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Community and Civil Society Returns of Multi-generation Cohousing in Germany

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ABSTRACT *Multi-generation cohousing and community developments have been promoted for more than a decade in Germany. They are confronted with rising expectations of success regarding their effects on the health, care and well-being of their residents, as well as on local civil society. This article analyses their impact on residents and associational life by surveying eight German developments. The empirical findings underline the relevance of an informal sphere between communities and civil society for welfare and quality of life. However, relevant questions concerning their future funding and their relationship to local civil society merit further discussion and analysis.*

KEY WORDS: Civil society, volunteering, cohousing, elderly care, social capital

Introduction

Western democracies need to find answers to the question of how support and care for the elderly may be ensured in times of ageing societies and public budget constraints. Non-profit service providers reconsider their strategies due to changed consumer demands and uncertainty of future public funding. Within the last two decades, multi-generation cohousing and community developments (*Gemeinschaftliche Mehrgenerationen-Wohnprojekte*) have been seen as promising solutions to demographic challenges in Germany since they are assumed to supplement professional care by neighbourhood commitment and to match well the *zeitgeist* of welfare state consolidation. In contrast to their international cohousing counterparts, they include community work to stimulate and manage self-organized support on a voluntary basis and are intended to be focal points of local civil society.

As approaches to combine housing and living of senior citizens with instruments of sustainable community development, the concepts have been promoted for more than fifteen years in Germany, yet their effects have never been systematically assessed. We analyse the impact of such model projects run by four major operating foundations in the country. The study addresses three major questions, which are derived from the objectives of the programmes themselves: 1) Do the observed developments improve the health conditions, care demands, well-being, and satisfaction with housing conditions of individuals living in the community? 2) Can we identify a substantial degree of neighbourhood support and therefore assume potential positive effects to be caused by the model logics? 3) Do they contribute to local civil society, i.e. do the residents exhibit stronger associational involvement beyond their immediate neighbourhood than ‘ordinary’ people? To answer these questions, the residents of the

projects were surveyed and compared to a control group of people with similar health and socio-demographic characteristics living under conventional housing conditions.

After discussing the societal and public policy forces that have driven the development of the concepts and after giving a description of the community features, we provide a short literature review on related research topics, explain the methods applied, and present the empirical results. Afterwards we discuss research and policy implications in terms of two conflicts. First, we address the conflict between providing a solution to the above-mentioned societal/policy changes and the financial sustainability of the programs. Second, we refer to the notion of civil society and the public sphere in contrast to community action, since wider associational life seems not to profit from the cohousing models but rather a slight trade-off effect is indicated.

Societal and Public Policy Background

In the light of theory, unsatisfied demands for public goods lead to the establishment of non-profit programmes entering in a 'vacuum' generated as a result of states' and markets' inability to satisfy the heterogeneous needs and wants of all consumers (Weisbrod, 1977; Kingma, 2003). In the German case of a strong relationship between public authorities and non-profit welfare providers, care distribution is organized in a quasi-market regulated by social insurance law and benefits, with a small non-regulated niche beyond public responsibility remaining. Accordingly, basic care provided by outpatient services or in conventional nursing homes – whose service quality has been subject to public criticism and media scandals – is covered by the public welfare system, whereas special wishes and requirements are either neglected or need additional investments on the part of the care recipients. These structural shortcomings of a state-regulated quasi-market have been challenged by changed consumer values and family structures on the one hand, and demographic trends – aggravating the perceived need for public policy consolidation due to an ideological shift and budget constraints – on the other. Thus while generally acting on markets but being largely dependent on welfare state spending, non-profit organizations deduced the imperative to reconsider their strategies by developing new models of sustainable living and resource allocation at the same time. This seemed all the more timely since they could not expect that the strategic challenges would be overcome by additional resources being made available in a growth market.

Market Failure: Changed Consumer Demands

Starting from ageing and care literature, several scholars mention the replacement of a passive 'consumer mentality' characterizing people living in traditional nursing and retirement homes by an increased desire to live self-determined but socially interconnected lives (Antonucci & Ajrouch, 2007; Phillipson & Baars, 2007; Künemund, 2008). Elderly people see themselves neither as inactive pensioners nor as pure beneficiaries of services but wish to be part of inter- and intra-generational reciprocity schemes contributing to their own competencies. While the fit strive for self-actualization and social inclusiveness, the needy want to stay in their familiar settings as long as possible. However, new ways of life, increasing divorce rates, loose cohabitation and childlessness, increased female labour participation and a steady rise in

the demand for mobility by labour market forces let traditional help potentials within the family decline (Cherlin, 1992, 1999; Goode, 1993; Schoen & Weinick, 1993; Kaufmann et al., 2002). Since state responsibilities for help and care often fall far short, considerable consequences can be identified for elderly care. The lion's share of informal support – which in Germany to the present day has been provided by daughters and wives – can and shall not be replaced by public or state responsibilities only. Instead, reduced care-giving by family members is proposed to be compensated informally, e.g. by actors such as neighbours and friends (Stoller & Pugliesi, 1988; Barker, 2002; Schupp & Künemund, 2004).

