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ECONOMIC INTELLIGENCE REPORT

HOUSING IN THE EUROPEAN SATELLITES 1949-58



CIA/RR 147 17 September 1958

CENTRAL INTELLIGENCE AGENCY

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ECONOMIC INTELLIGENCE REPORT

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CIA/RR 147 (ORR Project 38.1741)

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FOREWORD

This report describes developments and problems in housing in all the European Satellites except Albania during 1949-58. The report describes both the general pattern of housing developments in the Satellites as a whole and the special characteristics of the problem in each country. The report on each country contains the following: (1) a survey of housing in the period before World War II, during the war, and in the reconstruction period; (2) an analysis of plans and achievements in housing from the beginning of the first long-term plan to 1956, the opening year of the present Five Year Plan*; (3) an examination of the current housing problem; (4) an analysis of the effect of the housing problem on political stability and economic development; (5) an analysis of the housing program for the current Five Year Plan and of housing developments during 1956-57; and (6) an estimate of prospects for housing. In an introductory chapter, housing developments in the Satellites as a whole are discussed, and comparisons are made of housing among the individual Satellites. Definitions of terms for quantitative measurement of housing (for example, dwellings); for reporting dwellings added (for example, reconstruction repairs); and for determining the sponsor of construction (for example, nonstate) vary among the European Satellites. At times a definition used by a Satellite in its statistical reporting is not known and must be approximated. The definitions used in this report are those which are most applicable to the general practice of the Satellites, and variations in definitions in individual Satellites are noted only when significant.

The numerical data contained in this report represent the best estimates available but are subject to further refinement.

* The treatment of Bulgaria is somewhat different because the Second Five Year Plan of Bulgaria lasted from 1953 to 1957.

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HOUSING IN THE EUROPEAN SATELLITES*

1949-58

Summary and Conclusions

Poor housing in the European Satellites** will be the most lasting evidence of the damage to consumer welfare caused by Communist emphasis on rapid industrial growth. Because of large increases in urban population, the housing needs of urban areas in the Satellites have been especially pressing throughout the period after World War II. Nevertheless, with the continuing emphasis on the expansion of heavy industry, urban housing has been neglected throughout the Satellites. As a result, urban housing has deteriorated sharply in Bulgaria, Hungary, Poland, and Rumania since the launching of the first long-term economic plan.*** In Czechoslovakia, although the deterioration of urban housing has been slight, there has been a strong popular demand for improved housing. In East Germany, housing has improved slightly since the launching of the first longterm plan but still is very poor compared with the prewar level of housing of the area.

In all the European Satellites except Czechoslovakia, not only does existing urban housing not provide minimum standards sought by

* The estimates and conclusions contained in this report represent the best judgment of ORR as of 1 June 1958.

** Data on Albania are not considered in this report.

*** The first long-term plans in the European Satellites were as follows:

Satellite	First Long-Term Plan
Poland	Six Year Plan (1950-55)
Czechoslovakia	Five Year Plan (1949-53)
Hungary	Five Year Plan (1950-54)
East Germany	Five Year Plan (1951-55)
Bulgaria	Five Year Plan (1949-52),
	completed in 4 years
Rumania	Five Year Plan (1951-55)

There was in Czechoslovakia a 2-year interplan period during 1954 and 1955 and in Hungary a 1-year interplan period during 1955. There was in Bulgaria a Second Five Year Plan during 1953-57.

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the population, but it does not provide even the minimum average amount of living space* per person required to maintain health, as shown in the accompanying chart, Figure 1.** In'addition, a lack of privacy in dwellings*** and the very poor quality of many of the dwellings in use aggravate the housing problem of the urban population.

Substandard urban housing is a key economic factor causing popular antagonism throughout the European Satellites toward the Communist governments and their policies of industrial expansion at the expense of consumer welfare. Poor housing also adversely affects economic development by contributing to such labor problems as low productivity and excessive turnover of workers.

Housing in rural areas in the European Satellites is as bad as or worse than housing in urban areas. The housing standards of the rural population, however, generally are much lower than those of their urban countrymen. Dissatisfaction with rural housing does exist, especially in Poland, but, in general, housing is not a major source of discontent in the villages.****

By 1956, the beginning of a new Five Year Plan in all the European Satellites except Bulgaria, the Communist governments had become seriously concerned about the political and economic consequences of neglect of housing. The new plans promised greatly increased attention to housing. Prospects for urban housing during 1956-60, †

* The term <u>living space</u> as used in the European Satellites generally comprises the floorspace of main dwelling rooms -- that is, living rooms, bedrooms, and dining rooms. Rooms used for utility purposes, such as bathrooms and closets, are not included. Rooms used as kitchens generally are counted only when the rooms also are used for general living or sleeping purposes.

