

Changing housing preferences and residential mobility in post-socialist cities – The position of large housing estates

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Abstract

Contrary to the West, in East Central Europe large housing estates were hardly affected by lowering prestige and social erosion as late as the political changes of 1989-90. However, as new housing opportunities appeared on the market people also started to re-evaluate their housing choice. The emergence of new forms of housing like residential parks, or suburban communities with semi-detached and detached housing started to endanger the position of large housing estates on the local housing market. In the light of these, it is an intriguing question if large housing estates of post-socialist cities experience physical decay, social downgrading in a similar way as it happened in Western Europe some decades earlier. This paper tries to explain differences in the socioeconomic differentiation of large housing estates in the former state-socialist cities using selected case study areas in Leipzig, Budapest, Vilnius and Sofia. The conditions of the metropolitan housing market on the supply side and housing preferences of local residents on the demand side are considered. The main findings of the paper are based on a standardised household survey that focused on mobility and housing satisfaction of residents. Empirical data show that despite their homogenous physical appearance the image and position of post-socialist high-rise housing estates on the local housing market vary significantly between cities and countries. Empirical data suggest that large housing estates can reach a consolidated position on a city's housing market in East Central Europe if they provide primarily affordable rental housing for the younger and less affluent population, and if they are renovated and well maintained.

Keywords: *post-socialist city, large housing estates, comparative urban research, socioeconomic differentiation, housing preferences, marginalization.*

Introduction

Large housing estates constructed after WWII are the most visible, structurally dominating product of post-war urban planning in Europe (Wassenberg, Turkington, and Van Kempen 2004, p. 265). Normally they are seen as socially problematic neighbourhoods providing home for lower-income residents and struggle with crime, insecurity, vacancy and segregation. However, a closer look at large housing estates reveals that there are some fundamental differences between countries, regions and even within cities (Van Kempen et al 2005, p. 3; Van Kempen & Musterd 1991). Dissimilarities are especially striking between Eastern- und Western Europe. The first and most fundamental difference is caused by the weight of large housing estates on the housing market. With 40 % of the urban population or even more living in pre-fabricated dwellings, large housing estates often represent the dominant part of the housing market in many East Central European cities (Van Kempen et al 2005, p. 2). The idea of a collective and uniform housing supply fitted perfectly to state-socialist politics dreaming about the egalitarian society. Hence, the production of mass housing in the Eastern part of Europe continued practically until the end of the 1980s. Another difference is that these neighbourhoods could be characterized by a heterogeneous

social profile from the very beginning in the East, concentrating both the middle and lower strata. On the contrary, in Western Europe this type of housing was meant primarily to satisfy the housing need of the lower classes.

Another essential difference is that due to state-socialist housing policy, large housing estates were hardly affected by social erosion and worsening image in East Central Europe until the political changes. However, as new types of housing emerged due to the transformation and liberalisation of the housing market people started to rethink their housing conditions. The emergence of new forms of housing like gated communities, new residential parks, or exclusive neighbourhoods with semi-detached and detached housing in the suburbs started to endanger the position of large scale housing estates on the housing market also in the East. As it has been pointed out by several authors residential suburbanisation became the most dominant migration process in post-socialist cities (Borén & Gentile 2007, Leetmaa & Tammaru 2007, Tosics 2003). Changing housing preferences and – in most cities – a population decline on the demand side meant a great challenge for large scale housing estates. Other reasons for lowering levels of demand could be related to deficient building materials and technical problems, like the inadequate insulation of such buildings and, as a result, increasingly high energy bills that may provoke out migration. Resources for retrofitting these buildings are limited due to the shortage of private and public funds.

In the light of these processes, it is an intriguing question if large scale housing estates of post-socialist cities experience physical decay, social downgrading in a similar way as in Western Europe. Recent socio-economic changes created challenges that housing estates in CEE cities have to face. These challenges call for intervention on both the levels of national and municipal governments as well as local residents' associations. However within the scope of urban development policy the question of redevelopment and stabilization has only low priority (Liebmann 2006, 222). Knorr-Siedow and Tosics exemplify by knowledge management that in CEE large housing estates important actors, like civil organisations, are weak or, like politicians and housing managers are not really made interested (2005, p.17).

The main aim of this paper is to compare the positions of the post-WWII large housing estates on the housing market of different post-socialist cities. For this purpose four case study areas in Leipzig, Budapest, Vilnius and Sofia were selected and compared with other neighbourhood types. The main findings of the paper are based on a standardised household survey that focused on mobility and housing satisfaction of residents in the selected urban regions. The challenge of the comparison of different housing estates is to record their uneven dynamics and to explain this diversity with the contextually embedded character of these processes. Given the differences in the wider political and socio-economic circumstances, and the functioning of the housing market some hypothesis were formulated at the beginning of the research. It is often argued in the literature that living in prefabricated high-rise housing estates has always been more accepted in the former state-socialist countries than in the West. We assume, however, that there are great differences among the post-socialist countries and cities concerning the attitude of residents towards large-scale housing estates which derives mostly from differences in housing culture and the post-socialist socio-economic differentiation (e.g. segregation, migration). In this respect further important factors are the local housing conditions, the social and demographic profile of the city. Our hypothesis also says that a low demand and oversupply on the metropolitan housing market endangers these estates the most. By contrast even less attractive housing estates may remain popular because of a lack of supply in the low quality and cheap segment of the housing market (Dekker et al 2005, p. 8, Herlyn 1989, Van Kempen & Musterd 1991).

Development frameworks of large housing estates after transition

The cities under investigation have been embedded into different political and socio-economic settings in the past which strongly effected the functioning of the housing market, the development of large housing estates and the attitude of people towards them. Therefore, it is necessary to summarize and compare the most important features of housing policies in the respective countries and the functioning of metropolitan housing markets after 1990, with special emphasis on the demand side.

Since 1990 major changes in the housing sector of East Central Europe have taken place. State-socialist housing provision was based on the dominance and control of the state, which not only built and operated the formal public rental sector, but also had great influence on other non-public sectors (Clapham 1995). The whole state-socialist housing system was based on a high level of subsidisation, which in fact was accompanied with very low efficiency. In many East Central European state-socialist countries housing subsidies were often on the order of 3-5 % of GNP. Next to food subsidies, the most important consumer subsidies were on housing. This type of state intervention put an enormous burden on the national budgets, thus, it was understandable that after the political changes the state started to withdraw from the housing market. This generally meant a sharp drop in housing construction in the state sector and the rapid privatisation of the existing public housing stock.

