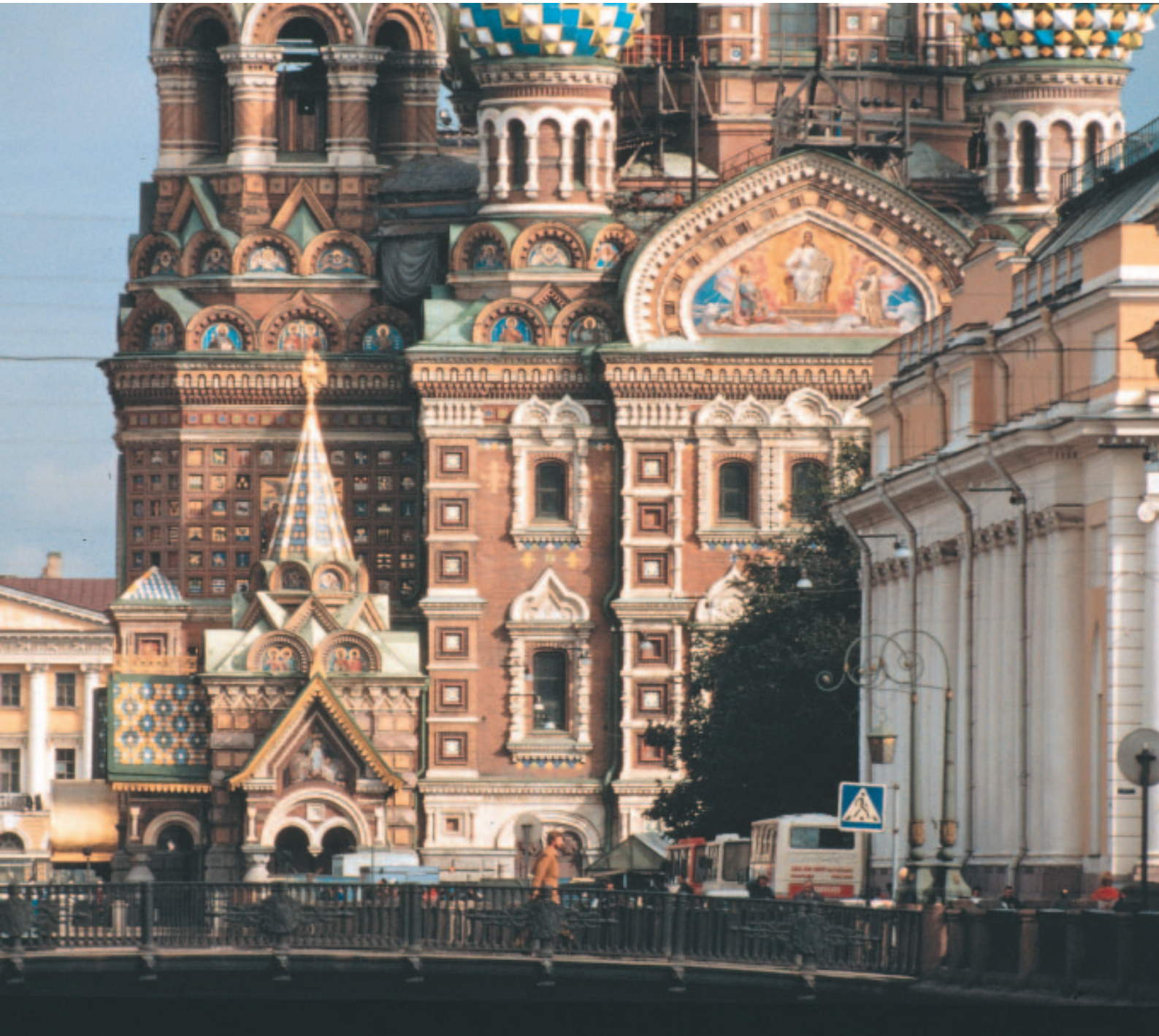


GLOBAL TENANT



INTERNATIONAL UNION OF TENANTS' QUARTERLY MAGAZINE April 2002



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Publisher and
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April 2002
Publication Design: Cinna Gross

Housing in the east European jungle!

Through testimonies from IUT members, individual tenants and through my own experience while travelling to Poland, Latvia, Czech Republic and Hungary I have found out that the housing situation for a lot of people is worse than I could have imagined. I have been told stories of how tenants have been treated that I found hard to believe in. Stories of tenants, mainly elderly, whom unscrupulous landlords have forced out into the streets by turning of the heat, dismantling banisters, removing window frames in the winter or raising the rents threefold. Why? To get them out, those with a tenancy agreement, which stipulates some kind of controlled rent.

The law is there, but so are loopholes, corruption, ignorance and sometimes unwillingness. Legal procedures can take up to five years, and are very costly. Sometimes the housing laws are incomplete and also sometimes the new laws contradict still existing relics from the old laws, from the days of communism and planned economy.

Privatisation of property was of course necessary. But, the haste with which privatisation is being carried out affects many people in too many negative aspects.