** Following p. 2.

*** The term <u>dwelling</u> as used in the European Satellites generally includes rooms or suites of rooms which are used for habitation by private households and which have separate access to a street or a common space within a building -- that is, a hallway. In the cities and larger towns of the Satellites, most dwellings are located in multidwelling buildings. In some of the smaller towns and in the villages, buildings of a single dwelling predominate. **** In each of the European Satellites, almost all the rural population lives in villages in contrast with the rural population in the US, which primarily lives on individual farms.

+ Unless otherwise indicated, the periods for which data are given throughout this report are from 1 January of the first year in a series through 31 December of the last year in a series. For example, 1956-60 means from 1 January 1956 through 31 December 1960.

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Figure 1

European Satellites and USSR AVAICOP LIVING SPORP PARSON IN UTCOM AROUS January 1958

(In square meters)



^{*}For methodology see Appendix A.

**As estimated by European hygienists and as adopted in the housing codes of Bulgaria and the USSR.

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nevertheless, are for no appreciable improvement in East Germany and Czechoslovakia and for even further deterioration in Hungary, Poland, and Rumania. Urban housing in Bulgaria probably will improve somewhat by 1960 but will remain wholly inadequate.

The failure of the European Satellites to plan any significant improvement of housing for the near future illustrates the limitations of their economic strength in relation to the magnitude of the housing problem. In each country, only a major reduction in industrial expansion would release adequate resources for improvement of housing. None of the Satellites has indicated any willingness to undertake such a course, and consequently the housing problem will continue to plague the Satellites for a very long period.

A major factor prolonging the housing problem in the European Satellites is the rapid rate of deterioration of urban dwellings caused in large measure by neglect of repairs and maintenance of dwellings. The deterioration problem is cumulative and will continue to get worse because the Satellites seem unwilling or unable to cope with the problem adequately.

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I. Introduction.

As an aftermath of World War II, major housing problems existed both in Western Europe and in the European Satellites. In recent years the countries of Western Europe, however, have been overcoming their deficiencies in housing through expanded programs of construction and repair. In contrast, housing in the European Satellites either has deteriorated considerably or has remained substandard. The outlook for housing in Western Europe, moreover, is for continued progress. For the Satellites the outlook is for continued deterioration of housing in several of the countries and for long-term continuation of urgent housing problems in all the countries. Throughout this report the greatest emphasis is given to housing in urban areas, for in the expanding cities and towns of the European Satellites discontent with housing has been most widespread and the effect of poor housing on economic development has been greatest.

All the Communist governments in the European Satellites inherited major housing problems. With the exception of East Germany, housing deficiencies existed even before World War II. The destruction of dwellings during the war and the curtailment of normal construction and repair of dwellings aggravated existing shortages throughout the Satellites and created an acute shortage in East Germany.

At the start of the first long-term economic plans the Communist governments of all the European Satellites probably recognized that an urgent need for a greatly increased number of urban dwellings would arise during the period of the plans. Shortages of dwellings in cities and towns already were considerable. Large increases in urban population were expected during the plans (with the possible exception of East Germany) as a result of high birthrates, rapid industrial expansion, and overpopulation of rural areas. Existing dwellings, moreover, were deteriorating at a rapid rate because of old age and neglect of essential repairs. Under the plans, nevertheless, the housing needs of the population were considered of secondary importance, as were all other consumer needs, and the highest priority in the use of economic resources was given to the expansion of heavy industry. In each Satellite the government probably decided that the perpetuation of depressed housing in urban areas and even the deterioration of existing housing was necessary for rapid industrial growth. In effect, the Satellites embarked on the course followed by the USSR throughout most of its history.

It is believed that the urban housing programs under the first long-term plans were considered to be minimum programs in terms of basic needs of key economic areas and essential propaganda needs. In most instances, nevertheless, even these minimum programs were underfulfilled. The over-all construction programs of most of the countries

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were too ambitious in view of the available economic resources. When the more important construction projects (from the Communist point of view) fell behind schedule, labor and materials originally scheduled for construction of urban dwellings were diverted to construction of factories, warehouses, and office buildings. Planned programs for the repair and maintenance of urban dwellings were inadequate and consistently were underfulfilled.

As a result of the inadequacy of construction and repair of dwellings since the launching of the first long-term plans, urban housing has deteriorated sharply in Bulgaria, Hungary, Poland, and Rumania. In all four countries, not only did overcrowding increase, but the quality of available dwellings declined. The deterioration in housing in Czechoslovakia since the beginning of its First Five Year Plan has been relatively slight. Discontent with housing in Czechoslovakia, however, has increased because the standard of housing demanded by the urban population has risen. In East Germany, housing has improved slightly since the start of the East German First Five Year Plan, primarily because of large population losses resulting from emigration to the West. Housing in East Germany, however, remains very poor in comparison with housing before World War II in the same area.