State Failure: Social Policy Framework

Directly linked to the consumer value changes, an ideological shift affected the role of public service provision, private responsibilities, and welfare patterns in Western democracies. State domination has given way to mixed systems balancing different forms of contributions, be they formal or informal, funded privately or by public welfare systems. While in the 1990s concepts of comprehensiveness and service standardization were softened by managerial ideas leading to more flexible and contract-style service provision in an 'enabling' state framework (Gilbert, 2002), the 21st century development seems to overcome the New Public Management paradigm by accentuating the empowering quality of consumerist thinking in European social service provision (Evers, 2009). Clients are no longer regarded as incapacitated consumers but as active co-producers in a pluralist 'welfare mix' next to voluntary and other informal contributions (Rose, 1986; Evers, 1993; Pestoff, 2006). Governments are increasingly designing policies to better integrate and coordinate these resources encouraging shared responsibilities (Giddens, 1998; Schuppert, 2006). These new modes of policy came along with budget constraints, efforts at controlling social expenditure, and the generally accepted paradigm to curtail any social cost increase.

Since it is believed that demographic development, globalization-driven labour markets, changing family patterns as well as female employment will lead to increased social service demand in most western countries, care for the elderly has been readjusted with demographic disequilibria in mind. In Germany with the establishment of the long-term care insurance (*Pflegeversicherung*) in 1995, care was re-organized to grant comprehensive access funded by income-related social insurance contributions (Evers, 1998; Rothgang & Igl, 2007). Although the outcome can be interpreted as a structural welfare state expansion since dependent individuals lived on means-tested social benefits before, policy accomplished a shift from a demand to a budget orientation with limited and standardized risk coverage and an encouragement of informal care for tasks going beyond a defined capability set. Due to the absence of inflation offsets for care insurance payments until a reform in 2008, this has led to financial shortage on the part of care recipients as well as service providing organizations.

Combining the policy framework with changed consumer demands, multi-generation cohousing can thus be interpreted as an 'ideal-type' response to German quasi-market failure by making a virtue out of necessity. In combination with more recent developments – such as first steps to a local case management and low-threshold help infrastructure (*Pflegestützpunkte*) as well as government support for shared apartments with outpatient care services (*ambulant betreute Wohngruppen*) introduced

by reforms in 2008 and 2012 – they are illustrative for a new policy paradigm aiming at self-actualization and empowerment rather than a deficit-oriented approach limiting state intervention to redistribution and social insurance benefits (Giddens, 1998).

Strategic Answer: The German Pilot Projects

During the 1990s major welfare organizations running conventional nursing homes in Germany tried to find new models addressing the trends mentioned above. In an evolutionary process they tested multi-generation cohousing concepts as an integral part of new strategies for elderly care (Kehl & Then, 2009). These pilot projects combine approaches to self-determined living of senior citizens with instruments of sustainable community development and optional add-on services in professional care. Physically they consist of private, barrier-free apartments containing edificial attributes of conventional homes, but they are also inserted in a neighbourhood characterized by special proximity and equipped with rooms and arrangements for community activities. From the beginning stimulating and managing self-organized care and support through social workers' intervention (*Gemeinwesenarbeit*) was an integral part of the approaches. Social inclusion and activity were supposed to give the elderly access to low-threshold help and to keep up mental and physical abilities in a situation of 'experienced security' (Kricheldorff, 2008). This should lead to lower care requirements of the elderly and thus to better physical and mental health of the residents.

Beyond this narrow vision, the programmes were intended to become focal points of local civil society by activating not only neighbourhood support but civic engagement and volunteering. This has been a central conceptual issue since the responsible organizations perceive themselves not only as service providers but as intermediate key players between their local environment and public policy in the German corporatist tradition (Crouch & Streeck, 2006). Apart from the expected improvement of living conditions and civil society, this refers to a further strategic dimension for the organizations and their self-ascribed role as change agents in the policy debate because it offers an alternative arena for advocacy – i.e. the parliamentary committee on civic engagement linked to the Federal Ministry of Family Affairs, which offers special funding programs for civil society and multi-generation projects – next to the much more contested field of care affiliated to the Ministry of Health.