Restitution has been completed in most countries. In Poland though, there is still no dead line laid down by the government. Tenants suddenly get new landlords that perhaps live in Buenos Aires, or New York. Someone who has no real social interest in the property, but to make as much money out of it as possible. Of course, not all new owners act as described, but an appalling large number do.

In 1991, the state of the housing stock in eastern Europe was in a bad shape. The pre-fabricated multifamily houses from the 1970's that surrounded cities like Budapest, Prague and Moscow were in great need for maintenance and renovation. But there was very little money available. At the same time people wanted a quick change, and privatisation. So why not kill two birds with one stone?

Also, do not forget that since some years back many governments in central and east Europe needed to get their state finances and budgets in good shape – in order to be admitted into the EU. Getting rid of the very costly housing stock was one way.

But, as housing is such a fundamental pillar of a stable and democratic society, the state and municipality can never turn their backs on housing. The market will provide goods for the middle classes and rich part of the population, but it will never bother about the less well off and the poor.

Democratic, effective and implemented laws and regulations are crucial tools in a stable society. Defective laws will create a feeling of insecurity, and jeopardize stability.

Magnus Hammar
Secretary General, IUT



Calendar

- April 29-May 3:** Urban Forum, organised by UN Centre for Human Settlements. Nairobi, Kenya.
- May 20:** EU Housing Focal Points meet in Madrid, Spain
- May 19-22:** Remaking Cities: Preservation and Creation, organised by IFHP. Ljubljana, Slovenia.
- June 9-12:** 9th Conference on Urban and Regional Research, by the U.K. Gov. Leeds, England.
- June 21-24:** NAHT Annual Meeting. Washington DC, USA.
- June 27-28:** 3rd European Housing Ministers conf. on Sustainable Housing. Limelette (near Brussels)
- July 1-5:** Housing Cultures - Convergence and Diversity, Intern'l Research Conf. Vienna Austria
- July 22-26:** Housing and Urban Development for Low Income Groups in Sub-Saharan Africa. Accra, Ghana
- August 2-4:** TPAS Annual Meeting. Birmingham, England.
- September 8-12:** IFHP World Congress - Urban Conditions 21. Tianjin, P.R.China.
- October 7:** International Tenants' Day / World Habitat Day

Fore more information, check www.iut.nu



Property Restitution is part of Europe's unfinished business

Restoring and repairing the damages from two of the 20th century's greatest disasters is part of Europe's unfinished business. The Holocaust devastated the lives, families and institutions of European Jewry, Roms, political opponents, homosexuals and many more. The Nazis and their fascist allies destroyed or stole vast amounts of property. After World War II, the Soviet Army's occupation of eastern and central Europe, followed by the installation of communist regimes, led to massive nationalisation. Once again property was seized from private persons, from churches, and from organisations.

Restitution with difficulties

Restitution has been carried out through respective state's own laws and procedures, and in accordance with their own particular circumstances. The process embraces all kinds of property, from sheds to mansions and castles, factories, pieces of land, farms and blocks of flats and religious property. When the case has involved industries, public institutions, land or forests the claimant has often been economically compensated by the state. In other cases the property has been handed back to the former owner, or to relatives.

Even though restitution comprises history of not more than some 60 years, the processes involved are utterly complex and difficult to solve. Documentation is lost or not complete, there are rival claimants or a new building has been erected on the claimant's ground, like a hotel or a hospital. In Sofia, there is one major hotel, which the Supreme Court of Bulgaria has determined is about 49 percent owned by the Jewish community. Furthermore, claimed property has been renovated, enlarged and managed by its subsequent administrators or inmates. There are also plenty of court cases which involves swindlers who have falsely claimed property with false documents. Poorly paid and corrupted civil servants have often been willing to assist.

For obvious reasons restitution has been mostly in demand when the property has shown valuable, well kept or situated in an attractive area. Almost 70 per cent of the attractive and well-kept old city centre of Prague has been subject to restitution.

The other side of the coin?

Restitution has often had negative consequences for tenants. The new landlords too often consider the new acquired property as a bag of money, and not consisting of homes for families and individuals, who have in many cases lived there all their lives. The rent is paid to an anonymous bank account, and the tenants are left with maintenance and with practical arrangements such as keeping after the old boiler and ordering coal, which is still used in many town houses. After some years, and without any experience or interest in maintenance, the house is often sold to a real-estate company, or to some other investor.

This is when the real problems begin. As many tenants have leases dating back to the 1960's or 70's, they have legal protection of tenancy and controlled rents. This implies difficulties in raising rents and making enough money.

Perhaps money is urgently needed to make renovation possible, but in many cases the house is much more worth as an office building or as a vacant demolition site! So how to get rid of the residents? The inventiveness is large; cutting of electricity wires, dismantling banisters, gas- and water pipes or blocking off rooms and of course announcing staggering rent increases. The tenants of course bring these offences to the courts, with the assistance of the tenant associations. But there are many similar cases and the court proceedings take years and are costly and time consuming. The tenants, having no other alternatives, hold out as long as possible. The consequences are clearly seen, especially among the elderly. Mental stress followed by physical symptoms are common consequences.

