Processes of Residential Differentiation in Socialist Cities

Literature review on the cases of Budapest, Prague, Tallinn and Warsaw

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Abstract: This paper reviews the literature on the processes of residential differentiation in Budapest, Prague, Tallinn and Warsaw during the era of state socialism. It identifies the housing types that were part of the housing provision regime at different periods of the socialist era, and discusses the inequalities in access to them, examining how they affected the development of the socio-spatial pattern. The study finds that despite the egalitarian ideology of socialism, the socialist housing provision system produced several socio-occupational residential differentiations. Sometimes these were the direct result of projects conducted by the public sector itself; there were inequalities in access to public rental housing. Sometimes these were a result of the toleration of, or support for, differentiation in co-operative and owner-occupied housing. Furthermore, the study finds that there was continuity in the appreciation of some residential areas. Therefore, developments during socialism did not always challenge the capitalist past, but rather actually often continued its socio-spatial patterns, especially within inner city areas.

Key words: Residential differentiation, state socialism, socialist cities, housing, housing policy
1. Introduction

This paper analyses the processes of residential differentiation in socialist cities focusing on housing provision during different periods of state socialism, available housing types (looking for tenure, building characteristics and location), inequalities in access, and the effects on the development of the socio-spatial pattern. The cases included in the literature review are Budapest, Prague, Tallinn and Warsaw. Obviously, these cities are different in many historical and cultural aspects, and there were also great disparities in the physical conditions in which the cities faced the socialist era. Yet, during the state socialist era the socialist ideology, the political and economic system under which these cities developed, brought about similarities in their development processes as well as similarities in terms of outcomes.

Social equality and the elimination of capitalist class-based segregation have been considered as important aims in developing socialist cities, i.e. cities that developed under communism or state socialism (French and Hamilton, 1979; Bater, 1980; Demko and Regulska, 1987). The social engineering of districts’ residential composition was facilitated by policy that emphasised the state’s role in production, ownership and the allocation of housing, making practically all income groups dependent on publicly subsidised housing. Nonetheless, a number of case studies have confirmed that residential differentiation, i.e. the uneven spatial distribution of social groups according to socio-economic criteria, continued to exist in socialist cities. Most of these studies have concerned the pattern of residential differentiation in a single city at a discrete moment of the state socialist period. Less attention has however been given to processes through which the pattern as a whole developed. The research questions of this study, which reviews the literature on development in Budapest, Prague, Tallinn and Warsaw during the state socialist era (i.e. from the mid-1940s until 1989), concern issues such as, what were the housing types provided during different periods of the socialist era, what were the terms of access to them, what was their location and what implications did all of this have for the residential differentiation. The depth of the study is limited by dependence mostly on English publications, with the exception of studies in Estonian, as well as an apparent asymmetry in how the literature covers ongoing developments in the different cities at different periods of the state socialist era.

In relation to the debate on urban inequalities under state socialism a number of differing positions have been identified in the literature. Early studies on socialist cities, including those of Ian Hamilton (1979; Hamilton and Burnett, 1979; French and Hamilton, 1979: 16-17) and Matejů et al. (1979), shared the belief that the socialist allocation of housing succeeded in preventing residential segregation. It was believed that housing inequalities in socialist cities were inherited from the capitalist past. Contrary to such a view Iván Szelényi in the seminal work Urban Inequalities under State Socialism (1983, originally in Hungarian 1972) argued that the socialist system also created urban inequalities. Scarc goods such as new or better housing were more likely to be given to certain groups of people, particularly those working in ‘important’ jobs, he explained. Therefore, administrative allocation did not reverse, but simply replaced the capitalist market method of allocation as a source of urban inequalities, Szelényi concluded. Today, scholars widely agree that both the value given to an applicant’s labour as well as housing need were used as a criterion in the allocation of housing (see, e.g. Węclawowicz, 1996: 78-79).
Although it is widely believed that there was less residential differentiation under socialism than under capitalism (Smith, 1996), interpretations of the socio-spatial pattern of cities and the degree of inequality have differed greatly. Some researchers have argued that urban inequalities decreased under socialism, and that the resulting residential pattern was mosaic like (e.g. Węclawowicz, 1979 with data on Warsaw). Others have however claimed that socio-economic differentiation was also relatively strong in socialist cities, and that there were significant socially homogenous areas (Dangshat, 1987; Dangshat and Blasius, 1987 with data on Warsaw; Kovács, 1994: 1087-1088 with data on Budapest; Szelényi, 1987). It has also been argued that there was a high degree of residential differentiation in the case of high status groups and a low degree of residential differentiation among the rest of the population (Ladanýi, 1989 with data on Budapest). Some have sought to rebuke the idea that the socio-spatial pattern of socialist cities followed any standard geographical model, be it concentric, sectoral or polycentric, instead suggesting that it actually involved elements of all of these models (Węclawowicz, 1988 and 1996 with data on larger Polish cities; Sýkora, 1999b with data on Prague). These empirical studies, it is important to note, did however differ considerably in the methods and spatial scales used. Therefore, it is difficult to conclude how much the observed differences are due to the particular method used and how much to real differences, as Smith (1996: 97) and Sýkora (1999a: 271) have already brought out. Given this, Smith’s (1996) conclusion on residential differentiation in socialist cities is very general – Smith writes:

‘The most sensible resolution would appear to be that some broad spatial differentiation of inequality in occupational status, education, housing, certain demographic characteristics, and (less conspicuously) income is very likely to be found in medium-sized and large cities, but punctuated by smaller distinctive areas differentiated by the survival of pre-revolutionary / pre-war housing, and by enclaves of superior or inferior state housing or co-operatives. Much depends on the history of the city in question, its pattern of (re)development, and the survival of otherwise distinctive social areas, local communities or environments.’ (Smith, 1996: 97.)