This is of considerable importance since community work as provided in the model projects is funded by different arrangements in Germany and usually a complex mix of partners from different origins – public authorities and third sector organizations – and on several political (local, regional, national) levels come into play. Usually the organizations running such programmes and their residents account for the lion's share of resources, now and then with assistance provided by municipalities valuing the preventative potential of such model programmes (following the rationale that they are compelled to pay for professional care when the upper limit of the care insurance budget as well as personal means of people in need have been exhausted). Sometimes the states, donors, foundations, and some specific programs of federal ministries take part, but altogether there is no reliable and sustainable solution so far. One reason for that situation is that the analysed programs do not fit with the current government-funded approach of multi-generation community centres (*Mehrgenerationenhäuser*) which is limited to community development on a local level but without including shared living and the deliberate incorporation of the elderly. Thus the organizations seek to arrive at a

more comprehensive, government-supported funding by playing the civil society card in public policy debates.

For the study presented here, eight examples from four major players in the field were analysed: the *Stiftung Liebenau* with five different developments in the region of Lake Constance, the *Evangelisches Johanneswerk* in Bielefeld, the *Bremer Heimstiftung* in Bremen and the *Caritas Betriebsführungs- und Trägergesellschaft* in Cologne. Although there are differences in the structure of residents regarding their age and health status – e.g. the rather healthy and well-educated residents of Bremen vs. Bielefeld with its high proportion of disabled people and the resulting necessity for maintaining a 24–7 nursing service in the development – their programmes show substantial similarities regarding edificial properties and community work setup. At least a half-time social work position is part of each of the programmes, with responsibility for between 35 and 84 apartments and up to 100 residents.

International Cohousing Research – and the Need for an Adjustment

By and large the observed projects approximate models discussed as cohousing in the Scandinavian countries, the Netherlands and the United States for more than 40 years. They can be described as developments in which different kinds of people live together in intentionally built-up communities characterized by private homes but consisting of a strong social element through common facilities, proximity and in some cases even shared premises and mandatory activities aiming at a more efficient and social-inclusive organization of daily life (Williams, 2005; Simon & Curtis, 2008; Choi & Paulsson, 2011)[1]. Several studies evaluated cohousing. For example, Choi (2004) surveyed cohousing in Denmark and Sweden (N=536), and Choi & Paulsson (2011) conducted an in-depth analysis of Swedish developments (N=242). They conclude that residents are characterized by good health even in old age, share a lot of time and many activities with their neighbours, and are personally convinced that mutual support is more prevalent as compared to conventional housing. Individuals show high levels of well-being as well as satisfaction with their housing situation. Comparable results can be found in a case study research on cohousing in California (Williams, 2005) and a rather small (N=41) survey of two Austrian communities (Millonig et al., 2010). The high degree of social interaction which is assumed to account for the good health situation and satisfaction rates is emphasized in all studies. At this point they relate to social capital research whereupon frequent and strong informal activity and social involvement contribute positively to well-being and quality of life (Havinghurst, 1968; Longino & Kart, 1982; Helliwell & Putnam, 2005; Frey, 2008). Activity research adds that living in and improving the home environment is linked to functional ability and healthy ageing in general, whereas misfits between physical and mental needs on the one hand, and conditions to fulfil these needs on the other, lead to reduced behavioural functioning and well-being (Wahl, 2006; Wahl et al., 2009; Iwarsson et al., 2007).

However, an open methodological question in the previous studies remains with regard to the attribution of results. Although the European and U.S. experiences show positive effects for people living in a socially interactive way, they are limited to cohousing and do not offer a comparable perspective with respect to conventional housing. Thus the results could be influenced by random societal factors and not by the intervention itself.

While multi-generation cohousing has been widely discussed in the German public with increasing expectations in politics and academia, a systematic evaluation of comparable approaches in the country was lacking for a long time. This is a critical aspect since the observed and other projects are designed in a slightly different way than their international counterparts:

(1) The rationale of mutual utility is understood more voluntarily, and considerable emphasis is placed on individual autonomy. Unlike cohousing in a narrow sense with daily life structured by mandatory services or sharing of essential premises such as kitchens and washing rooms, social activities are rather supplemental in the German projects. Their main objective is not to organize everyday procedures more efficiently but to provide for effective help and assistance in the case of demand, especially with respect to the elderly (e.g. purchasing support or practical household help). This is why the multi-generational aspect is central to the German terminology.
(2) Through the activating role of community work, the German projects can be distinguished from international cohousing models in which common activities and mutual assistance are rather subject to the residents' knowledge and initiative. In the developments observed in this study, self-organization is most welcome but strongly supported by social workers who bring together demand and supply. They play the roles of both facilitators of social networks and skilled case managers who assess whether a demand is well-met by community members or needs professional support.
(3) Civil society plays an important role for the model projects. Since they were not established by committed individuals as it is often the case for international communities, but by civil society (welfare) organizations, they were intended to become integral parts of local participatory infrastructure and to become connected to associational life. Citizen initiatives and associations were integrated already in the planning process and now use meeting rooms in the development for their events and purposes, whereas they in turn are expected to contribute to community life. Thus not only positive effects for the residents were assumed but a structural strengthening of civil society at a local level.

