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Evolution of housing conditions in the Republics of the Soviet Union from 1950-s till nowadays: similarities and differences

Due to industrialization policy started in 1930-s a lot of USSR population moved from rural area to towns and cities to work. Soviet citizens invariably lived in squalor and many families shared their dwellings. In 1950-s the estimated living space per person was less than five square meters and Soviet leaders decided to eliminate the housing shortage. In 1960-s more than 2.2 million units were built every year. Housing was mainly constructed by the state, cooperative enterprises and housing cooperatives. In small towns or rural area private construction was allowed and 25-30% of new housing was built by households. Although size and quality of housing units were below Western standards, a remarkable progress happened. By the mid-1970s the per capita living space in urban areas had increased to 8 square meters. Therefore the deficit of housing units in relation to the number of households had been very large and the housing crisis in the USSR was permanent.

A big structural change of former Soviet Union Republics economies in 1990s can be considered as a natural experiment of transition from central planned to market economy. At the starting point allocation of population, production and housing was determined by non-market forces being far from the steady state market equilibrium. Restructuring of the economies and inter-sectoral reallocation of labour forces required moving workers between cities and regions, however the housing market was not prepared for that. Construction faced lack of investments; the financial capabilities of households were limited. The paper is describing the change of housing conditions of former Soviet Union Republics population underlining the role of construction and housing finance.