Different policies

In most central and eastern Europe countries the deadline for claiming restitution has passed, with the exception of some countries like Poland and former USSR states. But there are still many unsettled court cases. Some countries like the Czech Republic, Croatia, Lithuania and Slovakia required citizenship for being eligible to claim property, some required an application for citizenship. States like Estonia, Hungary and Latvia required proof for previous ownership irrespective of citizenship. Bulgaria decided it was ok to claim property like land and forests even if you were a non-citizen. The government in Moldova decided that forests are public lands and not subject to restitution.

East and Central Europe – The share of the rental sector in 1990-2001

(In % of the total housing stock)

Country	1990	1994	1998	1999	2001
Albania		2	2	–	–
Bulgaria	7	6	–	7	–
Croatia	26	11	10 ⁸	10 ⁸	–
Czech Rep	59 ²	57 ²	55 ²	–	57 ¹²
Estonia	–	71	10	7	5
Hungary	22 ²	13	6 ²	6 ¹	5
Latvia	64	54	51	30	27 ⁷
Lithuania	51	13	5	3	3 ⁵
Moldova	71 ⁽⁻⁹²⁾ ⁴	64 ⁴	–	10 ⁽⁻⁰⁰⁾	6
Poland ¹¹	56	56	48	46	–
Romania	33 ³	8	–	5 ³	–
Russia ¹⁰	67	50	41	37	–
Slovakia	50 ²	–	28 ²	–	16 ⁶
Slovenia	33 ⁽⁻⁹¹⁾	18 ⁽⁻⁹³⁾	12 ⁽⁻⁹⁶⁾	10	–

From state owned housing to ownership

The table shows the dramatic changes that took place during only ten years. There is no doubt that this rapid change of ownership has had great impact on the social sector in this part of Europe. The housing situation is still not settled in most countries which creates a feeling of instability for many families.

In most central-and east European countries the remaining rental sector is very limited. This situation has created new social problems, especially when it comes to housing the economically weak sector of the population. In connection with EU applications, most applicants have been criticised for not being able to house the homelessness, single mothers and many elderly with low state pensions. The growing number of street children, as a result of insufficient housing abilities, is alarmingly high.

– = not available

¹ : Hungarian Tenants Assoc., LABE, Hungary

² Institute of Sociology, Prague. Social Housing in Europe 2000. Figures include co-operatives: Czech Rep; -90: 20%, -98: 23%, Slovakia; -90: 22%, -98: 17 %.

(Most co-operatives had by 1995 been privatised in the Czech Rep.)

³ UN 2001, Country Profiles on the Housing Sector.

⁴ urban housing only

⁵ Nordic Council of Ministers, TemaNord 2001:544.

⁶ Slovak Tenant Assoc., including non-profit co-operatives.

⁷ Housing Privatisation Central Commission, Latvia 2002.

⁸ Croatian Union of Tenants.

⁹ Faculty of Economics and Institute for Economic Research, Slovenia.

¹⁰ German Inst. For Economical Research / Economic Bulletin 6/ 2001.

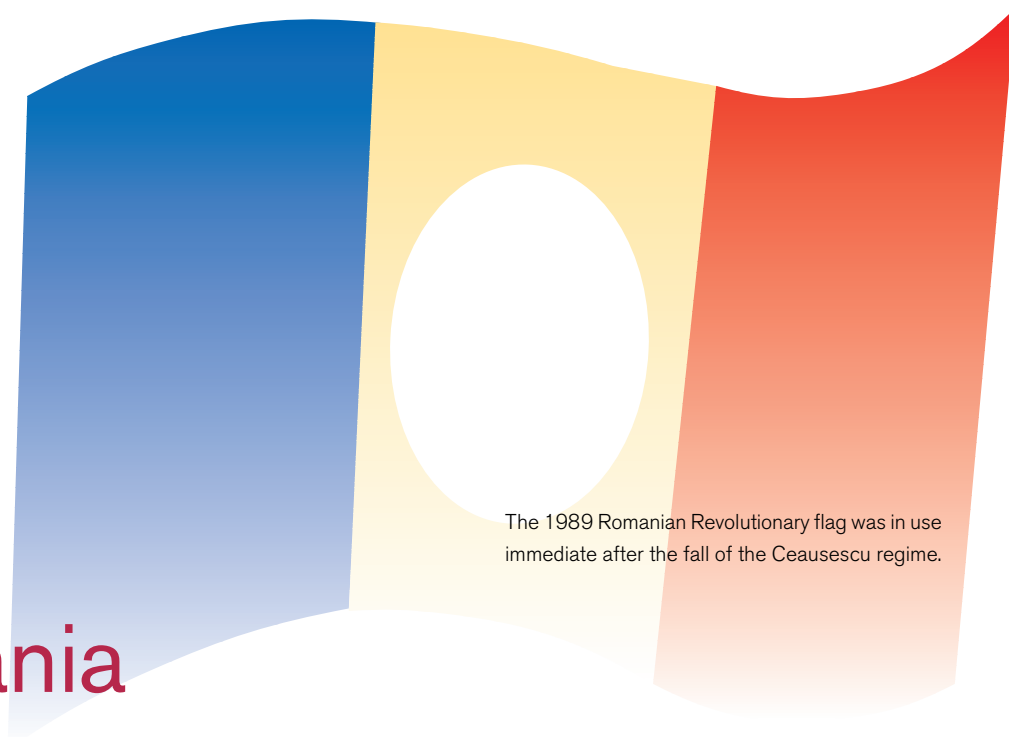
¹¹ State office for Housing and Urban Dev. / Info. Bulletin 2001. Figures incl. co-operatives.