Thus a special assessment of German multi-generation cohousing and community developments seemed appropriate.

Design and Empirical Findings

Due to the organizational and public expectations, we assess the effects of multi-generation cohousing developments with regard to the following major aspects:

- Effects on the residents, i.e. health conditions and care requirements, as well as well-being, perceived social cohesion and satisfaction with housing conditions.
- Structures of neighbourhood involvement, i.e. support given and received.
- Effects on civil society measured by the community respondents' involvement in community-based versus local (township) civil society activities.

Accordingly, the study primarily focuses on the central arguments of the debate: that one can enhance health conditions and avoid or delay professional care by activating neighbourhood support, while at the same time fostering local civil society. To meet the attribution problem and to prove the causality of the results statistically, the analysis concentrates on people affected by the intervention or 'treatment' – the programme group – compared to a control group of people with comparable personal characteristics living under conventional housing conditions. These control group members were recruited and compared by means of a propensity score matching (Rosenbaum & Rubin, 1983) and were asked the same questions.[2] We controlled for nine variables, which represent socio-structural, health and other project-relevant characteristics, including age, income, physical disabilities, and personal care level – a differentiation made by a medical review board in order to assess the weight of physical and mental disabilities, ranging from 1 to 3, determining the legal claim to care insurance benefits in Germany. The control group was constructed against a question in the programme group survey about hypothetical alternative living options if people would not live in the model projects.

The programme group included 222 households and 313 individuals interviewed face-to-face. The control group consisted of 428 people in five neighbourhoods and 268 households characterized by comparable attributes. All together 741 people were surveyed. Due to the importance of neighbourhood support for the elderly, the sample was split into a group consisting of all respondents and one limited to individuals aged 50 and older. The programme and control groups are quite similar regarding their socio-demographic characteristics. In the programme group the cohort of people aged 66 to 89 accounts for 49.5% of the respondents, but due to a third below 50 the average member is aged 58 (compared to 57 in the control group). Whereas in the model projects the female rate (68.9%) is a bit higher than in the conventional environments (61.0%), and the share of single person households is too (73.0% vs. 64.6%), in the control group there are more persons with a formal university degree (33.0% vs. 9.1%) and, accordingly, with a higher income between 2,500 and 5,000 Euro (24.2% vs. 3.3%).

Effects on Residents' Health and Living Conditions

A popular argument made in the debate referring to multi-generation cohousing and community developments can be summarized as the assumption care needs and thus also the point in time at which people have to move from their home to inpatient departments can be delayed. From the study's results we can underline this conjecture: The health conditions of residents in the pilot projects turn out to be better compared to the control group (see Table 1). Although, according to survey respondents, no significant difference existed before the residents moved into the respective developments, illness and care indicators were found to be significantly lower in the pilot projects at the time the survey was conducted. When looking at all respondents independent of their age, 13% of the programme group respondents are in need of care compared to 22% in the control group. Weighted with the levels of care, a value difference of 0.19 compared to 0.28 occurs. Moreover there is a significant difference regarding the number of impairments and chronic diseases, although there were no differences before moving into the model projects. The same holds true when focusing on people aged 50 and older, with the differences being much more substantial: From this perspective 16% of the model project residents and even 33% in the control group

need care. The difference regarding considerable illness indicators turns out to be significant as well. Nevertheless there are no significant disparities in the subjective health evaluation.

Here two scenarios are distinguished: In scenario 1 the health and care conditions before moving into the model projects are taken into account as independent variable; it assumes the health development being affected by the different living conditions. Scenario 2 includes only the health and care conditions at the time the survey was conducted and therefore assumes that the development of health and care cannot be explained by programme or control group membership but is subject to exogenous factors. As the results are not statistically significant in scenario 2 but in scenario 1, it can be interpreted that better health conditions and reduced care requirements can be traced back to living in one of the cohousing developments.