It is easy to agree with Smith’s conclusion if one focuses on describing the socio-spatial pattern – the typical viewpoint of the socio-ecological tradition. To uncover a more profound picture, however, complementary information is needed on how and why such a pattern emerged. Therefore, it is necessary to shift the focus to the processes of residential differentiation and its development patterns over time.

Here the focus can be drawn to the issues of housing types and differentiated access to them as central aspects of our analysis. This approach draws from a number of scholars who have emphasised the importance of housing systems and housing policy in explaining the pattern and dynamics of residential differentiation in socialist cities. For instance, Hegedüs and Tosics (1983) argued that people had different positions in the socialist housing system, and that there were significant inequalities of opportunity with regard to changing one’s place of residence. Musil (1987) has argued that different housing types and tenures at different locations were constructed to accommodate different social groups. Szelényi (1987) has taken this idea further by arguing that inequalities in the distribution method were expressed in different spatial patterns, because the socialist urban planning and construction system favoured the development of large homogeneous areas at once. Węclawowicz (1996: 78) has argued less categorically that the allocation policy had the tendencies of both the
‘egalitarian distribution of housing conditions’ and the ‘granting privileges to certain social and professional groups’.

The importance of housing policy is accentuated by all four of the authors discussed in the previous paragraph, because of the primacy of the public distribution of resources in socialist housing systems. Compared with the liberal-interventionist tradition in the West, where ‘whatever was done had to result in the minimum of intervention into pre-existing market processes commensurate with improving working-class housing conditions and limited state expenditure’ (Ball, 1988: 12), under state socialism the roles of public intervention and the market were to be inverted. In the socialist housing model ‘the intention was’, write Hegedüs and Tosics (1998: 139), ‘to give state regulation a dominant role and reduce the role of the market to insignificance’. Not only did public rental housing enjoy a high priority relative to other forms of tenure, but also the individual consumption of housing was controlled, rents regulated, and strict regulation applied on other tenures too. The construction of co-operative housing and owner-occupied flats as well as the self-construction of single-family housing was regulated through not only the allocation and development of land and the giving of permission, but also through the availability of state subsidies, loans issued only by the state banks and by the supply of building materials produced only by state industry. What is important here however and thus in need of more detailed examination is the fact that socialist housing systems were not static but changing (e.g. Hegedüs and Tosics, 1996a: 22-35).

2. Processes of residential differentiation in socialist cities

The socialist era has in this paper been divided into two periods: the 1940s after WW II and the 1950s (i.e. the Stalinist era and the period thereafter, before the reforms), and the period from the 1960s onwards (which is subsequently subdivided when analytically relevant). During the first period Stalinism was imported to Eastern Europe, and the policies implemented in all of the socialist satellite states followed rather strictly the Soviet model. During the second period, ‘separate roads to socialism’ were allowed and there emerged increasing political and economic differences between socialist countries, although within a similar framework. During this period housing policies and modes of housing provision in various socialist cities also underwent different forms (Hegedüs and Tosics, 1996a). Hungary and Yugoslavia, for example, implemented reforms which introduced some market elements to their housing systems, although under state regulation and without profit-oriented commercial institutions (see, Turner et al., 1992).

The two periods differ also as to the quantity of housing investments. During the first period investments in heavy industries were given priority in all socialist countries at the expense of other sectors, including that of housing construction. After Stalin’s death, priorities were reconsidered, and investments aiming to raise the standard of living were acknowledged. It was, however, not before the 1960s when the results could be seen on a large scale. Increasing levels of investment combined with the modernisation and industrialisation of building methods, including the use of prefabricated elements in construction, thus characterised socialist city building throughout these decades.
2.1 The pre-socialist era

In general terms, the pattern of residential differentiation was similar across the four cities on the eve of WW II. The residential districts with the highest status were located in the core of the cities and the level of status declined gradually towards periphery. The populations in the inner city districts were, however, relatively heterogeneous, and the districts also differed in other ways. There were differences between the districts, but also between main streets and side streets, between houses lining the streets and those in the back yard, as well as between stairways in the blocks of flats. Nevertheless, the highest concentrations of those from the lower classes could be found in the workers’ districts on the edge of the cities. This socio-ecological pattern had, however, begun to alter as the wealthier population groups had begun to leave the city centre in favour of new residential areas. These included villa areas and garden cities such as Rózsadomb in Budapest, Střešovice, Hanspaulka and Podolí in Prague, Nõmme and Kadriorg in Tallinn, or Żoliborz in Warsaw, as well as extensions of the inner city, such as the districts of Lipótváros and Lágymányos in Budapest, Bubeneč and eastern parts of Vinohrady in Prague, Tönismäe and Raau in Tallinn, and (what is today known as ‘Old’) Mokotów in Warsaw. These ‘new’ residential areas had in fact a more homogeneous wealthy population than the traditional high-status districts in the centres. (For a more illustrative picture of pre-WW II trends on residential differentiation see Lackó (1997) on Budapest or Węclawowicz (1979) on Warsaw.)

2.2 The late 1940s and the 1950s

After the socialists had risen to power in the 1940s and until the reforms of the late 1950s, the expansion of heavy industry was given top-priority in development terms. This prioritisation was carried out at the expense of social welfare, including the provision of housing. Accelerated industrialisation accelerated urbanisation, but because of the low level of housing production, housing shortages and increasing residential densities were characteristic of the period (e.g. Bater, 1980; Hegedüs and Tosics, 1983). The construction and distribution of dwellings in multi-family housing was the responsibility of the public sector. The public rental housing stock also included pre-socialist multi-family housing expropriated into public (usually state) ownership. The self-construction of single-family houses was the only allowed form of private housing development.