The main objective of transformation was everywhere the same, but the way of implementation differed considerably. After 1989 the ownership of state housing became decentralised. The public housing stock was transferred from central to local (municipal) governments. Local governments enjoyed considerable freedom in the management of the public housing stock. Given the general lack of resources local governments were eager to carry out excessive privatisation of housing and, in order to increase their income and decrease the level of social subsidies. The conditions and general framework of privatisation varied considerably in the post-socialist countries. In the former GDR and the Czech Republic restitution of property to previous owners played an important role while in Poland, and more explicitly in Hungary, Bulgaria, Slovenia and the post-Soviet Baltic States the direct sale of public dwellings to sitting tenants was dominant.

Table 1: Population and housing indicators of the investigated cities

	Budapest	Leipzig	Sofia	Vilnius
Population (2006)	1 698 106	506 576	1 377 531	554 409
Population change (%)				
1992 to 2006	-15.3%	-6.6% ^a	+23.6%	-7.1% ^b
2001 to 2006	-2.4%	+ 2.7%	+17.3%	+ 0.2%
Share of owner-occupied housing (2005)	92%	12%	94% (2001)	97% (2001)
Per capita living space (m²) (2005)	35	41	17	24
Ratio of population living in large scale housing estates (2000)	ca. 30%	ca. 20%	ca. 60%	ca. 50%

Incorporation of communities: 1998^a, 2001-2005^b

Sources: **Leipzig**: Monitoringbericht 2005, 2007; **Budapest**: Data 2005, Hungarian Central Statistical Office (www.mikrocenzus.hu); **Vilnius**: Regional-Data-Base 2005 (<http://www.stat.gov.lt>), Census 2001: Statistikos departamentas prie Lietuvos Respublikos Vyriausios miesto savivaldybės gyventojai ir bustai. Vilnius; **Sofia**: Census 2001.

In Budapest rapid give-away privatisation took place after 1990 where sitting tenants had the right to buy their flats at a discount price. Most public dwellings were sold for 15 per cent of their estimated market value, and a further 40 per cent discount could be achieved in cash transactions. This practice, in addition to no restrictions on resale of the dwelling, made privatisation of public dwellings very attractive among residents and meant that some public

dwellings – especially in green environment or with inner-city location – were able to be resold at prices of multiple of the market value paid. The process of privatisation accelerated sharply after 1990 and practically the majority of the public housing stock was put on the market in the first half of the 1990s. Due to privatisation, the ratio of public housing decreased from 51 to 8 % in Budapest between 1990 and 2006. Another important aspect of post-socialist transformation was the intensive loss of population in the post-1990 era. The population of the city has decreased by 320 thousand since 1990, what was caused by natural decrease and a profound migration of people to the suburbs.

In Vilnius the mass privatisation of housing was launched only after the collapse of the Soviet Union in 1991. The process of privatisation its speed and method was very similar to Budapest. In Vilnius also the right to buy principle was practiced, public dwellings were sold to tenants occupying the units at a very low price, what made privatisation very attractive. Due to privatisation the ratio of public dwellings on the overall housing market fell dramatically from 82 to 1.4 % between 1991 and 2001. Residential suburbanisation also became one of the main factors of urban development after 1990. Due to the outflow of people, especially better off families to the surrounding municipalities the number of population in Vilnius decreased by 7.1 % since 1991. This dimension is somewhat comparable with that of Leipzig, but well below the level of Budapest.

In Sofia privatisation of public housing sector also prevailed and the ratio of social housing decreased from 11.6 to 6 % in the post-1990 period, although the change was less dramatic than in the other three cities. Another important characteristic of Sofia is that the process of suburbanisation was less pronounced than in the other case study cities. First signs of suburban sprawl occurred only in the early 2000s, and it was more the services (retail, recreation) and office function that sought peripheral locations than the residents. After the deep crisis of national economy in the late 1990s and skyrocketing levels of unemployment Sofia served as a magnet for younger and better educated employees in the national labour market. The city experienced a massive population increase of 23.6 % between 1990 and 2006. Despite the dramatic decrease in birth rates and a brain drain of high-skilled professionals to Western Europe and the United States, the stable influx of people from the rest of Bulgaria exceeded the number of people moving abroad and the general outcomes of population decline.

As it was demonstrated above, the four cities under investigation have followed rather different pathways since the collapse of communism. From our four cases Leipzig represents the East-German model of post-socialist urban transformation. The former GDR adapted the West-German legal and political system after 1990. Real estate market of the East German cities was fled by Western capital which resulted in radical changes. Restitution of property leading to a tenants system, early signs of suburbanisation and a modest population loss coupled with high (15-20%) vacancy rates on the housing market of Leipzig. Budapest and Hungary represents the shock-therapy model, where the liberalisation of housing market started already before the change of political system. After 1990 the large-scale withdrawal of the state from the housing market was embodied in a drastic privatisation, in addition a gradual but persistent suburbanisation caused massive population loss. Since demand and supply on the housing market was fairly balanced no vacancy similar to Leipzig occurred. In Vilnius a similar situation could be observed, drastic privatisation was accompanied by low intensity of suburbanisation and a modest population loss, which did not eroded the demand on the housing market very much. Sofia is exceptional in many respects, since privatisation played a limited role after 1990 and the city experienced a delayed but more abrupt transformation. On the contrary to the other three cities suburbanisation of population was hardly present in Sofia, and even there was a growing demand towards housing in the city due to the robust influx of people. These marked differences among the investigated cities need to

be taken into account also in the analysis of the changing position of large housing estates on the local housing markets.

Research design and empirical findings

This paper is based on data deriving from an international research project funded by the German Research Foundation (DFG). Researchers from five post-socialist cities were participating in the project: Leipzig (Germany), Budapest (Hungary), Vilnius (Lithuania), Sofia (Bulgaria) and Sankt Petersburg (Russia). The main aim of the project was to investigate the dynamics of different residential neighbourhoods in the participating cities through a complex research methodology. In each city five neighbourhoods of different types were selected that were perceived as common and thus comparable among the cities. One of them was a typical large scale housing estate, built in the 1970s or 1980s. In each neighbourhood a standardised questionnaire survey was carried out in July-August 2007, focusing mainly on housing satisfaction and the residential mobility of inhabitants. In every case a random sample was drawn, where the target was 150 households. The same questionnaire was used everywhere which allows comparison between neighbourhoods, cities, and countries. The household survey was extended by expert interviews in each city and each neighbourhood, based upon a common interview guide. Four to five in-depth interviews were carried out with selected experts during winter 2007 and 2008. Among the experts to be interviewed representatives of the building/real estate industry, public authorities, civil society and academic life had to be represented. The main objective of the interviews was to gain deeper insights into the functioning of the local housing market and the actual trends of residential mobility. With this comprehensive methodology neighbourhood dynamics in the investigated cities and the underpinning factors could be revealed.