Table 1: Health status and need for care and support

All data					
Scenario 1					
Variable	*Dimension*	*Prog.*	*Contr.*	*Diff.*	*Sig.*
Subjective health	Scale 1-5	2.59	2.53	0.06	
Diseases	Number of	1.03	1.40	-0.37	**
Care	Dummy	0.13	0.22	-0.08	**
Care level	Scale 0-3	0.19	0.28	-0.09	(*)
Scenario 2					
Variable	*Dimension*	*Prog.*	*Contr.*	*Diff.*	*Sig.*
Subjective health	Scale 1-5	2.59	2.48	0.11	
Diseases	Number of	1.03	1.20	-0.16	
Care	Dummy	0.13	0.18	-0.04	
Care level	Scale 0-3	0.19	0.22	-0.03	
50 and older					
Scenario 1					
Variable	*Dimension*	*Prog.*	*Contr.*	*Diff.*	*Sig.*
Subjective health	Scale 1-5	2.98	3.07	-0.09	
Diseases	Number of	1.36	2.13	-0.77	***
Care	Dummy	0.16	0.33	-0.17	***
Care level	Scale 0-3	0.23	0.41	-0.18	**
Scenario 2					
Variable	*Dimension*	*Prog.*	*Contr.*	*Diff.*	*Sig.*
Subjective health	Scale 1-5	3.00	2.94	0.06	
Diseases	Number of	1.38	1.55	-0.17	
Care	Dummy	0.17	0.24	-0.07	
Care level	Scale 0-3	0.23	0.29	-0.06	

***/**/*/(*) = Significance > 99/95/90/80 %

Residential qualities and social cohesion are given higher marks by the respondents of the pilot projects than by the control group. On a scale ranging from 1 (very good) to 5 (very bad), which corresponds to German school grades, the quality of living in the neighbourhood (1.98) and the perceived social cohesion (2.25) are valued better than in the control group (2.39 and 3.08). What is most important is the fact that especially the elderly find it much more attractive to live in one of the model projects (residential qualities: 2.09 vs. 2.79, social cohesion: 2.31 vs. 3.41; both highly significant). However there are no significant differences in subjective well-being. This can be interpreted as supporting the argument of the projects' impact insofar as the respondents do not rate the residential qualities and social conditions higher just because they are happier anyway.

Neighbourhood Involvement

As shown in Table 2, the programme group shows a substantially higher level of neighbourhood support than the control group, including tasks like purchasing/shopping, household help, gardening, practical help/handyman's work, child care, security, writing, reading, help with paperwork and doctors, counselling, as well as personal care in a narrow sense. Especially the variety of given support (number of different types of activities) differs significantly from the control group counterparts (1.37 versus 0.67), with the most prominent differences regarding tasks like purchasing/shopping and help with paperwork or medical consultation. Since received support is less significant we assume that higher support in the model projects is not the only explanation. Probably responsibilities are simply shared by more people in the cohousing communities. Not surprisingly the picture changes when the younger residents are excluded from the analysis: Just looking at the residents over 50 the received neighbourhood support becomes much more important and significantly more intensive as in the control group. Interestingly personal care in a rather medical sense is not relevant in any case.

Community and Civil Society Activity

Finally the respondents (except for those in residential care) were asked to specify which activities they do and which services they frequently use within and outside their neighbourhood (i.e. in the wider township). The catalogue contained a wide range of potential activities in the public sector, the private economy and civil society. To capture the latter the questionnaire asked for activities in churches, educational institutions, associations, and other initiatives. A clear divide between the inhabitants of the model projects and their control group counterparts becomes obvious: People living in the multi-generation developments show a significantly higher activity in their immediate neighbourhood whereas people who do not benefit from the opportunities given in the projects go out of their quarters more often. Especially when we look at the number of activities there is a statistically significant difference which is most significant for the public and private sector, with the most remarkable result being the use of commercial centres in the wider town (programme group: 0.88, control group: 2.01 on a scale from 0 = never to 5 = daily). This relates to the question of support which is significant especially for help with shopping activities and thus explains why

people in the model projects visit commercial centres less often on average. But civil society organizations and initiatives are also affected by the trend on a rather moderate level. Here the most important upshot turns out to be that people living under conventional conditions (the control group) are significantly more active in associations outside their neighbourhood (0.26 vs. 0.47) and non-significantly in educational institutions in the wider township, whereas in the model projects educational institutions, churches and associations are used rather at the community level in closest proximity.