(a) The redistribution of inherited housing stock

Instead of the production of new housing, housing needs were at first satisfied by redistributing existing housing resources. Redistribution concerned dwellings left empty by those who had died in the war, emigrated or (in some countries) those who were deported, as well as the reallocation of rooms in already inhabited dwellings. Scholars widely agree that redistribution decreased the level of residential differentiation, although besides Musil’s (1968: 249-255) study, which showed that in Prague the socio-ecological disparities between the city’s different urban zones decreased between the years 1930 and 1950, there are few empirical studies on this issue. However, the significance of the decrease has been questioned for three reasons.

Firstly, the redistribution renewed inequalities to some degree. According to Hegedüs and Tosics (1983: 475-478) in Budapest there was a ‘dual’ system of redistribution with privileged access to old housing for the members of the administrative elite, and
only secondary access for the rest of the population. As a result, they argue, the new elite had occupied the best dwellings in the best locations before redistribution to the rest of the population had even begun. Studies of the situation in Tallinn also provide evidence of this kind of practice: residents were forced to move from their previously selected houses in order to empty the space for the new elite (Nerman, 1996: 270; Pullat, 1997: 210).

Secondly, the redistribution affected only part of the inherited housing stock. In most cases the original population of the cities continued to live in their old dwellings: for instance higher status single-family housing areas of Prague (Sýkora, 1999b: 681) and Warsaw (Dangshat & Blasius, 1987: 175 footnote, 181, 189) continued to be occupied by people in higher socio-occupational positions. The continuity of the ‘bourgeoisie past’ in this way applies in particular to single-family housing (in the case of Prague also to 2-3 family villas) as they were not expropriated and therefore could not been redistributed.

Thirdly, there has been scepticism, in the words of Hamilton (1979b: 230), about the significance of the ‘expropriation of ‘excess’ rooms or floors in premises belonging to the ‘bourgeoisie’ and its reallocation to more needy families’. He argues that ‘for much of the 1950s’ it was instead the already dense areas of the lower classes which ‘bore the brunt of population growth’ in East European socialist cities. Thus, ‘rural-urban migration and indigenous city demographic growth led both to overcrowding and often raised in equal measure the inherited differences in housing densities between areas’ (ibid.).

(b) New public rental dwellings

In the 1940s and the 1950s the volume of housing construction was relatively low in each of these cities, although more was built in the cities that were extensively damaged during WW II. The destruction was most extensive in Warsaw – its central areas were ruined completely and altogether some 85 per cent of its housing stock was destroyed. In Tallinn the destruction was also substantial – one half (52%) of the housing stock was lost – but even more demanding for it’s physical development was the accelerated urbanisation speeded up by external migration from other parts of Soviet Union, especially Russia. The two other cities survived the war with less physical damage. In Budapest 26 per cent of the dwellings were destroyed (Hegedüs and Tosics, 1996b), but in Prague losses were limited to one accidental blitz by the Americans who ‘mistook’ it for Dresden in bad weather. Consequently, relatively more housing was constructed during this period in Warsaw and Tallinn than in Budapest and Prague. Until the late 1950s the tenure in all new multi-family dwellings was public rental (excluding Hungary where the construction of cooperatives was allowed based on a piece of pre-socialist legislation that had not been abrogated).

In Warsaw (re)construction work started right in the core of the city, and central Warsaw was rebuilt relatively quickly. In areas other than the old town, street patterns were changed and major spatial rearrangements were made. The style followed that of contemporary socialist architecture (e.g. Ciborowski, 1969). Moreover, Węclawowicz (1979) shows that a high proportion of those who inhabited Central Warsaw in 1970 were in high socio-occupational positions. He explains this to be a result of the selective distribution of housing in the centre that favoured those in the upper
echelons of society (ibid. 411-413). Dangshat and Blasius (1987: 189) suggest that the centre was partly rebuilt with supra-standard flats. In general, however, it was not expected that there would be significant differences in housing quality or amenities between Warsaw’s residential districts built in the 1950s.

In the case of Tallinn, the floor plans of residential buildings reprinted in a reference book on Estonian architecture (Eesti Arhitektuur I, 1993) do however show quality differences between blocks of flats built in central areas and those in the outskirts. Flats constructed in central districts were in general larger, having bigger rooms, and better facilities such as a toilet in each flat. Some houses in the city centre were built to exceptionally high standards, for example the so-called Professors’ House dedicated to accommodating the professors of the recently established Tallinn Technical University. Housing constructed in the workers’ districts such as Pelgurand or old Lasnamäe was more modest in terms of size and facilities. Conditions were poorest in workers’ hostels, which contrary to their idea of being a temporary shelter remained the primary dwellings for some for a considerable period of time (Nerman, 1998).

Among the first migrants to Estonia, from the rest of Soviet Union and especially from Russia, were many members of a new administrative, military and intellectual elite loyal to the Soviet Union (Raun, 1989; Tammaru, 1999). It is evident that many of these people settled in Tallinn’s new central districts.

In Budapest and Prague the construction of new flats started only in the 1950s and was less connected with the housing needs of the upper echelons of society. Thus according to Musil (1987:33) in Prague the 1950s housing estates were ‘mainly settled by manual workers and by employees in the basic public services (education, health care, public transport etc.).’ In Budapest, post-WWII housing developments commenced only in 1953 (Ferkai, 1997: 19). Some good quality flats were built in central locations (ibid.) but characteristic of the late 1950s was the construction of very small flats, following a political decision to raise the quantity of new dwellings at quality’s expense. In the distribution of these flats too, those in higher social positions were favoured (Hegedüs & Tosics, 1983: 479-480).

(c) Self-construction of single-family housing

The housing shortage and the inadequacy of funds allocated to public housing construction was acknowledged by socialist governments, and made necessary the development of complementary non-public forms of housing. However, until the late 1950s this consisted only of the self-construction of single-family houses. Single-family housing has been a neglected topic in the literature on socialist cities. Perhaps this is due to its secondary character and small scale compared to public rental housing projects. Furthermore, single-family housing was not considered to be a ‘problem area’ deserving of a special policy focus.

