



MOBA: Rethinking needs and financing for affordable rental and cooperative housing in Central and South-Eastern Europe

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in conversation with

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Abstract

Zsuzsanna Pósfai is one of the initiators of Periféria Center and of MOBA.

Before, she was long engaged in housing activism in Budapest, worked in urban policy making, and in academia. An important part of her current work is connected to housing finance: both currently existing and potential new forms.

Csaba Jelinek is an urban sociologist based in Budapest, a co-founder of Periféria Policy and Research Center. His academic work has been focusing on urban regenerations and housing policy. Currently he is working on the historical sociology of housing cooperatives in Hungary. **Camila**

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This conversation starts with the introduction of a large-scale research project conducted in 2022 in eight Central and South-Eastern European countries on how catalytic capital investment can enable the provision of affordable rental and cooperative housing in the region. The results of the project prove that while there is a large potential target group of such alternative housing models in these countries, the currently available housing finance tools are inadequate to help the emergence of the sector. In the second part of the conversation we introduce how MOBA Housing SCE intends to solve this problem through creating a bottom-up quasi revolving fund, which can financially help local projects in their early phase. Finally, we explain how MOBA approaches internationalism, co-housing principles, the need for shifting housing paradigms, and state socialist heritages of cooperativism.

Keywords

Affordable housing, cooperativism, housing finance, Central and South-Eastern Europe

Introduction

In the course of 2022, a consortium of seven partner organizations¹ from Central and South-Eastern Europe (CSEE)² conducted a large-scale research project on how catalytic capital investment can enable the provision of affordable rental and cooperative housing in the region. All members of the research consortium were organizations engaged in the implementation of new affordable housing models in the region. More specifically, consortium members are all connected to MOBA Housing SCE, a network of pioneering housing cooperative initiatives from CSEE. We had on-the-ground experience that there is dire need for new housing solutions for the many households whose housing needs are not met by existing models of individual homeownership in these countries. This research project provided the possibility of scientifically looking into this social demand we encounter. The other main aim was to systematically scope existing housing finance products, to give rigorous explanations about the reasons behind our experience of struggling to access financing for our affordable and cooperative housing projects. The two participants of this conversation were the coordinators of the research project. We are founding members of Periféria Policy and Research Center, a critically engaged organization based in Budapest, Hungary. We have been working on housing research and policy for about 15 years and have also been working to establish rental-based housing cooperatives in Hungary for more than a decade. We have been engaged in MOBA since its inception in 2017.

In terms of context, the housing markets of Central and South-Eastern Europe can be characterized as ‘super’ homeownership regimes (Stephens, 2005) with individual ownership expanding beyond 90% of the housing stock. Due to the limitations of this model, these housing markets are in dire need of diversification, such as through the introduction of new forms of tenure (rental and cooperative) beyond that of individual homeownership. To achieve this, new nonprofit affordable housing providers³ need to be able to scale up and operate in a reliable and sustainable way. For this to happen, there are three important prerequisites: an appropriate regulatory environment, nonprofit affordable housing providers with adequate capacities, and patient financial resources which match this form of housing provision. In the research we mainly addressed the latter, financial aspect of this matrix, investigating the currently existing forms of housing finance in the region, and proposing potential new forms. To assess the relevance of and need for these new housing models, MOBA and partners conducted extensive desk research in eight CSEE countries: Bosnia and Herzegovina, Bulgaria, Croatia, Czechia, Hungary, North Macedonia, Serbia, and Slovenia, and more in-depth representative surveys among the population of four capital cities in the region (Belgrade, Budapest, Ljubljana, Zagreb), in order to understand exactly

¹ See the partner organizations and a project summary here: www.moba.coop/catalytic-capital-investment/

² In this research, we used the terminology of Central and South-Eastern Europe, because the target audience for the research was mainly more mainstream institutional actors, such as financial actors or public entities. In the critical research field, instead of these more specific categories, the more encompassing terminology of Eastern Europe is often used.

³ Since there is no legislation in these countries (except Slovenia) about what affordable housing means, the criteria for how this is understood would also need to be determined. However, our experience and international evidence show that in terms of the sustainability of the sector, it is more advantageous if affordable housing provision is secured by nonprofit actors.

the target groups of these new affordable housing models, and how many people they represent. As a third element of the research, we interviewed financial actors from four countries of the research: Croatia, Hungary, Serbia, and Slovenia, assessing the currently existing financial landscape, and also did interviews with international actors implementing or financing affordable rental and cooperative housing models.