Table 2: Neighbourhood involvement

All data					
	Dimension	*Prog.*	*Contr.*	*Diff.*	*Sig.*
Neighbourhood support received	Dummy	0.37	0.32	0.05	
Neighbourhood support given	Dummy	0.51	0.34	0.17	***
Neighbourhood support received	Number of	0.76	0.55	0.21	*
Neighbourhood support given	Number of	1.37	0.67	0.69	***
Neighbourhood support received (3 most significant variables)					
Practical help, handyman's work	Dummy	0.15	0.05	0.10	***
Help with paperwork, doctors	Dummy	0.05	0.00	0.05	***
Other	Dummy	0.02	0.09	-0.07	***
Neighbourhood support given (3 most significant variables)					
Purchasing, shopping	Dummy	0.31	0.11	0.20	***
Security	Dummy	0.13	0.02	0.11	***
Help with paperwork, doctors	Dummy	0.14	0.01	0.13	***
50 and older					
	Dimension	*Prog.*	*Contr.*	*Diff.*	*Sig.*
Neighbourhood support received	Dummy	0.43	0.26	0.17	***
Neighbourhood support given	Dummy	0.51	0.36	0.15	**
Neighbourhood support received	Number of	0.95	0.45	0.49	***
Neighbourhood support given	Number of	1.30	0.68	0.62	***
Neighbourhood support received (3 most significant variables)					
Purchasing, shopping	Dummy	0.20	0.09	0.11	**
Practical help, handyman's work	Dummy	0.18	0.04	0.14	***
Help with paperwork, doctors	Dummy	0.08	0.00	0.07	***
Neighbourhood support given (3 most significant variables)					
Purchasing, shopping	Dummy	0.32	0.11	0.21	***
Security	Dummy	0.13	0.02	0.12	***
Help with paperwork, doctors	Dummy	0.15	0.02	0.13	***

***/**/*/(*) = Significance > 99/95/90/80 %

Total support variables: Purchasing/ shopping, *Household help, Gardening, Practical help/ handyman's work, Child care, Security, Writing, Reading, Help with paperwork/ doctors, Counselling, Personal care, Other*

Table 3: Activity within and outside the neighbourhood

	Dimension	*Prog.*	*Contr.*	*Diff.*	*Sig.*
Activity in neighbourhood	Dummy	0.84	0.76	0.08	*
Activity in town	Dummy	0.71	0.78	-0.07	(*)
Activity in neighbourhood	Number of	2.54	2.05	0.49	**
Activity in town	Number of	2.37	3.45	-1.08	***
Civil society					
Church neighbourhood	Scale 0-5	0.62	0.47	0.15	
Church town	Scale 0-5	0.35	0.42	-0.07	
Educational inst. neighbourhood	Scale 0-5	0.15	0.06	0.09	(*)
Educational inst. town	Scale 0-5	0.19	0.27	-0.08	
Association neighbourhood	Scale 0-5	0.25	0.17	0.08	
Association town	Scale 0-5	0.26	0.47	-0.21	**
Other initiative neighbourhood	Scale 0-5	0.00	0.06	-0.06	**
Other initiative town	Scale 0-5	0.07	0.09	-0.02	

Public and private sector excluded ***/**/*/(*) = Significance > 99/95/90/80 %

Discussion and Implications

The above findings show that residents benefit in various ways from multi-generation cohousing and community developments. Better health conditions and reduced demand for professional care can potentially slow down the expected 'cost explosion' in the field, i.e. lead to a reduction of care insurance payments or at least lower payment increases. A key result in this context must be the fact that more neighbourhood-supported help is given and received in the pilot projects despite the respondents' better health conditions. However, since personal care is not an important factor and neighbours are not exploited as 'stand-ins' – they may be of help concerning low-threshold assistance such as shopping or practical household activities, but are not responsible for personal care duties in a medical sense – we have to search for and explain why the model projects are successful at all and why they reduce the demand for professional care.

Through higher social inclusion and activity the elderly not only have better access to support (which would otherwise be requested from professionals in addition to their essential tasks) but also keep up their mental and physical ability to self-organize their daily life. In this respect experienced solidarity and feelings of security – in a sense of 'help is there if needed' – are believed to be most influential. This can best be explained by the effectiveness of a reliable stand-by network identified in the projects. Between 30 and 100 people live in each of the communities and have developed some close friendships, say with the neighbour next door, and a multitude of rather loose connections in the neighbourhood and beyond. An essential difference between these weak and strong ties is the information and opportunities they provide: Weak ties are powerful because they link individuals to several other groups with different information flows, whereas closed and strong-tied communities come along with redundant information (Granovetter, 1973). In our context this implies that a multiplicity of weak ties provides for an effective opportunity structure of neighbourhood support of various kinds when needed. This is important since we know

that informal care and support is usually not managed by a single person but primary caregivers need – at least – a secondary helper, and a positive correlation between social contacts and care frequency has been observed (Penrod et al., 1995; De Boer et al., 2006). Since large networks cannot be taken for granted due to the social modernization processes mentioned above, but also because changing circumstances in the biographical situations of caregivers can change their availability, a wider network of potential suppliers and clients which is intentionally organized by community work bridging information gaps and listing available resources proves to be effective to establish and maintain stable care and support relationships. The 'strength of weak ties', as Granovetter puts it, is thus strengthened additionally by a skilled, pro-active node in the middle of the network. Empirically this would be covered by the differences regarding neighbourhood support and perceived social cohesion, and especially by the observation that obviously responsibilities are shared between more people in the model projects.