All four cities now have a large number of single-family housing projects constructed during the socialist period. In Budapest the construction of single-family housing was encouraged in the 1950s, forbidden for a while in the 1960s when the construction of housing estates started, only to recover later (Hegedüs & Tosics, 1983: 482). The outer districts of the Pest side consist largely of post-WW II single-family housing. In Warsaw, the construction of single-family housing was forbidden within the pre-war
administrative area, but allowed in areas annexed in 1951 and after that. Judging by the architecture, it is clear that in the outskirts of Warsaw, little was actually constructed in the 1950s, and it is rather during the 1970s and thereafter that single-family housing came to dominate. In Tallinn, the period of the 1950s and 1960s was a time of intensive construction in respect of single family housing (Statistical Office of Estonia, 2003: 94-95) and thus the small, plain and simple houses constructed in this period are a common sight in the outskirts of the city.

Planning regulations and state support for private housing construction varied from one city to another. A common method of getting a site was to separate it from an already existing single-family housing site. New single-family housing areas were also established and the lots were allocated administratively. Construction work on such properties was usually carried out by the occupier with the help of their relatives, acquaintances and, on occasion, public construction companies. State loans were available to support self-construction in some countries.

In Central Europe the single-family housing constructed in the immediate post-WW II decades tends locally to have a working class or lower-middle class image. Census data on the level of education in these neighbourhoods supports this point of view (e.g. Węclawowicz, 1979; Kovács, 1994: 1088; Šykora, 1999b: 682-683). Szelényi (1983) also classifies self-help housing as workers’ housing. Only the case of Tallinn seems to be different in this regard. There, single-family housing – that was constructed solely by the ethnic Estonian population, not by immigrants (Org, 1988) – was also occupied by white-collar groups in the 1950s, motivated by the popularity that single-family housing and the garden city ideology had among the ethnic Estonian middle classes before WW II, and given also that alternative housing choices were restricted due to ethnic discrimination. Moreover, the survey from 1981 (Raitviir, 1990) supports the idea of the concentration of people in higher occupational positions in Tallinn’s single-family housing areas.

2.3 From the 1960s to the 1980s
A policy initiated by Khrushchev in the Soviet Union in 1957, and followed by leaders in other communist countries marked a turning point in housing development. State funding for housing construction was increased and housing construction was centralised further, including a full-scale implementation of novel industrialised building methods such as the use of prefabricated elements. The goal was to combat the housing shortage and to provide each nuclear family with a flat of its own.8 Housing construction increased in socialist cities in the 1960s, reaching its peak in the 1970s, and decreasing again in the 1980s following the economic recession (Ciechocinska, 1987: 15; Tallinn arvudes, 1992; Kovács, 1994: 1083; Šykora, 1999c: 80).

The re-introduction of co-operative housing in the late 1950s, and of owner-occupied dwellings (flats) in Hungary in 1963, reflected the gradual divergence of housing policies and modes of housing provision between the socialist countries.9 Co-operative housing had become the dominant form of tenure in the new dwellings in Prague and Warsaw by the mid-1960s (Ciechocinska, 1987; Šykora, 1998). In Budapest, co-operative housing was less significant, but the construction of owner-occupied flats emerged instead. It resembled co-operative housing in other countries in that they were heavily subsidised by the state, even if less than public rental
dwellings, and that no commercial actors were involved (Hegedüs and Tosics, 1983). In urban areas of the Soviet Union, including Tallinn, public rental housing remained a dominant form of tenure and co-operative housing played a smaller role. The forms of tenure in the four cities at the end of the socialist era are shown in Table 1.

**Table 1. Housing characteristics in Budapest, Prague, Tallinn and Warsaw in the turn of the 1990s.**

<table>
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<tr>
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<tbody>
<tr>
<td>Population (m)</td>
<td>2</td>
<td>1.2</td>
<td>0.5</td>
<td>1.7</td>
</tr>
<tr>
<td>Number of permanently inhabited dwellings</td>
<td>775 523</td>
<td>495 804</td>
<td>157 910</td>
<td>581 454</td>
</tr>
<tr>
<td>Tenure (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public rental</td>
<td>53</td>
<td>63</td>
<td>76</td>
<td>45</td>
</tr>
<tr>
<td>Co-operatives</td>
<td>10</td>
<td>24</td>
<td>14</td>
<td>47</td>
</tr>
<tr>
<td>Private</td>
<td>37</td>
<td>13</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Share of pre-WWII dwellings (%)</td>
<td>45</td>
<td>47</td>
<td>18</td>
<td>16</td>
</tr>
</tbody>
</table>

Sources: Census data (KSH, 1992; Hegedüs and Tosics, 1996b; Sýkora, 1998; Tallinn arvudes 1992; GUS, no year)

Regardless of their status as a non-public form of housing, housing co-operatives could be established only under strict state approval, supervision and control, and they were dependent on subsidies issued by the state (for details see, e.g. Sýkora, 1998). The original aim of housing co-operatives was to increase housing construction by persuading people with higher salaries to contribute more to their housing costs. The housing quality in co-operatives was also higher initially, but decreased thereafter (Ciechocsinska, 1987). Nonetheless, as access to co-operative housing required a down payment and the expenses were higher than in public rental dwellings, the occupational positions and incomes of those living in co-operative housing tended to be higher than of those living in the public rental sector. However, given a quirk in the socialist housing system, all those who had better incomes did not necessarily need co-operatives to facilitate their access to housing. In Poland, for example, college graduates applying for public rental dwellings were given preferential treatment during the 1970s (Dangshat and Blasius, 1987: 189).

(a) Public rental and co-operative housing in large housing estates

Most of the dwellings built in socialist cities from the 1960s onwards were located in the large housing estates on the outskirts of these cities. The role played by the housing estates in residential differentiation changed over time. There were also differences between the housing estates constructed at different times and between those that consisted of housing with different tenure patterns.