¹² Czech statistical office, Census 2001, incl. co-operatives.

Other figures are from UN/ECE, or from official governmental sources.

Bosnia-Herzegovina, 1991 census: 20% state owned housing, 80% privately owned

Romania



The 1989 Romanian Revolutionary flag was in use immediate after the fall of the Ceausescu regime.

Under the commission of the UN ECE Committee on Human Settlements, an international housing expert group carried out a study on Romania's housing sector. The expert group presented its result in 2001, as the second last of Country Profiles published by the Committee on Human Settlements.

The present situation

The position is compounded by long-term under-investment in the nation's housing stock. Given the economic hardships of the past ten years, it is not surprising that only a nominal amount of public or private funds have been invested in the housing stock.

Nearly 40 percent of urban housing is prefabricated panel buildings is served by ageing infrastructure and utility services which are in need of new and urgent investment. A further share of housing in rural areas is also believed to require significant investment in modernisation.

The physical state of housing therefore represents a serious political, social and economic challenge to Romania. Yet, it does not appear to be as a high priority for the government.

The change from one system to another

There were two distinct stages leading to the current housing situation in Romania;

First, the policy of the former communist government, from the 1970's into the 80's, which saw housing as one of the main ways to achieve urban expansion and rapid industrialisation. There were massive led state-led housing programs. Like elsewhere in eastern Europe. Despite this large-scale activity, by 1990 the public sector's share of the housing stock had increased to only about 33 percent. Two thirds was still in private hands.

The second stage occurred between 1990 and 1993 when

the new regime pursued a policy of mass privatisation of state owned housing. The dwellings were offered to the sitting tenants, for at 10 percent down payment. Price varied with age, structure and size of dwelling.

Mass privatisation resulted in an increase in private housing from 67 percent to almost 95 % by the end of 1999.

Fears for the future

The expert group could see both advantages and disadvantages. The main advantage is considered relatively short-term. Since the price of dwellings was relatively low household income could be spent on other commodities, like food and clothes during the hardship of the past decade.

Disadvantages; the poor state of much of the housing transferred to individual private owners and their lack of capacity to invest in their new home.

In 37 percent of the Romanian households, income only just pays for the absolute necessities. In a further 34 percent of the households income cannot even cover this minimum! This reveals a critical situation.

After 20 years about 80 percent of all dwellings will probably come to the end of their life unless serious measures are taken to reverse current trends. Multi family structures, 35 percent of the stock in Romania, are in particular need of upgrading.

Read the full UN/ECE report on
www.unece.org/env/hs/cph/romania/

Housing in Poland

For most people in Poland life took a new turn in 1991, as for most citizens in eastern Europe that for almost 50 years had lived under planned economy and non-democratic governments.

For someone from the outside it is hard to clearly tell the different outcomes in each individual country. Privatisation and restitution took place in all those countries. Adaptation to market economy took place in varying forms and at different paces. Rumania, Albania and Lithuania, for instance, made privatisation a priority. While privatisation in the Czech Republic and Latvia was allowed to take some more time and with perhaps a bit more consideration.

Following the political changes in 1989, various reforms were carried out in Poland's housing sector.

In 1990 state owned housing was transferred to the local municipalities. Housing reform was guided by a twofold objective. To reduce the budget deficit and move from housing system based on general subsidies to a market-based housing sector.

After a decade as the economic star of the transition economies, Poland is running into mounting difficulties. Economic growth has slowed from an average of 5 percent in the past three years to below 2 percent. Foreign direct investment is falling, and unemployment is rising rapidly and now stands at 16 percent and over 40 percent among those younger than 24. In less than two months the zloty has declined some 16 percent against the Euro. Poland's 2002 budget deficit could balloon to 11 percent of projected gross domestic product from an estimated 4.2 percent of GDP this year.

A general misunderstanding is that most housing in Poland was state owned before 1991. This was not the case at all. Over 50 percent of all dwellings were already in private hands. This figure applies mainly to one family houses, but since 1990 to 1999 only a bit more than ten percent have been privatised.

There is an ageing housing stock in Poland. One third, 4 million dwellings, were built before 1948.