The position of large housing estates on the local housing market

In the project large housing estates of the state-socialist period were defined as estates built by the state during the 1970s and 1980s, comprising at least 6000 dwelling units in buildings of five storeys or more. Since the age, comfort and physical appearance of this type of housing is relatively similar in the region, the case study approach could be used for comparison. In this section we briefly introduce the history and socio-economic background of the selected large housing estates then we analyse the satisfaction of local residents.

In *Leipzig* Grünau housing estate was selected as a case study area. Grünau is located at the western fringe of Leipzig, six kilometres off the city centre and close to a recreation area (lake Kulkwitz). The housing estate was developed in several stages between 1976 and 1987. One important feature of the estate is the rapid decline of the number of inhabitants, that nearly halved since the change of regime from 85,000 (1989) to 46,118 (2006). Although population decrease slowed down in recent years, no signs of immigration of younger age groups can be observed. Due to population loss the rate of vacancy is very high on the estate (2005: 20%). After 2000 urban policy targeted to demolish parts of the building stock here, consequently 3779 flats were dismantled between 2002 and 2005. The whole estate is part of the federal-state programme called “socially integrative city” aiming residents’ participation, and it has been going through regeneration since 2003. The concrete case-study area – *housing complex number 8* (WK 8) – is the youngest part of Grünau and now it is part of the conversion belt with the urban strategy to diminish the housing stock. This area is characterized by 6 to 11-storey pre-fab buildings that are partly renovated. There was no privatisation in Grünau after 1990, today the buildings are owned by building cooperatives that let them out to tenants. Grünau strikes out with extreme high rates of rental dwellings (96%) within the housing market of Leipzig (Table 2).

Table 2: Basic characteristics of the case-study housing estates

	Havanna (N=152)	Grünau (N=148)	Karoliniskes (N=157)	Mladost (N=80)
Ratio of rental dwellings	17%	96%	9%	16%
Ratio of owner occupation	83%	4 %	91%	84%
Acquired by privatisation	57%	0%	...	18%
Average residential place per person (m ²)	23.9	35.7	24.7	-
Number of persons per household	2.91	2.07	2.83	2.86

Source: own survey, summer 2007

The housing estate representing the state-socialist period in *Budapest* is Havanna that was developed in the south-eastern periphery of the city between 1977 and 1985. With altogether 23 high-rise buildings the housing estate provides home for over 17,000 people. Originally there was a mix of social (public rental), co-operative and owner occupied dwellings on the estate, but due to privatisation the ratio of public housing sharply decreased from over two-thirds to 12% (2007 our survey, RESTATE 2004: 15%). After mass privatization many former residents left Havanna just to realise profit by selling their acquired units at a market price. Within Budapest Havanna housing estate is considered to be one of the least popular due to the low quality of public spaces and bad accessibility. The bad image of the estate was enhanced by the fact that Havanna was built on the site of a demolished former State Estate, which comprised sub-standard housing with lower class inhabitants. “The majority of these residents, together with residents from other slum clearance areas of Budapest, received a new apartment in the Havanna estate after the demolition of their homes” (Tosics, Gerőházi, Szemző 2005, p.4). Apart from the most essential maintenance works no rehabilitation has been carried out on Havanna estate since its construction.

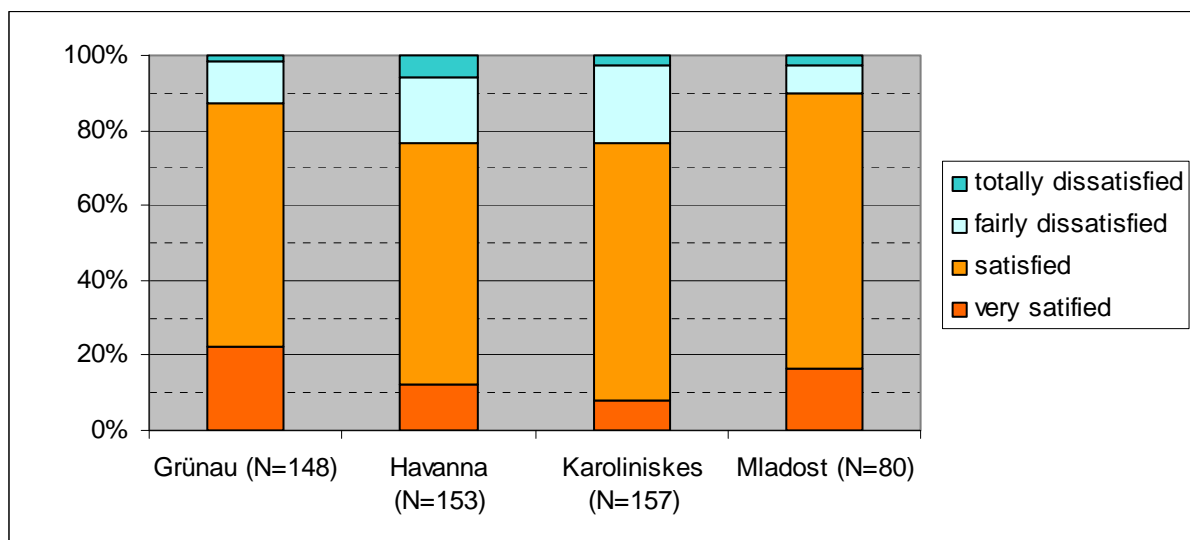
The case-study housing estate in *Vilnius* is Karoliniškės, which was developed predominantly during the 1970s, hence it is one of the oldest large housing estates in the city. Karoliniškės is located on the western edge of the densely built inner-city, close to a recreation area and about seven km from the city centre. It comprises 5 to 12 storey buildings and provides home for about 31,000 inhabitants. The built environment has scarcely changed since its construction, only one new block of flats and a few service and office buildings have been built as in-fill. Compared to the revitalisation that is occurring in the historic centre of Vilnius there is relatively little progress in the renovation of buildings in Karoliniškės (Milstead 2008, p. 36). The estate needs urgent refurbishment after forty years; public spaces among the buildings are especially poorly-maintained. Tenure in Karoliniškės is dominated by owner-occupation (91%) the rest is rented. Compared to the ethnic structure of Vilnius (2001: Lithuanian 60%, Polish 19%, Russian 14%) the proportion of nationalities is above average in Karoliniškės. The ratio of Lithuanians hardly exceeds 50% the other half is made up by Russians and Poles. Besides that, the social pattern of the estate is dominated by lower skilled and unemployed people as well as pensioners. Additionally, one fifth of the households are composed by single parents with children. Thus, Karoliniškės can be considered as a stronghold of lower-class people within Vilnius (Milstead 2008, p. 63).