In a seminal study, Konrád and Szélényi (1969, cited in Szelényi, 1983: 5-6) showed that contrary to the idea of socially equitable distribution in Budapest new public rental flats in the first housing estates had been distributed to groups of a higher social standing. In the Hungarian Housing Act of 1971 the allocation criteria for public rental dwellings were reformulated with an emphasis on welfare aspects, including the application of income limits. In addition, public expenditure on housing construction was increased so that there would be more housing to distribute. As a result, as shown
by Hegedüs (1987), the access of those in the lower strata to public rental housing ameliorated in the 1970s. Consequently, the population structure in the new housing estates built in the 1970s became more heterogeneous compared to those constructed in the 1960s.

In the case of Czechoslovakia there is also some evidence that the new dwellings were allocated more by merit than by need in the 1960s. According to Macková (1970 and 1971, cited in Szelényi, 1983: 57) skilled workers, top level bureaucrats and intellectuals got most of the new flats in new housing estates in Czech cities in 1967, and of all the new public rental dwellings in Czechoslovakia in 1970. However, in recent research a consensus exists that Prague’s housing estates were largely a living place of the ‘communist middle class’ (Sýkora, 1999b), i.e. working age people from the broad ‘middle mass’ of the society. Matejů et al. (1979) and Musil (1987) argue that there were more significant demographic than socio-economic differences between Prague’s housing estates, which also speaks for relatively equal access to housing for people in different occupations but in the same age group. As such, we can assume that the ‘democratisation’ in the distribution of flats occurred during the 1970s in Prague as it did in Budapest. By the end of the 1970s the share of people having high or intermediate educational degrees was slightly higher among the people living in Czech housing estates than among the Czech urban population in general, but this can be explained by the higher level of education prevalent among the younger age group (Musil, 1987: 33). In Prague, housing co-operatives were mostly located in large housing estates and were mixed with the public rental units. Thus, socio-occupational differentiation between tenures was not spatially reflected as differentiation across the large housing estates.

In Warsaw the housing shortage was perhaps worse than in any other Eastern European capital city (Ciechocinska, 1987). This is reflected in a study by Dangshat and Blasius (1987) where a crucial difference was made between those who had a new flat and those who had not, instead of additional quality factors. Slomczynski and Weselowski (1979, cited in Szelényi, 1983: 56) have shown that in the mid-1960s the residents of new flats had higher than average occupational positions and incomes. However, from Jens Dangshat’s analysis (Dangshat, 1987; Dangshat and Blasius, 1987) it can be concluded that, as in Budapest and Prague also in Warsaw, access to housing estates became more equal in the 1970s. Whereas upper educational groups were over-represented in most of the 1960s housing estates, the population in most of the 1970s housing estates did not have any clear socio-economic character (ibid.). Unlike the Czech authorities, the Polish authorities did not require the mixing of co-operatives and municipal housing, which encouraged some differentiation between the housing estates.  

The research material from Tallinn concerning this period is limited. Raitviir (1990) has shown that in 1981 the share of the white-collar population in Mustamäe, Tallinn’s first large housing estate district, was slightly higher than in the two more recently built districts. This suggests that similarly to the three other cities, in Tallinn the distribution of flats favoured those in higher socio-occupational positions more so in the 1960s than in the 1970s. However, for over three decades flats were constructed mainly in housing estates, which thus became the dominant housing type in Tallinn. Furthermore, the housing estates also became a home to virtually all groups of the city’s working age population (Raitviir, 1990; Ruoppila and Kährik, 2003). As in
Prague, also in Tallinn the majority of co-operative housing was built in housing estates and mixed there with public rental housing.

(b) Small-scale projects of higher-quality housing
At the same time as flats in the housing estates were becoming more accessible to all population groups (roughly from the early 1970s onwards), a new range of higher-quality housing, occupied mainly by the privileged section of the population, emerged on a smaller scale outside of the housing estates. These developments consisted of smaller blocks of flats and modern single-family housing constructed in traditionally prestigious areas in the inner city and villa districts or in former recreational areas. Access to this housing stock required high socio-occupational status, connections and high incomes. The significance of income increased along with the gradual liberalisation of the economy, and the introduction of some elements of the market economy as well as the widening of income differences. Towards the end of the socialist era good housing gradually became a commodity that money could buy and thus also became an investment opportunity.

In Hungary these developments began earlier and were greater in volume than in the other socialist countries. This development was due to the more liberal economic policies practiced, and also to changes in housing policy.

Hegedüs and Tosics (1983) argue that income differentiation after the economic reforms of 1968, and increasing subsidisation of owner-occupied dwelling production in the housing reform of 1971 signalled the turning point in Hungary. The dependence of mobility chances on income increased, as did residential differentiation by tenure. The private flats in Hungary were not constructed in large housing estates, but in ecologically better locations (Hegedüs and Tosics, 1983: 489; Szelenyí and Manchin, 1987: 120-121; Ladányi, 1993: 36). Yet another peculiarity of the Hungarian housing system was important: tenants had a legal right to sell their tenancies of public rental dwellings. Under conditions of general housing shortage, for those who had acquired a public rental dwelling from housing estates this provided a way to convert public housing subsidies into cash to partly cover the buying price (i.e. down payment for the ownership or part of the price of the tenancy) of what was perceived as better housing: villas as well as old and new flats in traditionally appreciated neighbourhoods. The policy thus supported a selective intra-urban migration process. (Hegedüs and Tosics, 1983.) Ladányi’s (1989) study on Budapest in 1980 showed that the cadre elite and the college educated were residentially differentiated from the rest of the population, whereas in the case of other groups, the degree of differentiation was lower. The high status areas covered the Buda side and the city centre on the Pest side. However, the study also showed that the overall degree of residential differentiation had decreased from 1970 to 1980. Ladányi suggests that the reason for this related to increasing equality in access to dwellings in the housing estates as well as to the demolition of some poor tenement areas in the inner city.