Allocated tenants

From 1950 up to 1989 the State decided that all citizens should have job, and a dwelling.

Families, who could not afford to buy, were assigned to a dwelling depending on the size of the family. These residents were, and still are, so called *allocation tenants*. If you were a family with one child, you were allocated an M3-flat of about 45m² -square meter (485 square feet), an M4 for a family of four, etc. A flat of 45 m² does not seem adequate to most people nowadays, but in Poland in the 1970's 45 m² was big! Average living space today is 19m²/person in Poland, England 41m² and 65 m² in the US.



Low rents but high electricity bills

The actual rent covers only about 40 percent of the total costs. Charges for electricity, water, heating, garbage collection and cleaning common premises add up another 60 percent.

An average income in Poland today is about 2150 zloty/month, but elderly with a state pension, about 60 per cent of all retired, only receive 500-800 zloty/month. A nurse makes about 800-1200 zloty, a university professor not more than 2000 zloty.

Rent in municipal housing, a two-room flat, is about 900 zloty/month, for one person. An additional 60 zloty is added for each additional family member.

If you prefer to buy a flat in Krakow the market price is around 3000 zloty / m².

If you are an allocated tenant, with a lease from before 1990, you are protected from market rents. The annual rent raise in these flats are 3 percent, which gives an average rent rise of 10 zloty / m².

Families with low incomes can apply for reduced rents, *bonuses*, provided that you do not live in a too big flat and that you do not have a private landlord.

More about restitution in Poland:

(<http://www.law.emory.edu/EILR/volumes/fall95/youngblo.html>)

Restitution and swindlers in Krakow

by Magnus Hammar



We enter the over 100-year old building at Jablonowskich street No 9 through a dark entrance full of garbage and old building material. Old paint flake off from the walls. The house looks like any other old deserted building I have seen, ready to be demolished. We climb the stairs to the 2nd floor where one of the six remaining families lives. Mr Janusz Poprawa 65, his wife Danuta 51, and their three daughters still hold on to their flat where they have been living since 1962.

The flat now consists of two rooms and a “kitchen”. The flat actually has two more rooms, of which one is/was the kitchen and the other was a bedroom. The landlord closed off these two rooms with the intention of forcing the Poprawas to move out. Mrs Poprawa prepares the meals on a gas cooker, with gas from a gas cylinder. Water is kept in buckets.

Mr Poprawa has fought a juridical battle with the landlord for the last ten years. And he has not given up, yet.

In 1992 the house was, through a court decision, handed back to an alleged relative to the former owner, the owner before 1945. The alleged relative could present the last will and testament of Mrs Jadwiga Rybinska, signed and dated in London in 1966. The will appointed Ms Aniela Snarskiej

in Essex England, as the sole heiress. But, in 1980 Mrs Rybinska should have changed her mind and through a pasted piece of paper, in Polish, made a Mr Maciej Ostrowskiego the sole beneficiary. This Ostrowskiego presented a copy (!) of this document to the court in Krakow – and won the case, and the house! The original will was never presented, and never asked for!

The new owner of Jablonowskich street No 9 wants to tear the house down, without having to compensate the tenants with any new flats. The tenants all had the right of occupation, and also regulated rents. So the only way of getting the tenants out was to make their lives as miserable as possible. The rent was 350 zloty per month in 1999, then first, unlawfully, raised to 900 zloty in 2000, then to 1500 zloty and then again to 3200 zloty.

The owner succeeded with most of the residents and now only the Poprawas and a few more still fight, together with the Polish Association of Tenants, the legitimacy of the will and the take over of the building.

This story is one out of many which have followed in the footsteps of restitution. Not all new landlords are unscrupulous swindlers but through newspaper clippings it is evident that there are way too many of this kind.

The Polish Association of Tenants

Since 1993 the Polskie Zrzeszenie Lokatorów, PZL, has been assisting tenants in mainly southern Poland. PZL's office and advice bureau is situated in a typical municipal Krakow tenement building from the 1940's. At 4 p.m. there is already a long line of people waiting for the office to open. In the afternoons, three times a week, the PZL gives advice to worried tenants. They often bring with them letters from landlords or notices from public authorities. Letters that contain information about rent increases, notices to quit and other less nice information. Many of the customers are elderly women who perhaps have lived all their lives in a their flats. They burst out into tears when they finally realise that they will have to move out.

The advisers consist mainly of retired lawyers, unpaid of course. But as this is the only source of information available for non rich tenants in Krakow we hope that they do get some grateful smiles.

Contact PZL at : zrk@3w3.net



Mrs Alicja Sarzynska President of the Polish Association of Tenants

Housing in the Czech Republic

By Zuzana Nielsenova,
SON - Union of Tenants of the Czech Republic

Price of housing is increasing while quality gets worse

- The maximum price of the basic rent, without services, has on average increased nine times/year since 1990 in the Czech Republic. In Prague 15 times.
- Rent increases are considerably higher than increases in nominal incomes.
- Rent increases are not at all accompanied with increases in housing quality, quite often the situation is the opposite.