In *Sofia* the selected housing estate is Mladost with about 110,000 inhabitants and a rising population. The district is located in the south-eastern part of the city, and it is often referred to as one of the most attractive large housing estates in Sofia. Reasons for that are a location close to the attractive recreation area of Vitosha Mountain and a relatively good transport connection to the city centre. A further influencing factor is the Business Park Sofia which

was developed in the district, hosting a lot of foreign companies with well paid service related jobs. Mladost's social structure is characterised by a mixture of skilled inhabitants as well as lower and middle income groups. With 84% of owner occupation Mladost is under the city average, about 16% of the dwellings are rented by private owners which indicate an emerging rental market. Most of the prefabricated blocks were built in the 1970s and 1980s on a former cropland, nationalized during state-socialism. After the political changes the Bulgarian law of restitution had a strong impact on the development of open spaces on large housing estates as land that was not built-up was given back to former proprietors. The restituted land was often resold and converted in order to make profit (Rode, Grimm-Pretner 2007, p. 13). As a consequence, a disordered densification and conversion took place between the prefabricated buildings and new residential and business buildings have been constructed on former green areas, yards and children's playgrounds.

Our survey recorded basic differences in ownership on the four investigated housing estates. In this respect Grünau stands out with a very high share (96%) of rental dwellings, whereas the other three estates are dominated by the owner occupation. We assume that these differences in tenure will have certain impact on residential mobility patterns of the estates. Higher share of rental dwellings might enable residents for easier and more frequent move. In terms of social profile we can see that the case-study estates serve mostly the housing need of lower class people, for whom they were originally built. The demand for housing in the estates differs very much in accordance with the wider demographic framework. In Leipzig due to massive population loss, and high rate of vacancy, some part of the dwellings stock at Grünau already had to be demolished. In Budapest and Vilnius the market is fairly balanced, no sign of serious vacancy can be observed. In Sofia, due to dynamic population growth in the last two decades the demand towards housing on Mladost housing estate has not decreased. In the light of these differing circumstances it is important to know to what extent local residents of the estates are satisfied with their present housing conditions (Figure 1).

Figure 1: Level of satisfaction with current housing



Source: own survey, summer 2007.

As our data show, there is an astonishingly high level of satisfaction of households with their current dwelling everywhere in the investigated large housing estates, despite the generally bad image of high rise housing estates in the post-socialist cities. In every case-study area over 75% of respondents were either very satisfied or satisfied with the current housing

situation. Highest level of satisfaction was recorded in Maldost-Sofia, what could be assumed on the basis of the wider socio-economic circumstances. The dissatisfied segment of respondents was biggest in Havanna-Budapest and Karoliniskes-Vilnius with 22%. This might also be understood, that the share of people who are trapped in their present housing will be highest in these two estates. On the other hand, the relatively high level of satisfaction will probably diminish the inclination of residents to move in our sample.

Housing preferences of residents in large housing estates

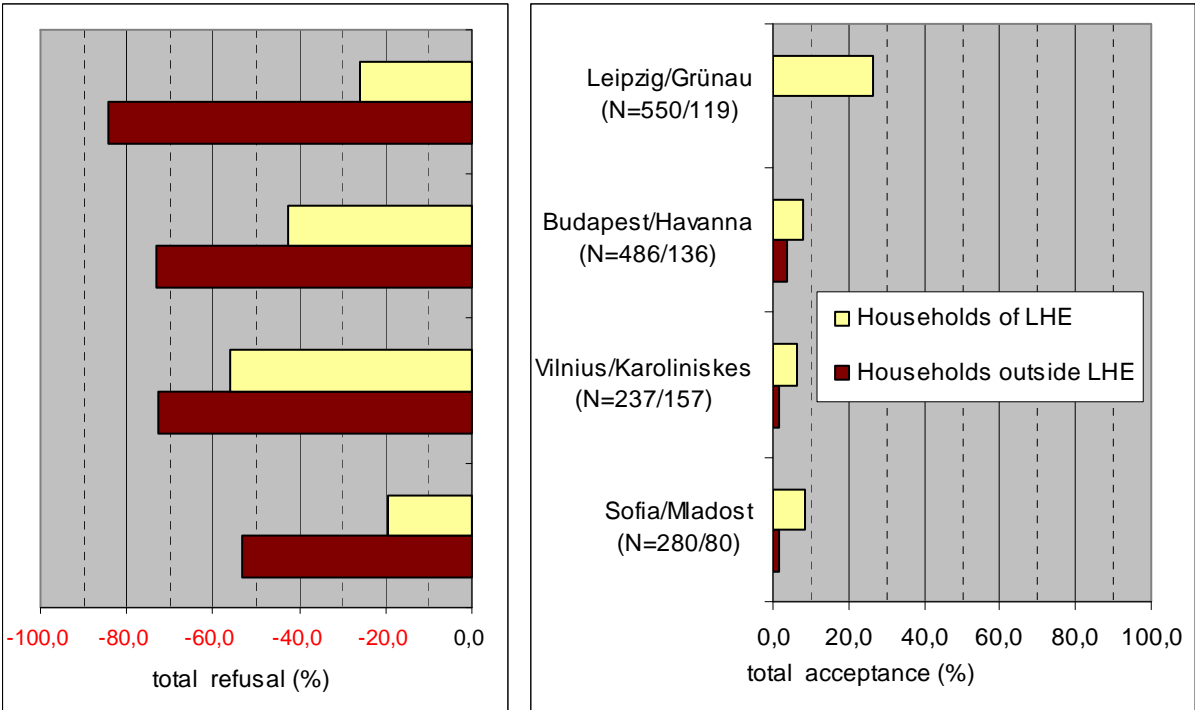
In order to test possible future trends of residential mobility and to detect general residential preferences, respondents were asked which type of housing they would prefer if they could choose freely without financial obstacles. The following types of housing had to be ranked on a scale, between ‘most desired’ and ‘out of question’:

- A new detached house in a green suburb;
- A dwelling in a renovated large housing estate of the state-socialist period;
- A dwelling in a renovated old tenement building with central location.

These housing types cover the most important features of post-socialist cities including the densely built inner-city areas, the post-WWII state-socialist housing estates and the suburban periphery expanded rapidly after 1990. In order to avoid bias towards old housing, we indicated everywhere the ‘renovated’ version even though refurbishment of the state-socialist and pre-WWII housing stock occurred in larger scale only in Leipzig.