Economic reforms proceeded apace in the Hungary of the early 1980s. The establishment of private companies was permitted, while a small entrepreneurial class (2-5 per cent of households) had emerged by the mid-1980s (Szelényi and Manchin, 1987). Most of them were small producers of agricultural or industrial consumer goods, though some ‘forint multimillionaires’ did emerge. The output of private companies was, however, considered to exist only as a ‘secondary economy’,
complementary to the official economy based on public ownership (Kornai, 1989). Consequently, there were two groups of elites: the cadre elite with privileges based on political power, and the economic elite with privileges based on the ownership of capital assets (Szelényi and Manchin, 1987).

Hungarian housing policy was also profoundly reformed in 1983. As Tosics (1987) shows the state subsidies to housing construction were reduced significantly and some of the most subsidised housing alternatives were cancelled completely. The financial burden increased particularly in those housing types that had initially been much cheaper than others. The private housing sector was deregulated, and subsidies were transferred from the supply side to the demand side. Statistics show that the output of the private sector increased but did not offset completely the reduction in public housing (Kovács, 1994: 1083). The privatisation of public rental housing also began, but only a few flats were sold before 1989 (Bodnár, 1996).

On the one hand, the expansion of the private sector brought about more housing options to those with better incomes. On the other hand, for the poor, access to housing worsened. The German style villas and small blocks in the Buda hills represent one extreme with respect to residential developments in 1980s Budapest. These better than average housing units also included public rental dwellings – as such, the cadre elite continued to use administrative allocation as a way of guaranteeing their privileged access to good housing (Szelényi and Manchini, 1987: 120-121).

When compared to Hungary, the economic and housing reforms undertaken in the other three countries were more limited. It is also likely that the increases in housing inequalities were less dramatic in Prague, Tallinn and Warsaw than in Budapest. Yet there are descriptions available of the development of superior housing outside the housing estates, and examples of these can be given.

In the case of Prague, as Musil (1987: 34-35) notes, co-operatives were built in small and low-rise housing complexes, and the construction of single-family housing increased, especially in the 1980s. These types of superior housing were built in the locations with traditionally higher status. Access to these housing units required either high social position (e.g. top specialist, artist) or adequate financial means. The number of these units, however, remained rather small. On such examples of this type of accommodation are those of a small multi-family housing area from the 1970s located next to the functionalist villas of Sídlung Baba in Prague 6, and modern single family housing for instance in Podoli hills or in Barrandov.

In the case of Warsaw, Ciechocinska (1987: 23), Dangshat and Blasius (1987: 189) and Smith (1996: 86) all mention up-market single-family housing as an alternative for wealthier people. One such example being a suburban centre called Łomianki, known for its concentration of privately owned manufacturing and agricultural farms and also for single-family housing for entrepreneurs since the 1970s. Another example of better-than-average multi-family housing is that of the small 1970s district of Stawki in central Warsaw.

In Tallinn, better quality public rental housing and co-operatives (locally referred to as ‘separate projects’) were constructed in appreciated locations, primarily in the city
centre, but also in the housing estates. The construction of single-family houses also increased again in the late 1970s, especially in the former summer villa areas on the northeast side of the city. The applying of modern construction techniques and materials increased the quality, costs, and subsequently also the status of single-family housing. The first luxurious private houses, however, appeared only at the end of 1980s, after perestroika had decreased social control, and incomes had started to grow.

(c) Pre-socialist housing stock

The launching of massive construction programmes in the 1960s increased the intra-urban migration that accelerated the population decline in the inner cities (see, Dangshat, 1987; Pavelson, 1989a; Kovács, 1994; Sýkora and Čermák, 1998). The problems with overcrowding eased, and the number of shared flats started to decrease. The physical deterioration of the buildings, however, emerged as a significant problem as the renovation of the pre-socialist inner city housing stock was systematically neglected. The housing conditions were worst in the tenement buildings originally constructed for the pre-socialist lower classes. Budapest’s inner city districts VII, VIII and IX outside of the Great Boulevard, Prague’s Žižkov, Warsaw’s Praga and many of Tallinn’s inner city wooden housing areas are examples of neighbourhoods consisting largely of deteriorating housing.

Scholars widely agree that the intra-urban migration to the housing estates had a socially degrading influence on the inner city tenement areas. Even if access to housing estates was facilitated in the 1970s, there were always people such as the aged population, pensioners, widows, less qualified workers or employees, criminals, gypsies (in the case of Budapest and Prague etc. who did not succeed in acquiring adequate accommodation through housing distribution due to discrimination. As the population decline continued, their presence started to give a more visible character to these neighbourhoods. There is also evidence that vacant flats in these neighbourhoods were distributed to low status groups, which also contributed to their increased spatial concentration. Ladányi (1993) argues that as the filtering process continued, some of the neighbourhoods in Budapest came to see a major concentration of the gypsy population. In an interview Czech urban sociologist Jiří Musil told the current author that similar ‘gypsyfication’ also occurred in Prague’s Žižkov area. Likewise, Raitviir (1990: 30-31) and Nerman (1996: 342) note that former prisoners were given flats in Tallinn’s deteriorating wooden housing areas.

The population also however decreased in inner city districts with better housing and a traditionally higher status, but there the process was not combined with social decline. The relatively high share of the population with a higher education or a high occupational status in these districts is confirmed by various socio-ecological studies based on the census data (e.g. Węclawowicz, 1991: 34; Kovács, 1994: 1088; Sýkora, 1999b).