RHJ (Mara & Camila): Your report clearly shows the need and desire for opening up alternative housing models. As a starting point, can you give us a brief overview of the housing situation in the region? What is the current supply of affordable housing, and what kind of emerging issues are key here?

MOBA (Zsuzsanna & Csaba): Countries of the CSEE region have experienced quickly increasing housing inequalities and a deepening housing crisis from the 1980s (cf. Hick et al., 2022). The public housing stock is marginal and severely residualized, providing solutions to very few people; while private rental housing markets are small and severely under-regulated (Hegedüs et al., 2017). Thus, existing private rental solutions in these housing systems do not provide adequate stability and are too expensive for the majority of the population. Over 90% of the housing stock in most of these countries is owner-occupied, which makes it difficult for first-time entrants or separating households to find new homes. States have been systematically withdrawing from affordable housing provision, especially from any form of rental housing. Meanwhile, they have supported the middle class's access to homeownership through various state subsidies and subsidized mortgages (Bródy and Pósfai, 2020). These measures have contributed to fueling house price bubbles.

Since 2015, the CSEE region's homeownership-based housing markets have been exceptionally expansive (European Mortgage Federation, 2022). In 2021, record levels of new housing loans were disbursed, and house prices increased at unforeseen speed, and at higher rates in the CSEE region than in other areas of Europe (European Systemic Risk Board, 2022). These changes have made housing markets in several countries of the region vulnerable and more prone to crisis.

All this is happening in the context of an energy crisis and high levels of inflation, which unfolded in the course of 2022, affecting countries of the CSEE region particularly strongly. The coming period will surely bring important shifts in the region's housing markets. For average or below-average-income families, possibilities for housing themselves will most likely narrow.

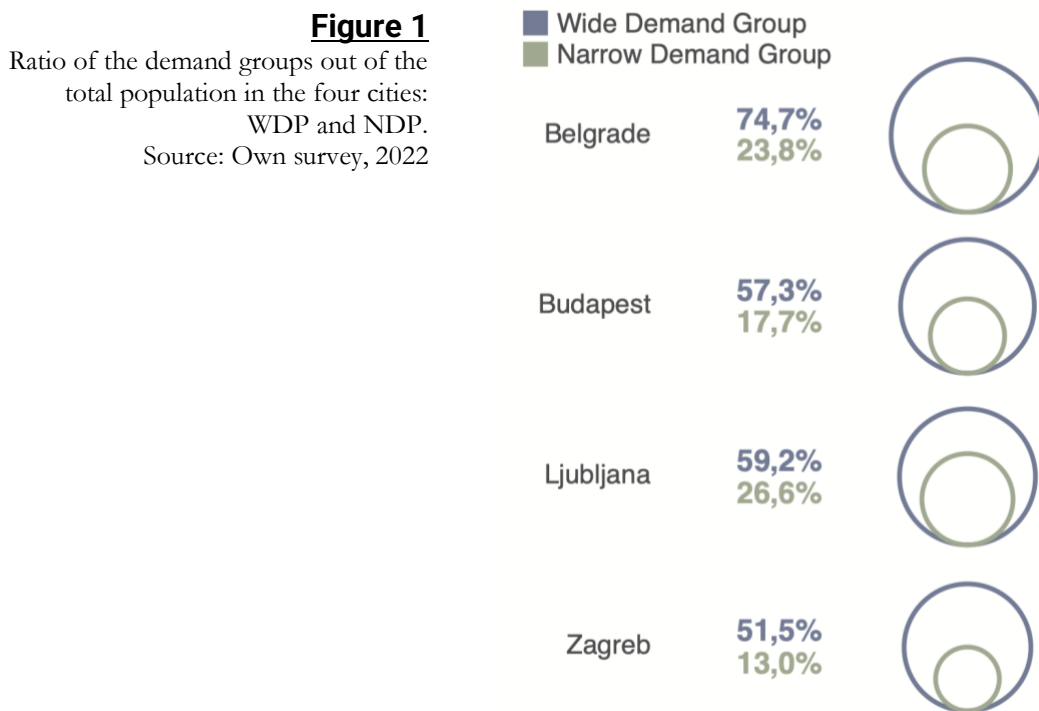
Also, compared to other regions, the quality and energy efficiency of the housing stock is very poor in CSEE. This means that households – especially low-income households – face relatively high maintenance costs and energy poverty. The quality of housing is very low in many countries of the region, especially in rural areas. These issues of quality and energy efficiency also affect low-income homeowners. Between 20 and 30% of the population, including middle-class households, struggles with housing affordability issues, and housing deprivation rates are high.