Apparently, living in large housing estates of the state-socialist period does not seem to be very popular among the inhabitants of the investigated cities. This result applies especially to respondents living outside the large housing estates. The attachment of local people living in these estates for the prefab dwellings is also very low. The only exception is Leipzig-Grünau, where more than one quarter of respondents evaluated the prefabricated dwelling as his/her favourite housing type, despite shorter or longer personal experiences (Figure 2). On the other hand, among those who live outside the housing estate in other parts of Leipzig 80% of the respondents would never live on such estate if they had the free choice. The relative popularity of pre-fab housing among the residents of Grünau can be related to the fact that many people preferring other forms of housing had already had the chance to leave the housing estate dwellings well before our survey.

Figure 2: Evaluation of large housing estates by local residents and residents elsewhere (out of question and best offer answers – rank 1)



Source: own survey, summer 2007

From Figure 2 it becomes also clear that the attitude of people towards high-rise housing estates shows distinct variations among the cities and the residential areas the respondents live in. These results are partly related to the structure of the local housing market: in Leipzig where oversupply prevails and renovation of high-rise housing estates achieved significant results, people have more options to realise their housing ideals freely.

Contrary is the situation in Sofia where the housing market is rather tight, housing shortage has been permanent for the last decades and the supply side is dominated by prefabricated buildings of the socialist period anyway. In this context the popularity of high-rise housing of the 1970/80s is obviously higher. Therefore, the comparably high preference for prefabricated dwellings and seemingly more consistency between housing desires and reality in Sofia-Mladost and Leipzig-Grünau is associated with a very different setting.

The startling refusal of housing estate dwelling among residents of Budapest-Havanna and Vilnius-Karoliniskes suggests a high potential of unsatisfied inhabitants without possibilities to move. Thus for 55% of the respondents in Karoliniskes and more than 40% of the inhabitants in Havanna a prefabricated dwelling is out of question if residential choice wouldn't be constrained. This appraisal corresponds with findings of another investigation: By analysing housing careers of inhabitants in large housing estates in Europe Musterd and Van Kempen (2007, p. 322) pointed out, that in estates of the former state-socialist countries the ratio of 'unsatisfied trapped inhabitants', i.e. those who express substantial discontent, but are not able (or willing) to move, is especially high. The striking discrepancy between housing desires and reality for respondents in Havanna and Karoliniskes is also related to the bad reputation of these estates within city. Associated is the question which ideals of housing prevail among residents of large housing estates, and how they evaluate different forms of housing.

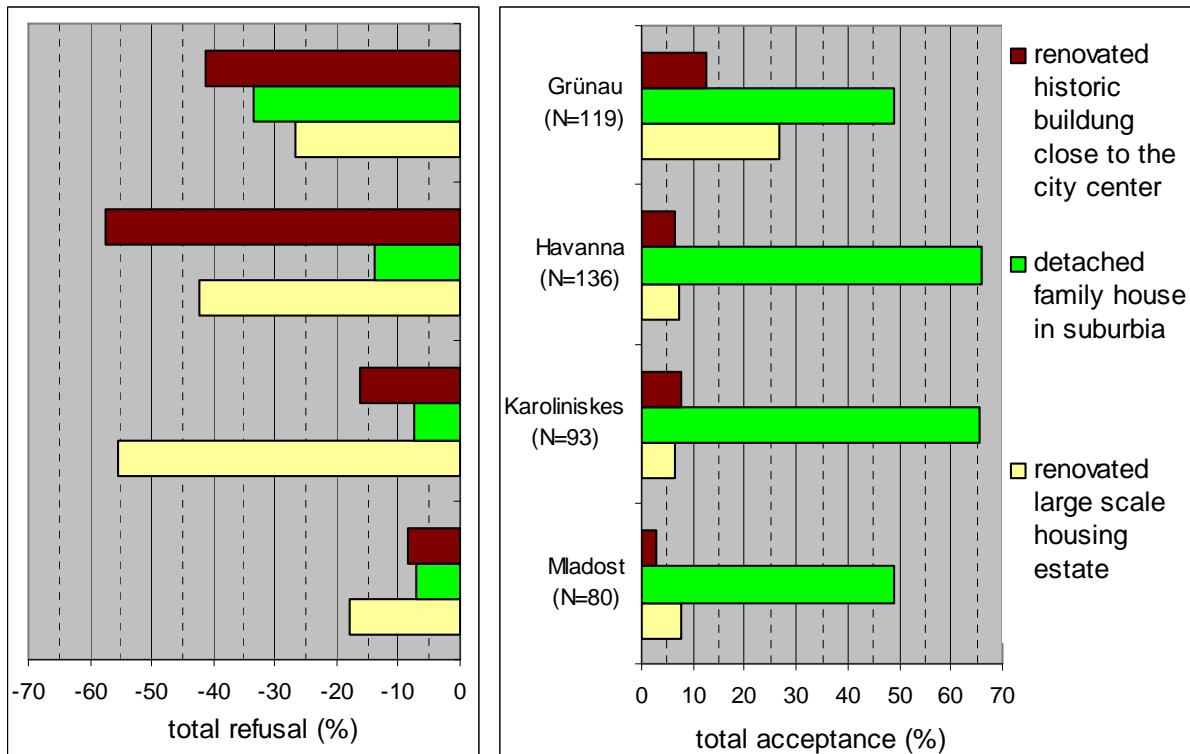
Figure 3 shows that the majority of respondents living in large housing estates would prefer a detached single family home in the suburbia, if their choice would not be constrained. Between 65% (Karoliniskes and Havanna) and 50% (Grünau and Mladost) of the respondents considered the suburban residential ideal as best type of housing. This result confirms the strong presence of suburbanisation these cities have been going through or just facing in recent years. On the other hand, the least attractive form of housing for the majority of respondents living in Grünau-Leipzig and Havanna-Budapest is the old tenement blocks in the central part of the city. Residents' opinion in Vilnius-Karoliniskes and Sofia-Mladost are different, as they show a lower refusal rate towards pre-war inner-city dwelling. The reasons for that are fairly different. In Vilnius the old, well-preserved inner-city area is part of the World Heritage List and has a very high prestige. In Sofia the extent of old inner-city is relatively small, most of the historical monuments and public buildings (e.g. ministries) are located here, and it is also renowned among local residents.

The negative connotation of living in the inner-city areas among respondents of Budapest-Havanna is due to a specific perception of the urban structure of the city. In Budapest living in old tenement buildings is apparently more attached to the densely built, run-down quarters of the Pest-side than with the more prestigious Buda side, where more exclusive residential areas are prevailing. In addition to crowding, the outdated infrastructure as well as the presence of Roma population gives a stigma for the inner-city neighbourhoods.