The reason for the worsening quality is that landlords most often only invest in their buildings or flats when they are forced to do so by the State Construction Offices. However, landlords are often quick to blame bad maintenance from the time when the building was administered by the state. Owners also require rent de-regulation. Prices, according to them, must triple again so that they might cover the historical debts. Until the prices are uncontrolled, landlords seem to be benefiting from the situation. The courts are overloaded with cases descending from housing disputes. The judicial decisions often result without any legal actions taken.

New tenant discrimination?

It is possible for the owner of a house to apply for uncontrolled rents in newly constructed houses, except those constructed with a state subsidy. If such an application is granted the rent might be the allowed to triple. High-income people occupy these flats, as the rent reaches half of an average monthly Czech employees' wage. Also, there are free, entirely uncontrolled, negotiated rents in cities with high demand on flats.

Such free rents are also applied in old houses which have become unoccupied because of bad or non-existing maintenance and most tenants have been forced to move because of the bad conditions. This results in situations when one "old" tenants living in a 3-room flat pay 6000 CSK (Czech crowns), equivalent to \$US 175, and the next door neighbour pays 15 000 to even 30 000 CSK. The average gross monthly income in the Czech Republic is about CZK 15 000 CSK.

New leases are most often time-limited, mostly for 3 years. Such limitations are highly common even in case of municipalities' offers. A time-limited contract produces a feeling of insecurity and this is one of the reasons young couples restrain themselves for having children. Housing has become inaccessible for many

Czechs. The waiting-time for obtaining a municipal flat is dozens of years in Prague.

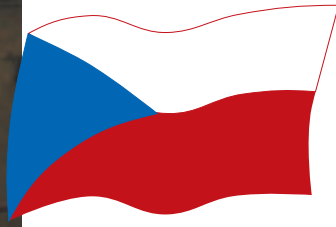


Co-operatives

Under the communist regime, housing was subject to tight state control. With the exception of family houses, the entirely privately owned housing stock was nationalised; subsequently the creation of new non-profit housing co-operatives was allowed. Co-operative housing was based on the ideal of "collective investment" of co-operative members. Each citizen could become a member of such a co-operative by paying a membership fee. The state subsidised the construction of the house but the residents had to cover a substantial part of the construction costs themselves, either by cash payments or by unpaid labour during the construction. The flats were owned by the co-operative and the members had no disposal rights to their co-operative flats and they could not "sell" them.

After 1991 privatisation began and up to 1995 co-operative members were able to apply for the transfer of their flats into ownership. Most members took advantage of this offer. Today, co-operative members can sell their co-operative share on the free market. In 1998 co-operatives represented 23 % of the total housing stock.

Source: History and Challenges of "Social" Rental Housing in the Czech Rep. by Ing.Mgr. Martin Lux.



Comparable compensation in Prague

Petr and Jana had, more or less happily, lived together for four years in a large two-room flat in the central of Prague.

But, one day Jana told Petr that she wanted to divorce as she had found a new boyfriend. The following proceedings went fairly easy. The court de-

ecided to adjudge Jana the lease of the flat, while she on her part should compensate Peter with a flat of similar size and location.

As Peter wanted to put this difficult period of life behind himself, he agreed and stayed on in their previously joint flat. Jane went on to live with her new man in his nice apartment.

However, after some time she decided to make use of her lease. The landlord was eager to get his hands on the flat where Petr now lived, as he knew that if he could get Petr out and new tenants in, he could charge market rents. Together with a sum of money and a promise for a new nice flat for Petr, Jana gave up the contract.

One day returning from work he was unable to unlock the door. The key did not fit. He soon found out about the agreement between the landlord and Jana. He also soon found out about the kind of compensation he was offered. The new flat consisted of a small dirty room, a studio with a tiny kitchen and shared toilet in the stair-well!

Although terribly dissatisfied with the compensation Petr was too low-spirited to act and moved in. At the moment Petr felt that he just needed a place to sleep in.

A few months later, when Petr returned home one afternoon, he was again unable to unlock his door. Some neighbours told him that a person from a real-estate agency had been looking for him. After making some calls Petr found out that he was noticed to quit. Without being compensated and for no reason, with no legal proceedings.

He called the police and got himself a lawyer. Petr, still believing in justice, expected the case to be concluded in a

few days. However, the police, not knowing the law correctly, decided not to involve themselves asserting that the flat in question was privately-owned and directed Petr to the Civil Court.

After sending a few letters to the real-estate and charging Petr unseemly the lawyer said the case was too complicated and left the case.

Meanwhile, Petr resided either in his old car or at his office. Six months later, and broke, he moved in to shear his mother's one room flat.

Petr applied to the municipality-housing department to have his name listed on the waiting list for social housing. Being still recorded as the tenant of the flat he was evicted from, the municipality officers refused to put him on the list. The only thing they considered was the judicial decision from the divorce proceedings, which stated that Petr was entitled to a flat.