RHJ: In international debates on ‘alternative’ housing models, sceptics often raise the question of whether these new ‘products’ would actually have a ‘market’, were they implemented on the ground. In other words, the question of demand is key. Given this context, could you tell us about the findings of your study on the demand for affordable rental and cooperative housing in the region?

MOBA: According to our surveys, conducted in May-June 2022, more than half of the population in four regional capital cities (Budapest, Belgrade, Ljubljana, Zagreb) would welcome some change in their housing situation. We defined these people as the *wide demand group* for new affordable rental models. Moreover, between 13 and 26% of the population surveyed was both open to the idea of becoming users of new, affordable, and secure rental and cooperative housing (subjective criteria) and able to afford it (being above the financially most vulnerable segments of society-objective criteria), were they to be offered. We defined these latter people as the *narrow demand group* for these innovative models.

The high number of households reporting that someone in their household wanted to move in the next three years was especially striking. Those responding positively to this question within the whole sample were 56% in Belgrade and 44% in Budapest (and 35% and 38% in Zagreb and Ljubljana). This is also an indication of the fact that ‘super’ homeownership housing markets do not have sufficient flexibility to respond to shifting housing needs.

When asked about their openness to live in rental housing in the long term if this rental housing were to be stable, secure, and affordable, a very high share of households (see Figure 2) in all four cities responded positively. In our understanding this underlines the fact that ‘super’ homeownership is not rooted in any cultural specificity of these societies



but is only so prevalent among housing aspirations because viable alternatives are severely lacking.

The importance of this survey, from our perspective, was to demonstrate that individual homeownership is, in fact, not accessible to many, and that it is also not the only housing solution that people in these countries could imagine. Rental and cooperative housing models are systematically pushed aside in the mainstream political narratives of the region, and the underlying culturalist narratives imply that because of the ‘failure’ of state socialist regimes people in this part of the world are against rental tenure forms. Our robust data proves that these narratives are misleading. Affordability is more important for large segments of the society, than ownership *per se*. Moreover, the dominance of public subsidies made available for the property acquisition of more well-off households—which is a common approach in these countries—is a fundamentally unsustainable and socially polarizing policy.

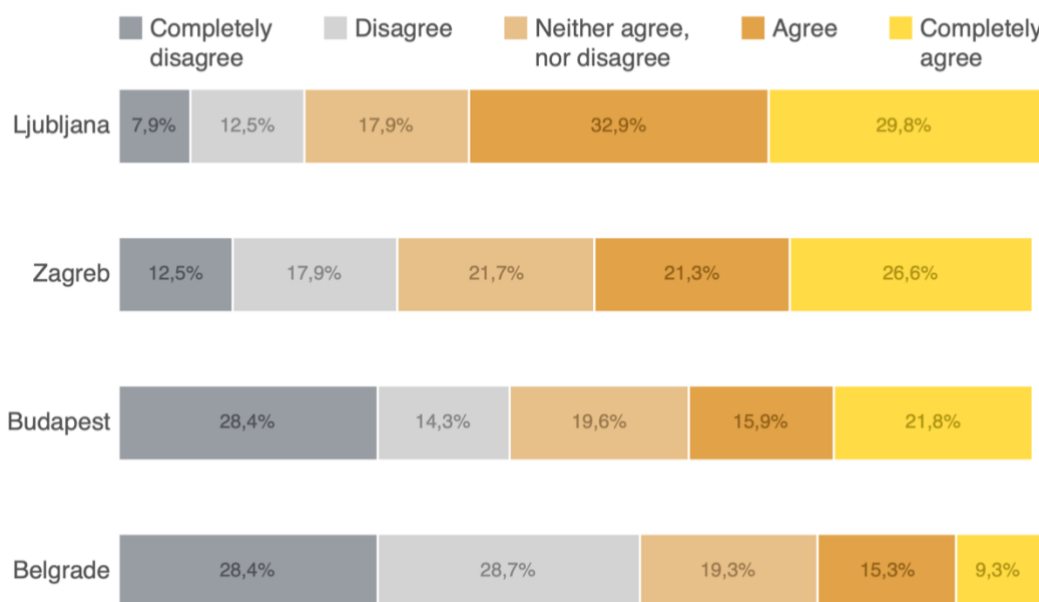
RHJ: The second part of your study concerned the financial products that may enable an emerging affordable rental and cooperative housing sector. Can you tell us more about this, and the idea of catalytic capital investment?