In Leipzig the negative perception of the pre-war dwelling in central location by the inhabitants of large housing estates differs strongly from the general estimation of the local population. Taking into account all factors, the appraisal of inner-city housing by residents of large housing estates is very much related to the rehabilitation process as well as to culturally rooted housing traditions and ideals. For example, in Vilnius, where rehabilitation has

progressed considerably, living in a renovated historic building is more accepted among respondents including the second best offer (40%).

Figure 3 Housing preferences of residents in large housing estates (LHE)



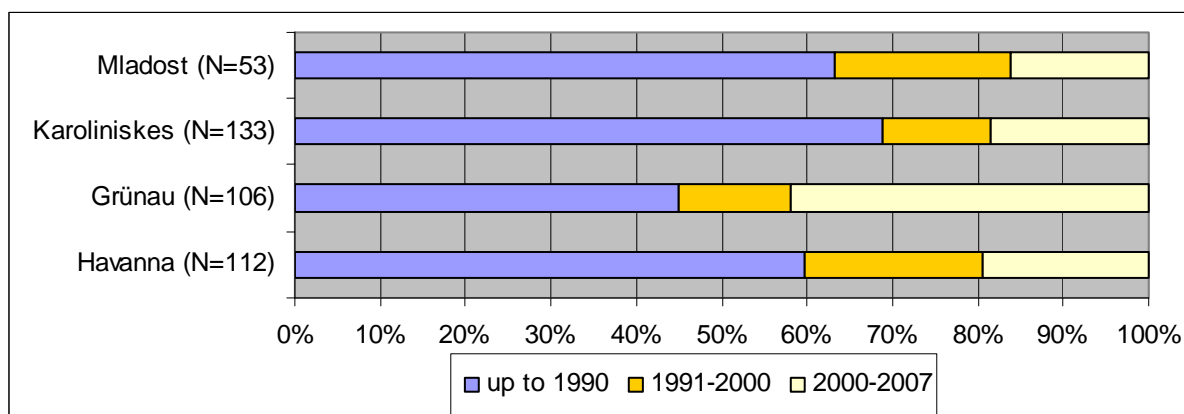
Source: own survey, summer 2007

Altogether the housing preferences of respondents reveal pessimistic scenario for the future development of large housing estates. This is further exacerbated by socio-demographic aspects, as the preference for prefabricated dwelling declines with higher qualifications of the respondents and it is rising with higher age. These confirm that large housing do not belong to the favoured forms of living for the young and well educated strata. Especially in case of improvements on the supply side of the CEE housing markets these estates can be endangered by rising out-migration. Important questions remain in this context the reasons for this negative evaluation. Apart from particular problems like the ownership structure and financial obstacles to invest into the building stock it should also be considered how far the rejection or the preference for living in large housing estates is associated with changes in societal values. It is obvious that the newly constructed estate type residential areas like gated or guarded communities are considered to be much more prestigious than the dwellings constructed during state-socialism. This implies that large housing estates are perceived as a visible part of the communist “heritage” and symbolize the evil past. But housing desires can not be considered equal with actual behaviour of residents on the housing market. The following section tries to clarify to what extent the desires of households and their actual behaviour overlap in the individual cities.

Migration to large housing estates after 1990

An important question in terms of future development of high-rise housing estates is the level of stability of local society. Whether these estates will be able to retain the better off and younger segments of their residents, or there is a gradual out-migration to other parts of the city. If we consider the time of acquiring the present dwelling it turns out that, except for Grünau, the majority of households (above 60%) arrived to the investigated housing estates before 1990 (Figure 4).

Figure 4 Moving to the large housing estates (LHE)



Source: own survey summer 2007

The intensity of mobility was lowest in Karoliniskes where only 31% of households moved to the estate since the systemic changes. On the other hand, the proportion of households who moved to the estate either before 1990 or after 2000 is more or less equal in Grünau which is a clear indication of a higher and more recent mobility turnover. This can be explained by the functioning of the local housing market. In Leipzig the private rental sector is dominant as opposed to the other three cities where owner occupation prevails. This gives the tenants higher flexibility and more opportunity for an easier and more frequent move on the housing market. Furthermore, vacancy and robust regeneration of the old inner-city housing stock is also the feature of Leipzig, which may also contribute to higher mobility rates. In Budapest, Sofia and Vilnius no signs of higher mobility rates can be detected after 2000, despite the relatively high economic growth rates and a concomitant growth in households' income.

This is especially striking if we compare the post-2000 mobility rates of inner-city neighbourhoods with the large housing estates in each city. As Table 3 shows in Budapest, Sofia and Vilnius the ratio of households who moved to their present dwelling after 2000 are double in the old inner-city neighbourhood than in the housing estate.

These figures confirm that large housing estates show up relatively high stability and a certain persistence in the metropolitan regions of East Central Europe (except for East Germany), which is in contrast with similar figures of West European large housing estates (Van Beckhoven & Van Kempen 2006). According to our view this is mainly the result of the rigid, inflexible nature of the local housing market dominated by owner occupation, the relative popularity of these estates as affordable housing, and the lack of sufficient financial resources what would make residents a move possible.

Table 3 Move to the present place of residence in large housing estates (LHE) and inner-city neighbourhoods (ICN)

	Moving to the estate (%)		
	before 1990	1991-2000	2000-2007

LHE Havanna (N=112)	59.7	20.9	19.4
ICN Budapest (126)	54.8	12.7	32.5
LHE Grünau (N=106)	44.9	13.1	42.0
ICN Leipzig (111)	8.1	10.8	81.1
LHE Karoliniskes (N=133)	68.9	12.6	18.5
ICN Vilnius (N=136)	48.5	11.8	39.7
LHE Mladost (N=53)	63.2	20.6	16.2
ICN Sofia (N=86)	51.2	12.8	36.0

Source: own survey summer 2007

Despite the relatively low mobility rates the question comes to the fore to what extent housing estates have been exposed to socio-economic downgrading since 1990, especially in relative terms to other parts of the metropolitan region. This topic was investigated with the help of data referring to the income situation of households and changes of their living conditions. The income situation was measured by a detailed self-classification (on a 1-5 scale), instead of a rather vague monetary indicator. The perception of changes in living conditions of households after 1990 was also ranked on a 1-5 scale by the respondents.