The civil proceedings, which the police and all the other parties relegated Petr to, will now take at least two years. As the accuser Petr will have to pay the costs for the court proceedings with no certainty of the result of such a complaint.

In these and similar situations, less well off people in the Czech Republic become disillusioned and fed up with lawlessness and corruption. The old recalls, with nostalgia, the times before 1991 when they felt some security and fairness.

The point of Petr's experience is a sad one – it is necessary to have laws that protect all citizens, including the weak ones, like most tenants in Prague. However, even having the law is not enough, when there is no party willing to enforce the rightful demands of the people.

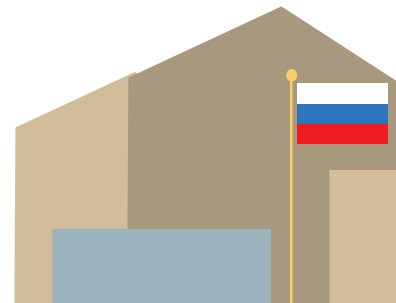
Zuzana Nielsenova
Member of the Executive Committee at the Union of Tenants,
Czech Republic

According to the Czech law, rents set by contracts before 1993 remain regulated, while contracts signed later allow free rents. This is why landlords prefer agreements with the "old tenants" to leave the flat for 100 000-300 000 Korunas, about 7-20 months wage. The regulated rent in Prague is about five times lower than the free rent in a two room flat, equivalent to 100-150% of the average person's income in Prague.

Housing organisation in **Russia**

A long history of local housing activities in Russia

Dr Shomina Yelena, a senior researcher at the Institute for Comparative Political Studies at the Russian Academy of Sciences in Moscow, is an often-cited authority when it comes housing in Russia. Dr Shomina describes the Russian housing history in an article from 2000.



In tsarist Russia, there was a great number of different voluntary, mainly charitable, organisations, strong consumer co-operatives as well as different environmental groups. These types of organisations were part of the social life of the, more or less, well-off people. The housing and environmental conditions of workers were rather poor, but they were not involved in these kinds of activities.

In the Soviet era period, different types of self-help groups and local activities existed in Russia, which were based on the national “collective spirit”, traditional roots of collective actions, mutual neighbours’ support.

Housing sphere always was the arena of creation of different organisations. Ordinary Russian people lacked any privacy, lived very close to each other, and used to share space and facilities within the flats. It was necessary to develop special rules for such common living and survival to avoid conflicts in the situation of extremely limited floor, resources and poor population.

In the late 1920s and 30’s housing committees started to serve as the “unofficial” local level of police system, as they began to control the private life and behaviour of the residents. When millions of people came to Moscow from rural areas, housing committees at that time became not only the instruments of social control, but also the school of social behaviour for the residents of multi-flat buildings.

After World War II, housing committees became rather important bodies, which existed in almost all multi-flat buildings, as they fulfilled many duties of organising residents for different collective actions – mainly collective cleanings of yards, but they also could press local municipal maintenance companies to report to residents.

In Moscow the committees were not so widely spread. Large-scale reconstruction of Moscow centre and construction of new suburban areas in the 1960’s and 70’s, together with demolishing programs and replacement of citizens, ended this system. Housing committees lost their positive role and image. Dr Shomina holds that writers and film directors only exploit the negative memories.

Paternalistic character of the Soviet state and company-type cities of the USSR did not stimulate any forms of real

public participation on the grass-roots level during many years. All features of social life on local levels were determined partly by municipal authorities, mainly by “social work of large enterprises”. The most widely spread pattern of thinking was the one where residents expected everything to be done for them and never made suggestions or took any responsibility.

In Moscow in 1988, the first officially recognised neighbourhood organisation started. It was entitled “Self-management committee”, or KOS in Russian. This was a result of a wave of local environmental conflicts and democratic changes in the whole society. In the early 1990s there were around 250 different KOS in Moscow alone.

Changes in housing policy – Changes in tenures

Housing in Russia always was a major political issue. In the beginning of the 90-s the new housing policy and the new concept of housing reform, in housing supply and housing maintenance fields, greatly influenced the life of every Russian citizen. The state declared the shift from paternalistic-type of housing policy to market oriented. We can speak about transfer of responsibilities for personal housing conditions from state to people. Ordinary Russians have come to fear the term “housing reforms”, which they see as a euphemism for “greatly increased rents with no tangible benefits, the housing problems of shortage, overcrowding, poor facilities and disrepair”.

Most important is perhaps that many residents have realised that they must act to ensure and protect their housing. The governments’ goal of privatisation, targeted only at individuals, has ironically created a situation, in which citizens feel their only chance of being heard, treated fairly, or gaining control of their environment is through collective action.

During the 1990’s there were considerable changes in the tenure structure, particularly in the cities. The share of municipal rentals in Moscow decreased from 90 to 46 per



cent of the total housing stock.

The municipal tenants, who live in the so-called “communal” flats, are often forced to share a flat with other households. This form of tenure exists in every Russian city, and these people have the right to be enlisted for improvement of their housing conditions.