MOBA: Housing finance products currently available in the region cannot fulfill the currently unsatisfied housing needs. Individual mortgage loans are the predominant form of housing finance, but they are in reality not accessible to large segments of society. This is even the case for many social groups whose monthly income is above average. Furthermore, housing finance products available to companies and organizations are not

Figure 2

Attitude towards affordable rental models in the wide demand group.
Source: Own survey, 2022.

"If I had an option to rent a good apartment indefinitely for an affordable price and if my renter rights were protected, it would be a good solution to my housing problems/ambitions."



appropriate for developing rental and cooperative housing solutions, because they are calibrated to for-profit real estate developers building apartments for sale. Moreover, the financial sector of the CSEE region is dominated by large international banking groups, which aim to work in standardized ways across countries, and avoid innovation or risk-taking connected to the development of specific new products.

Our research results point to the need for a new nonprofit sector for developing affordable rental and cooperative housing to improve this situation. We identified two main obstacles to the emergence of an institutionally run nonprofit housing sector in the region: (1) currently available loans for organizations have a very short maturity and are thus not appropriate for rental and cooperative housing; and (2) in the absence of minimally adequate financial tools, nonprofit housing providers of rental and cooperative housing are not able to expand their capacities and upscale their activities.

The report offers a theory of change to overcome this catch-22 situation: bringing in new catalytic capital investments to bridge the gap of missing long-term finance. This could take the form of complementary financing next to a (mid-term) bank loan and can cover a significant part of the total investment needed at the start of a housing development. This catalytic capital investment mechanism can be of limited duration since it can kickstart a necessary shift within the more mainstream housing finance landscape, and over time, conventional lenders can step into this developing market and introduce new, more adequate loan frameworks.

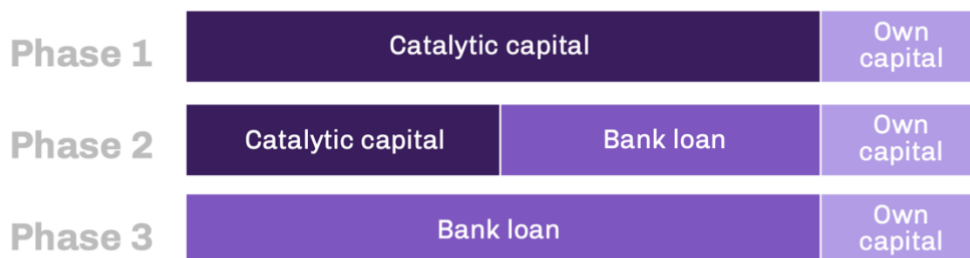
In this mechanism, it is necessary to have intermediary organizations since catalytic capital providers have limited capacity to engage directly with the end beneficiaries (startup housing providers). MOBA is currently in the process of becoming such an intermediary on a regional scale, but local, country-specific actors are also needed, especially for

Figure 3

Temporal aspect of catalytic capital investment
Source: Authors.

Temporal aspect

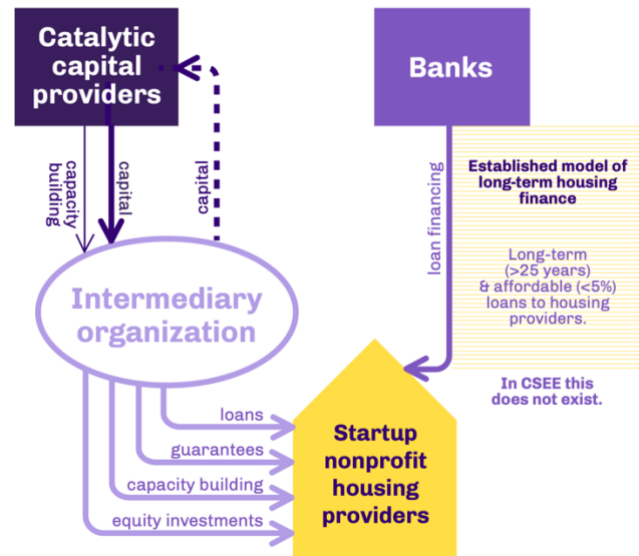
The financial mix of the total investment volume



Bank loans can take on the financing of an increasingly large part of running housing projects.

Figure 4
Catalytic capital bridging the gap of long-term housing finance
Source: Authors.