It is also noteworthy that socialist cities were known for low residential mobility and households occupying the same dwellings for a long time. This is also a reason why some authors emphasised the demographic differentiation of residential areas more than the socio-economic one (e.g. Matejů et al., 1979; Ciechocinska, 1987). The secondary housing market has been studied only in Hungary, where the rights to public rental flats could be legally bought and sold. Hegedűs and Tosics (1983) have
noted that people with higher social standing tended to relocate to high status areas, including old dwellings. In other socialist countries public rental flats could only be exchanged; the financial compensation for a larger size or better location was made unofficially. The process was bureaucratic and uneasy, and it remained secondary to the official distribution of housing. In all socialist countries old public rental dwellings could also be occupied after inheritance of the tenancy (see, Marcuse, 1996: 133-144) or following re-allocation carried out by the authorities (after all the former tenants had been given a new dwelling elsewhere and the old public rental dwelling was left empty). It is therefore reasonable to assume that both exchange and inheritance facilitated the continuity of the social structure of traditional high-status neighbourhoods.

**Conclusions**

Despite the egalitarian ideology of socialism and its implementation that made large housing estates home for virtually all strata of working households, the socialist housing provision system also produced several socio-occupational residential differentiations. Sometimes these were the direct result of projects conducted by the public sector itself; there were inequalities in access to new and redistributed public rental housing. Sometimes these were a result of tolerance or support for the differentiation of co-operative and owner-occupied housing. All in all, good housing in a good location was one way to grant privilege in socialist societies (Szelényi, 1983). Furthermore, this study finds that there was continuity in perception of the ‘good location’, i.e. appreciation of some residential areas. Therefore, developments did not always challenge the capitalist past, but rather continued its socio-spatial patterns, especially within the inner city.

The socio-spatial patterns that the cities inherited from the pre-socialist era were characterised by higher status residential districts in city centres, some inner city areas and garden suburbs. The status tended to decrease from the centre towards the periphery, and to be at there lowest in the workers’ districts near to the manufacturing districts.

The developments of the 1940s and the 1950s (i.e. before the construction of the large housing estates began) maintained the centre-periphery dichotomy. The new administrative elite was granted privileged access to high-quality housing in the better locations, thus it replaced and/or complemented the remaining members of the old elite in the high status districts. New housing in central locations, built in the cities that were severely damaged during the war were also more accessible for the new elite than for the ordinary people. The new districts in outer areas, on the other hand, provided for the needs of the average in-migrating labour force. In Tallinn at least, the quality of public rental dwellings between the central locations and the outskirts differed. In most socialist cities the construction of single-family housing in the outskirts has been identified within the context of workers’ self-help during this period. In Tallinn, the construction of single-family housing was also popular among ethnic Estonians of higher occupational standing from the beginning of the socialist period, which can be interpreted as reflecting the popularity of the garden city idea among Estonian middle class households during the inter-war period.

However, despite these socialist policies maintaining some traditional differences between the districts, it is likely that the overall level of inequality decreased during
the 1940s and the 1950s. On the one hand this is because there were no large areas of either newly constructed or redistributed housing that was reserved solely for the higher strata. On the other hand, despite the inherent inequalities within it, the system of housing redistribution most likely also decreased residential differentiation.

By the late 1950s development priorities were being re-assessed. This resulted in an increase in public funding for housing production. An increase occurred in the number of modern housing estates constructed in the outskirts of the four cities featured here, following the international fashion in architecture and city planning as well as the demands of the new industrial construction schemes. Extensive urban development characterised the development of socialist cities during the following three decades.

People in higher socio-occupational positions were favoured in the allocation of dwellings in the first modern housing estates of the 1960s, but by the 1970s, access became more equal for households in all social strata. The 1970s was supposedly the most egalitarian period of housing distribution during the era of state socialism. The housing estates in socialist cities in general, and the high-rise housing estates constructed since the 1970s in particular, became the home of people from virtually all strata of working-age households. In the 1980s, the volume of housing production decreased following the economic recession. The broad residential differentiation between the housing estates was related to the time of their construction, tenure and local factors.

Concurrently with the extensive construction of housing estates in the outskirts, a smaller amount of public rental, co-operative and owner-occupied housing units were erected in appreciated locations in the inner cities and in the garden suburbs. The quality of these dwellings, usually small-scale blocks or row houses, was higher than average and they were accessible primarily for those with high socio-occupational status and personal connections. Another source of superior housing was to be found in the modern and larger single-family housing stock. This was an option for those with higher incomes, in particular after economic reforms increased entrepreneurship and consequently also income differences. Thus simultaneously with the building of bulky high-rises where accessibility was based more on equal opportunities, another pattern of residential differentiation was enforced – better housing in traditionally appreciated locations for those who were privileged or for those who had the financial means available.

The inner city districts begun to loose their inhabitants after people started to migrate to suburban housing estates. The differences between the districts in terms of the socio-occupational structure of their inhabitants remained. On the one hand, deteriorating tenement areas suffered from social decline as many average families moved to housing estates, and left behind those who were less successful in the new housing allocation scheme due to their old age or low social position. In some neighbourhoods the concentration of low status groups (gypsies, former prisoners) also increased due to the re-allocation of this deteriorating public rental housing stock to these groups. On the other hand, the inner city districts with a higher status did not experience social decline. Whether this was due to those who succeeded in moving into these neighbourhoods during the socialist era through inheriting or exchanging the tenancy rights of public rental housing is not known. The secondary housing market was the most viable in Hungary and there it supported the continuity of the
high status districts. In Prague, Tallinn and Warsaw the bureaucratic difficulty of exchanging flats probably decreased its significance as a differentiating factor as compared to Budapest.