If we look at the group of households with the lowest income (= income is enough only for food and simple clothes) their share is highest (above 50 %) on the high-rise housing estates in every city among the investigated neighbourhood types (Table 4). Housing estates are followed by old inner-city quarters. However, the difference between housing estates and the second poorest inner-city neighbourhoods is varying from city to city. In Leipzig and Vilnius where the inner-city has been substantially renovated in the last two decades the income gap between inner-city quarters and peripheral housing estates is much wider. On the other hand, in Budapest and especially in Sofia, where large scale renovation in the old inner-city quarters has not occurred yet the difference is significantly smaller. If we consider other types of neighbourhoods, especially residential quarters developed after 1990, processes of socio-demographic differentiation within the urban region with clear signs of polarisation become obvious in every city.

Table 4 Ratio of low-income households and households with worsening living conditions in large housing estates (LHE) and inner city neighbourhoods (ICN)

	low-income households (%)			households with worsening living conditions after 1990 (%)		
	ICN	LHE	ICN-LHE	ICN	LHE	ICN-LHE
Budapest (Terezvaros, N=108/Havanna, N=141)	53.7	60.3	-6.6	34.1	50.0	-15.9
Leipzig (Waldstraßenviertel, N=124/Grünau, N=127)	41.1	57.5	-16.4	11.7	36.3	-24.6
Vilnius (Naujamiestis, N=145/Karoliniskes, N=160)	25.5	44.4	-18.9	5.9	26.3	-20.4
Sofia (Oborishte, N=93/Mladost, N=91)	59.1	61.5	-2.4	36.1	38.7	-2.6

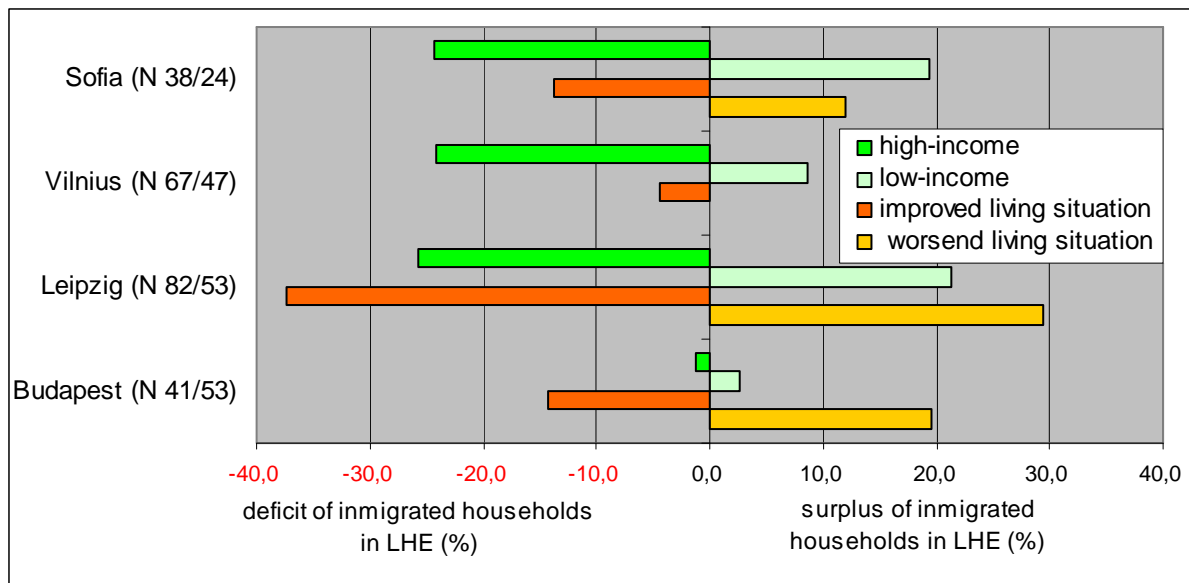
Source: own survey summer 2007

Self perception of living conditions confirms the widening gap concept between large housing estates and old inner-city quarters. On average one third of households feel that their living situation has become worse since 1990, with highest ratio in Budapest-Havanna, where half of the respondents judged a negative trend. The differences of ratios between inner-city and peripheral housing estate are everywhere robust, except again in Sofia. Data regarding income situation of households and changes of their living conditions together confirm the social vulnerability of large housing estates.

In order to estimate future possible trends of socio-economic changes in post-socialist housing estates we investigated the composition of those who moved to the housing estates after 1990.

As a control group we used again recently arrived households of the inner-city neighbourhoods in each city (Figure 5). The trend confirms our hypothesis and in this case Sofia is not an exception anymore. Compared to the inner-city neighbourhoods large housing estates were mainly the destination of low-income households and those who have experienced worsening living conditions since 1990. On the other hand, high-income families and those with improving living conditions among recent arrivals were overrepresented in the inner-cities, which implies the presence of gentrification.

Figure 5 Comparison of in-migrated households since 1990 in large housing estates (LHE) and inner-city neighbourhoods



Source: own survey summer 2007

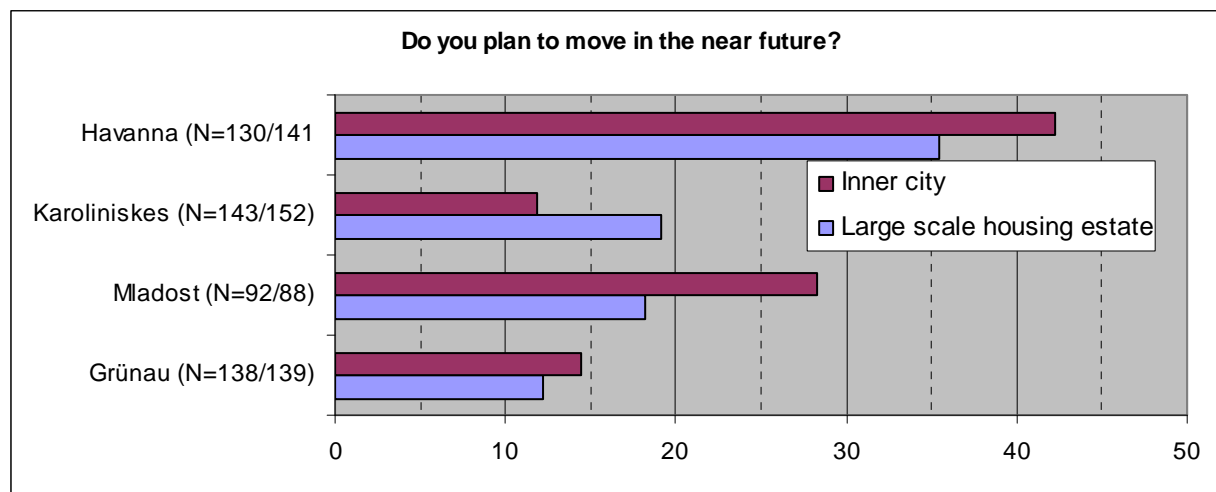
As we pointed out in this section large housing estates were relatively less affected by residential mobility after 1990, especially if we compare their mobility ratios with the inner-city neighbourhoods or suburban communities. Nevertheless, the socio-economic downgrading process of these estates due to mobility became also obvious. As we see the in- and out-migration on high-rise housing estates is highly selective, mostly the younger and better off families are leaving these estates, and among the new residents low income households and those who can be labelled as ‘losers of transition’ are overrepresented. As a consequence, the social composition of housing estates has been changing since 1990, the ratio of socially disadvantaged families has been continuously increasing.