In Moscow there are 160 000 families waiting for new flats, of which about 70 000 families live in shared flats. During 1998 and 1999 about 2000 families were provided with their individual flats by the Moscow government.

Groups of municipal tenants of individual flats, about 70 per cent of the municipal population in Moscow, were divided during the process of privatisation into two parts; Municipal tenants, 55 per cent, and owners of flats in municipal houses, 45 per cent.

No tenant associations, yet

There is not any known tenant organisation in St Petersburg,

nor in Moscow. In Moscow alone, in the year 2000, about 46 per cent of all households lived in rented accommodation, 10 per cent in co-operatives and 44 per cent lived in privatised flats.

Compared to other countries in eastern Europe, privatisation in Russia has not been as far-reaching. But, contrary to the tenants, these who now live in privatised flats seem to have organised themselves.

In Saint Petersburg alone there are today 380 registered associations for owners of flats. There are approximately 1800 registered associations for co-operatives and 200 societies for house owners. These societies do not have any legal status and cannot represent its members in a court. However, they do fulfil an important task as they help their members acting as an intermediary when supplying services for its members, negotiating with service companies owned by the municipal and with suppliers of electricity-water and gas, usually monopolistic firms like Vodokanal and Lenenergo.

A bridge between Russia and Sweden

In the summer of 2000 the Swedish-Russian Trade Association (SRF) met with the Russian NGO Legal Aid in St Petersburg. Legal Aid was founded two years earlier by a group of law students and the purpose was to provide free legal aid to the citizens of St Petersburg. In the beginning they provided legal advice in all juridical fields, but soon they noticed that the most frequent asked questions were related to the housing situation. A major problem was the lack

of efficient and transparent legal rules giving protection to tenants. The majority of those seeking advice were women. As Sweden is well known for having laws that protect tenants' rights the Swedish-Russian Trade Association turned to the Swedish Union of Tenants for advice and co-operation.

During 2001 two seminars were conducted in St Petersburg, with funding from Sida, Swedish International Development Cooperation Agency.

The short-term aim of the project is to inform each other about the housing situation, the organisation of tenants and the legal rules governing this area in Sweden respectively in Russia. The long-term aim is to try to find solutions to the housing problems in St Petersburg and to present these ideas to the authorities and politicians in St Petersburg.

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Block of flats in the capital of Moldova, Chisinau, managed by the Home Owners Association, HOA

REPUBLIC OF MOLDOVA: HOMEOWNERS OR TENANTS?

After the Law on Privatisation of the housing stock was put into force in 1993, by the end of 2001 about 94% of apartments in multi-storey blocks have been privatised. Co-operatives and homeowners associations manage about 15% of these apartments and municipal maintenance enterprises manage the other 85%.

After the process of privatisation the former tenants from multi-storey blocks of apartments 'over night' became owners of their flats. Unfortunately many of the new owners did not fully realise the responsibilities which ownership involved. Until today the new owners like pensioners, disabled and other social vulnerable groups can require repair and renovation from the local authorities. The financial possibilities of state and local budgets are very limited and many blocks and flats remain without repairs.

Homeowner Associations

The situation is different in the blocks where there are existing homeowner associations or co-operatives. Residents who are involved in the homeowner's associations understand the advantages of living in such kind of dwellings. The owners are jointly responsible for the operation and safety of the building and they must jointly bear the financial burden. In case of partial municipal ownership, the municipality has to join the association.

Moldova's housing strategy and existing legal framework impose the owners of apartments to establish ho-

meowner associations. Unfortunately this process proceeds slowly because of declining condition of the housing stock in the country. There are some legal provision concerning financial support directed to the repair of housing. The support is minor, but it is to be considered as stimulation for the owners to participate with their own funds.

Residual rental housing

Some rental housing, five percent of the total housing stock, still remains in the ownership of local authorities and different state departments. Tenants in Moldova are generally people who either cannot afford to buy their own flat, or do not want to own property. Many of them have low incomes. They have lived in their flats for many years and do not pay attention to housing maintenance. These tenants pay a very low rent, which not cover the costs for maintenance.

The central and local governments are concerned about the present situation and try to change it through elaborating new rules and regulation for the rental housing sector and increase the number of the rental flats in the public sector of the country.



Facts

Moldova, the second smallest former Soviet republic, declared independence on August 27, 1991. Approximately 2,3 million people, or 54 % of the total population, lives in rural areas. Floor space/person: 18m² in Chisinau. Average wage 2000: US\$ 400/year (UN/ECE 2002).

All state-owned housing was scheduled for privatisation, in stages, beginning in May 1993 and using government-issued vouchers. Apartments that did not exceed state norms for per capita space utilisation were to be turned over to their occupants free of charge. People living in apartments that exceeded space norms would have to pay the state a premium based on the average cost per meter of housing construction. Privatisation using vouchers was scheduled to be completed in the summer of 1995, at which time there would be an open housing market.

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