessary to pull through such "unpopular decisions" is not in sight.
- (6) There is a need for innovative concepts of work, leisure and mobility as well as a new appreciation of the public space in our cities to prevent our society from disintegration and our ecosystem from collapse.
- (7) Globalisation of economy and the intervention of "global players" in the real estate markets are challenging traditional policy approaches and local democracy.

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