Potential move from large housing estates

In order to measure future mobility rates, the plans of households to move were also recorded. Our data support the concept of relatively high stability and cohesion of large housing estates in post-socialist cities. In Grünau, Mladost and Karoliniskes less than 20% of respondents reported that they have serious plans to move in the near future (Figure 6). The exception in this case is Havanna, where more than 35% of respondents want to leave, which is similar to figures recorded in some West European housing estates (Van Beckhoven & Van Kempen 2006). On the other hand, lowest rate of mobility can be expected in Leipzig-Grünau, where the peak of out-migration was in the early 1990s, and since then the population dropped by 50% and in the meantime the stability of local society also increased. The rate of mobility of

housing estate residents is generally lower than those living in the inner-city, thus these estates will be less affected by population replacement in the future.

Figure 6 Plans to move among residents of large housing estates (only moves to other urban districts or regions)



Source: own survey summer 2007

It is also important to know how future mobility will affect the society of large housing estates. To give an answer we divided our respondents into two groups ‘springboarder’ with plans to move and ‘stayer’ without such a plan and we compared the socio-economic status of the two groups (Musterd & Van Kempen 2007). Table 5 shows that among ‘springboarders’ better off families (higher income, car ownership etc.) are overrepresented everywhere. On the other hand, higher qualification does not necessarily overlap with higher incomes. In Havanna and Grünau the ratio of higher educated people among ‘springboarders’ and ‘stayers’ is nearly equal, which implies that the most qualified segment of the residents had already left these estates before our survey.

Table 5 Socio-economic characteristics of potential out-migrants (springboarder) and stayers of LHE-residents

	Higher-income people (%)			University/college graduates (%)		
	springboarder	stayer	win/loss	springboarder	stayer	win/loss
Leipzig/Grünau (N=17/119)	26.7	24.3	-2.4	15.4	15.9	0.5
Vilnius/Karolinisches (29/122)	31.0	16.4	-14.6	56.5	53.0	-3.4
Budapest/Havanna (N=47/91)	19.1	13.6	-5.6	19.6	19.7	0.1
Sofia/Mladost (N=16/69)	23.1	10.1	-12.9	52.5	45.2	-7.3

Source: own survey summer 2007

Most of the prospective moves are related to the size of dwelling that is found to be too small or personal reasons (marriage, child born etc.) and aim the improvement of housing conditions of the family. Dissatisfaction with the estate and its bad reputation play and outstanding role especially in Havanna and Grünau (Table 6). The reputation and social milieu of these two estates are evaluated very negative even by those who would like to stay further. A significant part of ‘stayers’ can not move because of the lack of money. Musterd

and Van Kempen (2007) defined this group as ‘unsatisfied trapped’. The share of ‘unsatisfied trapped’ is highest in Havanna and Karoliniskes with 50% of the ‘stayers’ and also high in Grünau with 25%. Only in Sofia-Maldost was the share of this group negligible.

Table 6 Attitude of potential out-migrants (springboarder) and stayers of large housing estates (LHE)

	“This area has a very good reputation” (negative answer)		“I really don’t want to live together with people of this neighbourhood”		“I like to live here and I would like to stay here forever” (negative answer)	
	springboarder	stayer	springboarder	stayer	springboarder	stayer
Leipzig/Grünau (N=17/119)	81,3	50,0	46,7	12,2	66,7	26,3
Vilnius/Karoliniskes (29/122)	46,4	14,4	50,0	37,6	75,0	12,7
Budapest/Havanna (N=47/91)	93,9	70,8	26,0	28,4	85,7	36,0
Sofia/Mladost (N=16/69)	33,3	11,8	43,8	11,3	50,0	19,7

Source: own survey summer 2007

Altogether post-socialist housing estates experience a less intensive downgrading process than their western counterparts, although the selective move of better off and younger households also create a problem as far as the social cohesion and stability of these estates are concerned. In this respect we can also figure out marked differences among the investigated housing estates, where the stability of these estates very much depend on the socio-economic conditions within the wider society and the functioning of the local housing market.

Conclusions

Our empirical findings show that despite their homogenous physical appearance the image and position of post-socialist high-rise housing estates on the local housing market vary significantly between cities and countries. In Leipzig where the process of suburbanisation started earlier than in the other three cities people became already aware of the negative aspects of suburban life (commuting, cost of maintenance etc.). In addition, demolition some of the high-rise blocks accompanied by extensive renovation works resulted in improving image and higher acceptance of pre-fab high-rise housing estate among residents. These estates enjoy certain popularity also in Sofia, but for completely different reasons. In this city no refurbishment of high-rise housing estates is taking place, nor is the quality higher than in Leipzig. Nevertheless high-rise housing is widely accepted and appreciated by local residents. Factors in the background are that the population of Sofia is growing rapidly and there is a shortage of housing in the city. The tight housing market explains that people tend to consider high-rise housing also as a possible and sustainable housing solution. Notwithstanding, 60 % of the local housing stock belongs to this type of housing, and alternative options are rare. Budapest and Vilnius represent a completely different pathway. High-rise housing estates are most refused in these two cities and level of satisfaction of residents living on such estates is also the lowest. The negative attitude of people towards such housing both living on a housing estate or elsewhere can be explained by different factors. Suburbanisation speeded up in these cities in the second half of the 1990s. The dream of housing among people is still the single-family home in suburban location. As opposed to Sofia the local housing market is less tight, people have great choice of different alternative housing including new gated communities, gentrified inner-city blocks of flats, lofts etc. In these cities, as opposed to Leipzig, no large

scale regeneration programmes of pre-fab housing estates are going on. In Budapest and Vilnius owner occupation of pre-fab housing is general, which makes the position of housing estate dwellings on the housing market also difficult.

The example of Leipzig-Grünau suggests that high-rise housing estates can reach a consolidated position on a city's housing market if they provide primarily affordable rental housing for the younger and less affluent population, if they are renovated and well maintained.

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