Referring back to the societal/policy changes that have been described earlier as quasi-market failure, we can conclude that multi-generation cohousing is a promising solution to address both consumer value changes and the political *zeitgeist* of integrating informal assistance into welfare provision schemes. Obviously the model projects allow for strong social involvement and bring together people that are not related (consumer demand), and they provide promising solutions to supplement professional care by neighbourhood assistance (welfare state supply). However two essential conflicts remain to be addressed: In terms of policy implications, the positive outcomes stand in conflict with the current funding of community work since scaling of the models requires sustainable future funding. In terms of research implications, we suggest to further investigate the effects of cohousing on local civil society since in the case at hand wider associational life does not seem to profit from the communities a great deal.

Policy Implications: Future Funding

In the German policy debate it has been claimed that the principle of traditional extended families should be revived through adequate living conditions (BMFSFJ, 2008). Our results confirm that multi-generation cohousing developments can represent one such form. As mentioned, beyond special edificial properties, skilled social work is at the heart of the programmes providing for effective and potential help resources. If society is willing to promote such innovative models of neighbourhood solidarity and social inclusion of the elderly, future funding of these ways of living is crucial.

Currently community work is funded by different, complex arrangements in Germany (see above). In the model projects the costs for community work and other investments are largely covered (1) by supplements added to regular rents to be paid by residents, (2) by a separate asset fund consisting of real estate developer surplus, rental revenues and local authority subsidies, or (3) by internal cross-subsidization by the investing organization. Some of the asset funds have been turned into community foundations to include civil society resources. However each of the models is faced with weaknesses concerning financial sustainability as they are too much focused on one single resource (the investing organization or the residents), and even in the mixed endowment (community foundation) model – in which the municipalities have provided their gain of selling the premises as well as rent revenues from communally acquired

dwellings, and committed individuals were allowed to participate – the asset returns are not sufficient. Thus the organizations have to bear the difference needed to run the programmes.

These funding structures can be legitimized as long as the models' impact and problem-solving capacity is primarily located locally and no third party gains (e.g. the social insurance system or regional governments). But if one assumes that the federal care insurance – whose spending for care is six times as high as that of the subordinated welfare system funded by local authorities – benefits in the first instance, since care is delayed and support given by neighbours, it seems reasonable to discuss a federal (care insurance) level contribution to infrastructure funding.

As long as there is no persuasive solution, two problems remain pending:

- Organizations can justify their investment only by their social mission and role as change agents in the policy debate. By contrast residents' returns can reduce burdens for the welfare system but do not generate returns for the non-profit investor. Instead of cross-subsidization – which is feasible and legitimate only to a certain degree – organizations investing in community structures can charge residents with rent supplements, but here the question of social exclusion arises. At the moment the average rental fees are at local market levels. Extra charges would potentially increase the barriers to entry into such living arrangements and lock out people with less social and economic capital (Wuthnow, 2002).
- The municipalities as the final authority to pay for care when there is no legal entitlement to insurance benefits or the disposable budget has been maxed out are caught between the devil and the deep blue sea: On the one hand they are well-disposed to the model projects and willing to chip in capital to enhance the local quality of living and to potentially limit their own liability in case of professional care demands. On the other hand they suspect free-riding because multi-generation cohousing programmes concentrate in regions with well-established infrastructure and high economic performance. When people have to call upon professional support beyond the care insurance coverage or their own means, the municipalities have to bear the 'damage' and would then be penalized for their former investment. This is why they are cautious despite a general goodwill.

Altogether multi-generation cohousing and community developments are challenged by the fact that additional costs for constitutive investments are currently not covered by public budgets or social insurance. At the moment the managing organizations try to deal with the subject in a way of 'creative patchwork' as they not only value the effects but see the projects as an alignment with changed consumer demand and as a strategic experiment to explore a new market segment. However from a social business point of view, promoting new ways of living and support in old age will only be successful if the innovative approaches can be funded in a sustainable way without permanent losses to the managing organizations.

Research Implications: Community versus Civil Society

With regard to our field of research, the relationship between the observed developments and civil society should be observed over time. It has been argued that civil society necessarily takes place in the public sphere (Cohen & Arato, 1992; Calhoun, 1993). It differs from community action within families, circles of friends, and

solitary groups in a classical sociological sense, in which individuals primarily act out of their feelings and on the basis of intimate bonds (Weber, 1978; Tönnies, 2001).