The full research report, as well as a shorter investors' report is available for download at:
www.moba.coop/catalytic-capital-investment/



capacity development for local housing providers. Intermediary organizations collect and structure capital and issue it towards end beneficiaries while supporting them with capacity development to absorb the investments. Capacity development both on the local scale (for housing providers) and on the intermediate scale (for intermediary organizations) is crucial for the success of this impactful shift in housing finance.

Such a shift in housing finance would mean that finance, instead of inhibiting, could become an enabler of a new housing sector in the CSEE region. This new sector is necessary for providing adequate housing solutions to people currently struggling with extremely expensive market rents, or unhealthy and overcrowded living conditions. Since government initiative is lacking in this field, the push needs to come from the bottom up, so that the affordable rental and cooperative housing sector can develop in these countries step by step.

RHJ: Your research and analysis are really impressive, and so is your work of international coordination across different housing regimes! Could you share with us some details about the history of MOBA and the housing models that you have explored and promoted?

MOBA: The story of MOBA started in 2017, at a workshop organized in Berlin. Since 2018 we have been meeting regularly, and in 2020 MOBA Housing SCE – a European Cooperative Society, which is a transnational cooperative of cooperatives – was registered as the legal entity of our network. Currently, MOBA has seven full members from five countries (Croatia, Czechia, Hungary, Serbia, Slovenia) and 3 associate members.⁴ Full members are local housing provider organizations (more precisely, initiatives experimenting with new rental housing cooperative models) and/or their national umbrella organizations; while associate members are partners who acknowledge and

⁴ Full members: Housing Cooperative Pametnija Zgrada (from Serbia), Social Cooperative Prvni Vlastovka and Sdílené domy (from Czechia), Cooperative Otvorena Arhitektura (from Croatia), Cooperative Zadrugator (from Slovenia), Zuglói Kollektív Ház Egyesület and Alliance for Collaborative Real Estate Development (from Hungary). Associate members: urbaMonde, World Habitat, Zadruga za etično financiranje

directly support the mission of MOBA. The main motivation for founding MOBA came from the recognition that throughout our region there are very similar rental cooperative initiatives in their embryonic phases, and all of these are struggling with accessing finance for their first pilot projects. Thus, the founders of MOBA agreed that in our network, we will go beyond the usual practice of regional know-how exchanges, and we will join forces to tackle this financial bottleneck.

There are some basic components of the MOBA housing model, which narrow down the scope of MOBA activities. We intend to create affordable housing in a strictly anti-speculative manner. This means that we want buildings developed by MOBA members to be kept out of the market in the long run. We think this should be achieved through collective—preferably cooperative—ownership of buildings and collective, institutional responsibilities—as opposed to individual ownership of housing units and individualized risks—coupled with democratic decision-making and active participation of members. For such a model, rental-based and limited equity housing cooperative structures seem to be the most suitable organizational forms, as these fulfill all the functions we want to develop. MOBA wants to create a replicable and scalable model, which will be ensured through peer-to-peer learning and through policy advocacy. We also have the ambition that through implementing the MOBA model in several countries at the same time, we could catalyze the transformation of housing regimes in a more systematic way, following the basic principle that housing is not a commodity but a basic social need.

RHJ: How did you come to work specifically on finance and on the development of housing financial tools?

MOBA: There is a shared experience of MOBA members: that housing regimes in our countries are extremely commodified and exclusionary, and public policies are often the vehicles of further marketization. This happens either through subsidy programs for individual homeownership or through an enabling regulatory framework for rent-seeking through housing investments. All of our local initiatives were started after the 2008-9 financial crisis, which very clearly showed the structural problems of housing markets in our region, pushing hundreds of thousands of people into housing poverty. We realized that our efforts are triggered by the same global and regional processes of commodifying and financializing housing – and we came together to tackle these large-scale processes with cross-border alliance and with an inherently international approach. We are also aware of the similarity of the structural position of our countries and local contexts – we work in a semi-peripheral region, which is economically and financially dependent on the global and European core countries, and which has a shared history of state socialist experiments, that largely shape local social and cultural processes. This is why we cannot just simply copy existing progressive solutions from structurally different regions: we need to shape these alternative models and adjust them to our realities.