Most studies of residential differentiation in socialist cities have concerned the socio-spatial pattern in a single city at a discrete moment in time. The processes relating to how these patterns evolved however deserve greater attention. Further research could add to our knowledge in this regard by studying either the role of institutions or individual households in such processes. Firstly, studies on institutions could try to discern more precisely how the inequalities were produced in housing distribution. If, for instance, the developed public rental housing was in the first instance distributed to trade unions, which then took care of further distribution to end-users, i.e. households in a housing queue, the question remains however at what level of this process the inequalities between the socio-occupational groups were in fact produced? Suitable data for research such as this would be the archived documents of the decisions made in the institutions involved in the distribution process. Furthermore, comparative research of this kind could shed more light on dissimilarities in residential differentiation between different socialist cities and different socialist housing systems. Secondly, further research could be conducted on individual housing strategies to illuminate the role that individual housing preferences, choices and strategies had in residential differentiation under socialist housing systems. Among the interesting questions here are, how did individual households themselves perceive their mobility chances, and how did they reason their choices between housing types, tenure and location? Presumably easily accessible data for such research is not readily available, but nevertheless an attempt should be made to assemble it. A solution may be found in the setting up of a retrospective study on people’s housing careers under state socialism. With a survey and structured interviews the information could be still retrieved from the people themselves.13

Research on socialist cities is not a closed topic in urban studies. Work remains to be done in order that we can better understand and explain the impact of state socialism on cities, including its effects on residential differentiation. It is also pertinent for our analysis to enable us to capture the essential features of legacies, path-dependencies and the specificities of the contemporary development of Central and Eastern European cities.
Notes

1 All of the countries of the ‘Eastern block’ had fallen under communist leadership by 1948. In Eastern Central Europe the socialist period ended in 1989, in the (Former) Soviet Union only in 1991.

2 In preparing this paper I have also benefited from knowledge gained on these cities while spending time as a visiting researcher in each, albeit after transition.

3 In socialist countries, public rental housing was a broad category that consisted of state, municipal, employment-related and institutional rental flats, all of which were owned, financed, constructed and distributed by state institutions, and thus subordinated to central planning.

4 It is beyond the scope of this article to discuss at length the differences between the national policies of the Eastern European countries during the socialist period. For further information, see Schöpflin, 1986, 1993; Longworth, 1992.

5 What exactly was expropriated into public ownership varied from one socialist country to another, though modest single-family housing was left in private ownership in all of them. In Czechoslovakia and in Poland, at least, there were also some private landlords who managed to keep a block of flats in their ownership. However, the division of rights and responsibilities was not favourable for the private landlords. They were responsible for collecting rents, paying taxes out of them, and for maintaining the house. The rents, which were always well below maintenance costs, were set by the government, with local officials also deciding who shall be the tenants, not the landlord him/her self. (E.g. Weclawowicz and Gaudray-Coudroy, 1998.)

6 A similar redistribution of housing was also conducted after emigration following the national revolts in Hungary in 1956 and in Czechoslovakia in 1968 (Hegedüs and Tosics, 1983; Musil, 1987).

7 According to a story told by another Polish colleague, a senior geographer in the Academy of Sciences and a connoisseur of Warsaw’s history, housing in the rebuilt old town was allocated ‘fifty-fifty’ to white-collar professionals and to lay people. According to him, this arrangement was used, because ‘in a socialist city too obvious large scale segregation would have been hard to legitimise’.

8 The idea that nuclear families should have a flat of their own represents a general turn in Soviet ideology on consumerism. To put it ironically, as Gronow (1997) does, suddenly the economic competition between socialist and capitalist systems was not only about industrial productivity, as in the Stalin era, but about the attainment of a western standard of living – or at least selected parts of it. Hence, this was the time when refrigerators, televisions, portable radios and hi-fi sets also began their intrusion into private homes in the socialist block. A private flat, however small, with modern conveniences and set in a new suburb, thus became the central symbol of a new standard of living.

9 Another new tenure introduced in late 1950s was that of enterprise housing. It was used as a tool for labour policy, i.e. to attract labour to some industries and regions. The studies do not usually tackle this tenure separately, but rather include it in public rental or co-operative housing, depending on the way its construction was arranged. This is also why it is excluded from my analysis as a separate tenure.

10 In terms of spatial pattern, Weclawowicz (1988) has proposed that in Polish cities the developments in the 1970s had petrifying results on residential differentiation: ‘New housing estates situated near areas marked by a higher socio-occupational position, acquired exactly the same features. New housing estates, situated in less advantageous areas, in the vicinity of areas characterised by lower socio-occupational position, acquired a similar character, although the position of such estates was typically one class above that of the neighbouring areas.’ (Ibid. 262.) In many other occasions, Weclawowicz (e.g. 1996) has simply argued for a relatively mosaic-like pattern of residential differentiation.

11 A noteworthy example of locally divergent developments, especially during the last decade of state socialism, is the development of Tallinn’s largest housing estate district, Lasnamäe, constructed in the 1980s as a working class biased district. After changes in the immigration policies of the Soviet Union, Tallinn received a stream of lowly-educated Russians in the 1980s. They were employed by large Soviet manufacturing enterprises, which had facilitated housing access via enterprise housing. Their spatial concentration to Lasnamäe was a result of it being the location where Tallinn’s pre-fabricated housing was concentrated in the 1980s. (Pavelson, 1989b: 22-26; Nerman, 1998.)
Many authors (e.g. Ciechocinska, 1987; Musil, 1987; Weclawowicz, 1996) have described the low mobility of socialist cities, but statistics on this phenomenon remain rather scant. According to Kovács (1989: 93) the mobility rate in Budapest was as low as 3.5 per cent in 1985 compared with values ranging from 6 to 12 per cent in many Western European capitals. The Habitat-World Bank data for 1990 (cited in Lee and Struyk, 1996: 657) also shows uniformly low household mobility rates for Budapest (4.4 %), Bratislava (3.4 %) and Warsaw (2.5 %) compared with such Western European cities as Munich (9.2 %), Paris (8.0 %) and Stockholm (13 %).

In practice, the most reasonable solution would be to carry out research on housing careers and housing strategies in a post-socialist city or cities, and to extend this to cover the socialist era as well – in case of those respondents who were old enough.
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