In their brochures and self-characterizations, the observed organizations running multi-generation cohousing developments speak of community-based projects fostering participation and support in the neighbourhoods and the wider township. Without explicit theoretical reflection they refer to the noteworthy feature that the projects are intended to combine the logics of communities and civil society, i.e. collectivist and specific solidarity and trust resources. In order to move into one of the model projects, coming along with accepting a certain commitment and willingness to participate codified in preliminary talks with programme officials, residents have to account for a particular set of universal values and interests that link their action to generalized others and a common vision concerning social life in the communities and beyond. When building concrete support relationships a more familiar, peer group-related aspect comes into play insofar as the collectivist identity is supplemented by personal ties, moral obligation and mutual utility calculations. This sphere of neighbours helping each other and at times keeping at a distance or becoming close friends must be distinguished from civil society and the public sphere, as well as from 'purely' community action. It mixes a specific with a 'universal attachment' (Durkheim, 1947). From this follows the question whether the social capital stimulated turns out to be rather 'bridging' or 'bonding' (Putnam & Goss, 2002), i.e. whether the communities are rather integrative or sealed-off.

The empirical findings show an equivocal picture: The residents of the model projects – despite their better health conditions and higher physical capabilities – are significantly more active within their communities, whereas the control group participates in rather 'public' forms of civil society. With due caution this could be explained by the assumption that associations and initiatives from outside are closely connected to social life on the ground by using the rooms for events or due to collaborations on a more formal basis and were thus perceived as internal by the programme group respondents (unfortunately we were not able to double-check with alternative local actors for their relatedness to the projects). However this is subject to speculation. Feeding on empirical evidence we have to reason that multi-generation cohousing in Germany statistically has no positive effect for local civil society. To the contrary, the respondents of the programme group were significantly less active in the associational life outside their community than their control group counterparts, and residents' benefits seem to appear at the expense of civil society returns. Consequently the operating organizations were able to realize many of their objectives but, literally speaking, one cannot make an omelette without breaking eggs. We therefore suggest further research to address cohousing relations to civic life and the general public in more detail, since well-meant efforts to stimulate civil society by providing local infrastructures in a locally concentrative framework at least run the risk of elite formation due to a lack of public character.

Conclusion

As new approaches to combine housing and living of senior citizens with instruments of sustainable community development, multi-generation cohousing and community developments have been promoted for more than a decade in Germany yet their effects had never been systematically assessed. We therefore analysed the impact of such

programmes run by four major operating foundations in the country. The empirical results identify positive effects for residents living in the model projects as compared to a control group of people characterized by similar health and socio-economic attributes. Although no significant differences existed before, the health conditions of the residents in the model projects turn out to be significantly better and professional care is less in demand. The residents show a substantially higher level of neighbourhood support, and the residential qualities and social cohesion are given higher marks by the pilot project respondents. A key result is the fact that in the model projects, more neighbourhood support is given than in the control group despite better health, while at the same time personal care in the medical sense does not play a significant role. However the projects allow for a network of people effectively and potentially providing practical assistance, thus leading to a feeling of security just in case. They show the relevance of a sphere between wider civil society and communities in which rather weak ties between neighbours – in addition to relatives and close friends – guarantee a certain level of solidarity and help, actively managed and stimulated by skilled social workers.

Since the observed projects heavily rely on the latter, our study indicates an outstanding problem to be solved: While additional investments (e.g. for the social workers and community centres) are made by the organizations, returns are received primarily by individuals and the welfare system. As long as there is no rational incentive for the organizations to further invest in such projects beyond their social mission, the situation of market and state failure remains an issue on another level. Apart from this, the relationship between cohousing and the public sphere merits further analysis. Sealed-off elite developments as a result of either semi-public in-group dynamics or too high barriers to entry through expensive rental fees would raise doubts with regard to the nature of civil society. This latter concern suggests that a (policy) solution to funding the required infrastructure could address both issues of social exclusion and of civil society development by linking public concessions to the organizations' efforts to guarantee the projects' openness. Such a policy change would replace an old-fashioned social policy by giving way to a new paradigm of self-actualization and empowerment as represented by the model projects.

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Endnotes

[1] See also *http://www.cohousing.org*, the American Cohousing Association website.

[2] Since it is not possible to compare people in an empirically observable situation with the same people in a hypothetical situation, in which they are not treated with the intervention under study – in this case: living in one of the model projects – propensity score matching has become a common econometric technique to compare individuals in different situations but with similar statistical attributes due to a selection of relevant variables. Because usually there are no perfect matches, i.e. cases with identical characteristics, a radius is defined and cases of the programme group are attached to control group cases whose scores lie in that radius. For this study these statistical "twins" were computed by estimating four Probit models (R^2 between 18% and 20%) based on the differentiation between the whole sample and people aged 50 and older, and on two assumptions regarding the independent variable of the propensity scores (scenarios 1 and 2).

[3] Netzwerk Soziales neu gestalten (2009) *Zukunft Quartier. Lebensräume zum Älterwerden, Band 3: Soziale Wirkung und „Social Return" – Eine sozioökonomische Mehrwertanalyse gemeinschaftlicher Wohnprojekte* (Gütersloh: Verlag Bertelsmann Stiftung).