The main thing we are currently working on in MOBA is a financial tool we call the MOBA Accelerator. In line with our learnings from the research project on the potential of catalytic capital investments, the Accelerator would be a transnational revolving fund managed by MOBA, which could allow for catalytic capital providers to invest in the

establishment of the MOBA model in different countries of the region. From the perspective of these catalytic capital providers, MOBA could be a partner who helps navigate the scattered legal, political, and economic landscapes of the region, which consist of several smaller countries. MOBA would be an intermediary organization that aggregates and mentors smaller local projects, and channels patient capital towards them. The capital provided to MOBA members would take the form of high-volume, short term bridge loans, which would allow local projects to emerge and to become evidence of concepts in each of their contexts, thus attracting longer-term financing. This bridge loan mechanism will be the first financial instrument of MOBA, with others to be potentially developed later on.

RHJ: What would you say are the main challenges in CSEE to transform housing systems in ways that allow different forms of community-led, not-for-profit and co-housing models to exist and scale up?

MOBA: Throughout the last years we identified three main challenges that are currently preventing the MOBA model to be implemented in the CSEE region: the lack of access to adequate financing, the lack of appropriate regulatory landscapes, and the lack of existing organizational and institutional capacities.

From the perspective of financing, the CSEE region has always been a region with a lack of capital, and with a financial dependence on core countries. This leads to a higher volatility of the financial markets: housing bubbles are easily formed in economic boom periods, and their burst has wide-spread consequences. Moreover, the banking sectors are typically dominated by Western banks, which not only accelerates the value extraction from this sector (partly through systematically higher interest rate levels), but also entails a more conservative approach to lending. Our study showed that existing housing finance tools are limited and are dominated by mortgage lending for better-off households and short-term project finance for for-profit real estate developers, who are typically active on the high-end segment of the market. Under these circumstances, MOBA members face significant difficulties to access long-term, low-interest rate loans for their local projects, which would be a prerequisite for these kinds of projects. While for example in Germany there is GLS—an ethical bank—, or in Switzerland the Banque Alternative Suisse, which provide long-term and cheap loans for community-led anti-speculative cooperative housing projects, in the CSEE region there are no such ethical financial actors with similar financial tools for emerging projects. Since housing projects typically require a large capital investment in their early phase, it would be essential to have financial actors in the region who recognize the multiple positive social impacts of new progressive housing initiatives and provide the necessary capital. If the conditions for financing are appropriate, these projects can be economically self-sustainable.

Another crucial challenge is the regulatory landscape of these countries. While in some core European countries there is a legal framework for non-profit and/or affordable housing providers, in most MOBA countries there is no such legislation in effect. In the absence of such a basic legal frame, public entities cannot legally and systematically favor such emerging actors. Thus, it seems crucial to advocate for a legal definition of non-

profit affordable housing providers, and then various types of public resources can more easily be channeled into this emerging sector. We can think about targeted loan programs, subsidized interest rates, access to publicly owned land and buildings, tax reliefs, etc. In our historical inquiries we found that wherever the non-profit affordable housing sector is strong, it has been catalyzed by some form of public subsidies either in its early stages or later, during scaling-up. The problem in our region is that national governments typically prefer supporting the middle and upper classes in acquiring their own homes, and the housing needs of large segments of these societies remain unmet.

Finally, given the financial and regulatory/legal challenges, we also face an institutional challenge in our region. In the absence of an enabling legal framework and of suitable financing schemes, the progressive housing provider organizations have a hard time expanding their capacities and strengthening their operations. While there are a few operating pilot projects, and there are also emerging organizational infrastructures to connect these initiatives, it seems insufficient to persuade existing mainstream financial institutions and conservative governments to significantly alter their practice. This is why we argued in our report that one way forward could be to attract catalytic capital in this early phase for strengthening organizational capacities, which could later lead to more transformative changes.

RHJ: Researchers and activists working on community-led housing have focused on understanding how processes of co-housing might trigger transformations in social relations, environmental and care practices, and political organisation within communities. Do you have any reflections about these wider processes as part of your work?

MOBA: The basis of the MOBA model is collective ownership under a cooperative model, where affordability for our target groups has a central role. The aspect of the community is also important in this approach but does not necessarily mean we would employ co-housing principles and architecture in all of our future projects. Nevertheless, the three projects that currently exist under the MOBA umbrella (one in Budapest, one in Prague and one in Děčín) are all physically organized with a lot of shared spaces and co-housing type operation. However, future projects might have more separate housing units, while also including community functions.

As we develop our local project plans for this cooperative, community-based model, various actual and potential benefits surface for specific target groups. For elderly people, community living has numerous benefits, including a physical environment adapted to their needs, a mitigation of loneliness, the possibility of sharing care services, and of course affordable living. We have learned from international examples such as [Chamarelles-Barges](#) about these benefits. MOBA members from Slovenia (Zadrugator) and from Serbia (Pametnija Zgrada) have been working with groups of seniors, planning housing projects together with them.

The MOBA member from Budapest (ACRED) has been developing community-based residential projects for students, where the international movement of [student housing](#)

cooperatives is an important source of inspiration. In the case of students, cooperative housing has the benefits of stronger community and affordability in university cities with tight housing markets. In Budapest, we have also developed project proposals in collaboration with municipalities, where community living would serve different vulnerable women target groups, such as single mothers or girls coming out of state foster care institutions. International examples underline the benefits of such living arrangements for single mothers, single elderly women or victims of violence against women.

Housing cooperatives can also provide affordable living arrangements for workers in key sectors, becoming tools for bringing back community and workforce to smaller cities or to cities affected particularly strongly by tourism and consequently increasing house prices. MOBA members from Croatia (Zadruga Otvorena Arhitektura - ZOA and , Zadruga za etično financiranje - ZEF) work specifically on these issues in partnership with municipalities, while ACRED members in Budapest are in a dialogue with trade unions to develop community-based housing projects with organized workers.

The experience of MOBA members from Czechia (from the cities of Prague and Děčín) show how housing cooperatives can be closely linked to political organizing, since the founding members of these projects are connected to progressive Czech movements. Furthermore, their example also shows how a housing cooperative can have a beneficial impact on the wider community living around it: members of the Cooperative Racek in Děčín regularly organize programs for the neighborhood and support them with interventions for energy efficiency in their own apartments.

Furthermore, in community-led projects, environmental sustainability can be guaranteed to a much higher extent than in conventional single-family homes or condominiums. The heating system, building insulation and other building mechanics and construction elements can be designed in a way that is most efficient on the scale of the whole building. Innovative, experimental elements can also be implemented, which foster climate neutrality and environmental sustainability. An additional community-based element can be the usage of shared washing facilities or cars. While environmental aspects are important for all MOBA members, some—such as the Serbian member Pametnija Zgrada or the Croatian member ZOA—have done more in-depth investigations into how these solutions could be implemented in practice.

RHJ: This is all so inspiring and interesting! It seems that MOBA is really well connected with several networks promoting forms of community-led and cooperative housing. What do you think is the role of international solidarity and exchanges in shifting housing paradigms?

MOBA: World Habitat and urbaMonde are associate members of MOBA – both play an important role in pushing the agenda of cooperative and community-led housing forward on an international scale. With their support, and through the direct outreach efforts of MOBA, we have been able to reach broader international audiences recently,

mainstreaming the understanding that a shift in the housing systems of Central and South-Eastern Europe is necessary.

There are several platforms and partnerships, where this mainstreaming process is currently going on. For example, MOBA is a member of the [CoHabitat Network](#), which is facilitated by urbaMonde. There is also an emerging new network of European housing cooperatives and community land trusts (CLTs), which was initiated by members of the German [Mietshäuser Syndikat](#)—this is still in formation, but MOBA is part of the ongoing discussions. With urbaMonde and [Sostre Civic](#), we are part of ongoing discussions about how to join our efforts to improve the scalability of housing cooperative projects in different contexts. We also communicate regularly with [Cooperative Housing International](#) and [Housing Europe](#), which are important international actors in this field.

All in all, one of the main things we have learned from our international activity going beyond our own region is that the best modality of such partnerships and networking is when the exchange of information and symbolic solidarity is coupled with material solidarity and concrete ecosystem building. On the more symbolic level, it is obviously important for MOBA to gain recognition and legitimacy, through which the specificities of our region can be acknowledged by actors not familiar with our context. At the same time, international exchanges can be not only a source of inspiration and practical learning but also a way of deepening our understanding of how the same—or similar—structural pressures result in different local outcomes, both in terms of housing regimes and progressive housing movements. This way, we might also influence agendas originated in core European countries, shifting them towards a framework that is more sensitive to different global positions.

But we think these kinds of knowledge exchanges are not enough. For a more substantial internationalism, we also need alternative resource flows that are rooted in solidarity and in an alternative institutional ecosystem. One of the main ideas within MOBA, the MOBA Accelerator can be an important step in ‘testing international waters’ in this spirit. With the Accelerator, we plan to establish a revolving quasi-fund, which would provide bridge loans for project development to MOBA members. We hope that international recognition can help us in collecting resources for this quasi-fund, and we are especially counting on the solidarity of larger, more established housing cooperatives, who could support MOBA or invest in it based on the principle of cooperation among cooperatives.

RHJ: Could you develop this further? Based on your experience so far, what are the key issues that would enable a radical reframing of financial instruments for collaborative, affordable and self-managed housing alternatives?

MOBA: We can imagine three basic catalyzers that would enable such a radical reframing; ideally, all these pathways should be followed in parallel. The first one is to put pressure on national decision-makers and make them reshape the regulatory environment of housing finance. All over Europe, and many parts of the world, we can see growing inequalities, which are partly catalyzed by the gradual commodification, marketization and

financialization of the housing sector. These processes have been enabled by governmental policies, and we need progressive policies to undo them.

The second pathway is to convince existing market actors that investing in community-led affordable housing can be beneficial from multiple aspects in the long run. We are aware that the interests of conventional market actors in a capitalist economy are not in line with our anti-speculative approach. However, there might be a way to overcome this problem. If the number of philanthropic actors and catalytic capital providers continues to grow, and their interest shifts towards the housing sector, then this could provide a much-needed kick-start for various emerging alternative housing providers. Thus, while persuading existing market actors will for sure not solve the basic hardships that we face, it could definitely help in the first phase of a radical reframing of financial instruments.

Third, we can also imagine that different actors from the broader field of the solidarity economy can build up their own democratically controlled financial institutions (e.g., ethical and/or cooperative banks), and this would radically increase the pace of expansion of the whole solidarity economy ecosystem. In a way, MOBA Accelerator is an attempt to develop such an exemplary manifestation of bottom-up, democratically controlled finance.

This final issue is connected to a larger point. In general, we think the changes MOBA pursues could be—and should be—part of a larger struggle for democratizing the entire financial sphere. At least since the 2008-2009 global economic crisis, there has been a lively discussion around topics like reforming the monetary and banking systems. MOBA associate member *Zadruga za etično financiranje (ZEF)* – Cooperative for Ethical Financing in English, which is the largest Croatian cooperative - is an important regional actor in this field, and they are working on establishing a new, European ethical bank. While this process is still in the making, their success could significantly help our cause as well.

RHJ: Moving towards a conclusion, we are curious to hear a bit more about people—especially potential future residents and cooperative members—on the ground. You work across vastly diverse political geographies across CSEE, which we presume impacts how these housing alternatives are understood by prospective residents. Would you be able to share your thoughts for the benefit of an international audience on the range of political framings of community-led housing as an alternative and its relation (or lack of relation) to socialist traditions?

MOBA: In the whole region, there is a rich historical tradition of cooperative housing, even though the affordable and community-led sectors are tiny. People can easily relate to cooperative housing, while ‘community-led housing’ is more of a ‘new-coming idea from the West’. However, this relation to housing cooperativism is often polarized. While some people have nostalgic sentiments towards state socialist housing policies, which were usually more successful in facilitating upward social mobility for less well-off households, there is also a significant part of these societies who are entirely negative and suspicious towards any form of cooperativism, based on an anti-communist political framework. An

interesting illustration is that one MOBA member group deliberately chose not to use the word 'kooperativa', which was widely used before 1989, but instead used the less loaded term 'zadruga', which has basically the same meaning.

Besides these political and semantic heritages, there is a more substantial point about state socialist housing cooperatives. In many countries of the region, housing cooperativism between the second world war and the regime changes of the late 1980s and early 1990s was mainly based on an ownership model, and because of that, it was often the vehicle of hidden privatization and commodification. Moreover, housing cooperatives from this era often fell short of fulfilling all the basic criteria of cooperativism, such as autonomous and democratic governance, as they were often heavily controlled by the party state (for example, in Hungary). This is another reason why some MOBA members try to explicitly signal a difference from state socialist housing cooperatives. In Hungary, for example, we always speak about a 'rental cooperative' model.

At the same time, we do try to build on some more widely acknowledged elements of our state socialist past. In Yugoslavia, for example, self-management was widespread, involving different segments of life, from work to housing. This is a tradition we can more easily build on. Similarly, the practice of reciprocal mutual aid was widespread in the field of housing – especially in the private housing sector, where people were building without state support. This practice also has a local terminology, which is 'moba' in Serbo-Croatian (hence our name) or 'kaláka' in Hungarian.

However, we think that the focal point of our self-definition should be more connected to our contemporary context, and mainly to the deepening housing crisis we experience, than to our socialist history.

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