Throughout the European Satellites, poor housing in urban areas is among the worst problems of daily living for the population. Although urban housing generally had been poor in the Satellites, in the postwar period, despite Communist promises, housing for the urban population has become even worse. Except in Czechoslovakia, existing housing does not meet even the minimum standards sought by urban residents. Overcrowding in the Satellites is general and for large segments of the population intolerable. In the 19th century, European hygienists estimated that the minimum amount of living space per person consistent with the maintenance of proper health was 9 square meters (sq m). In the 20th century, several European countries, including the USSR and Bulgaria, adopted the minimum of 9 sq m in their housing codes. 1/*In 1958, in all the Satellites except Czechoslovakia the average amount of living space per person in urban areas is less than the widely accepted minimum (see Figure 1**).

Overcrowding is not the only problem of housing that people of the European Satellites must endure. Lack of privacy in dwellings is very widespread. In some countries, most urban families must share dwellings with one or more families, and many families even must share a single dwelling room with outsiders. The quality of many of the dwellings in use in the cities and towns of urban areas is appalling. Because of

** Following p. 2, above.

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the shortage of dwellings thousands of dangerously deteriorated dwellings have been kept in use, and dwellings in various stages of disrepair are very widespread in the Satellites.

Housing in the urban areas of Czechoslovakia is clearly superior to housing in the urban areas of the other European Satellites. The average amount of living space per person in urban areas in Czechoslovakia in 1958 is about 11.5 sq m.* Housing in Czechoslovakia also is superior in terms of privacy in dwellings and of the quality of dwellings. The Czechoslovaks, nevertheless, complain that the dwellings available are much too small and out of date to meet their needs.

East Germany and Hungary rank clearly below Czechoslovakia but above the other European Satellites in terms of current housing. The average amount of living space per urban resident in East Germany is about 8.1 sq m and in Hungary about 8.0 sq m.

The average amount of living space per urban resident in Poland is less than 7.0 sq m. The problems of lack of privacy in dwellings and of dangerously substandard dwellings are substantially greater in Poland than in Hungary or in East Germany.

The worst urban housing is in Bulgaria and Rumania. The average amount of living space per person in urban areas in Bulgaria is about 5.0 sq m and in Rumania even less. In both countries the sharing of dwellings by several families is almost universal, and the use of dwellings of very poor quality is widespread.

Substandard urban housing is one major factor contributing to popular discontent with the Communist governments of the European Satellites and with their policies of rapid industrial expansion at the expense of consumer welfare. Poor housing in itself, however, is not likely to disturb the status quo in the Satellites.

Discontent with housing is very widespread among young people. Because of the shortage of dwellings, large numbers of young couples in the European Satellites are compelled to delay their marriages, marry and live in separate places, or marry and live with relatives in already overcrowded dwellings. Discontent also is general among doctors, lawyers, engineers, and other professionals, who remember the quality of housing

* The figure for living space per person for urban areas in each country is an estimate. The estimates were made for January 1958. For methodology, see Appendix A. The numerical data in the text of this report are rounded to no more than three significant digits. All ratios, averages, and totals used in the text and in the tables are derived from unrounded data whenever available.

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which their class enjoyed in prewar days and contrast it with the housing that they must tolerate today.

Discontent with housing is related as much to the standards of housing expected by the population as to the absolute level of housing in a country. The degree of authoritarian control over the population and the submissiveness of the population to this control may be additional factors which determine the acuteness of discontent with housing.

It is believed that discontent with urban housing is greatest in Poland, East Germany, and Hungary. Discontent is believed to be most acute in Poland where the existing level of housing falls far below even the modest expectations for housing of the population. The Poles, moreover, are free to voice their discontent. The decline in housing since prewar days has been sharpest in East Germany, and the East German population has the model of superior housing in West Germany. Many of the people most discontented with the low levels of living in East Germany, however, already have taken advantage of the "escape valve" to the West. The Hungarians have found housing deteriorating despite their strong desires for improved housing and generally have been able to voice their discontent.

It is believed that there is less discontent with housing in Czechoslovakia than in Poland, East Germany, and Hungary. The Czechoslovaks, with the best housing in the European Satellites, do demand better housing than is available. The minimum housing standards of the people, however, generally are met, and there is a tradition among the population of submissiveness to authority.

Although very poor housing is general in Rumania and Bulgaria, it is believed that there is not so much discontent as in Poland, East Germany, and Hungary, because in both Bulgaria and Rumania the urban population is accustomed to very low levels of housing, largely is inured to economic hardship, and is submissive to authoritarian controls. Moreover, a large portion of the urban population recently was removed from rural areas where housing was extremely poor.

The inadequacy of housing also is a major factor contributing to the labor problems which impede economic progress in the European Satellites. Housing problems reduce productivity of workers and increase turnover of workers, especially in expanding industrial and mining centers. Shortages of dwellings also aggravate problems of unemployment and immobility of labor. In the Satellites it is not only unskilled workers in industries of secondary importance to the economy who are affected by the housing problem but also engineers, technicians, and foremen in essential industries.

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Housing in rural areas in the European Satellites generally is as bad as or worse than housing in urban areas. The housing standards of the rural population, however, are lower than those of their urban countrymen. Under Communist rule, construction of dwellings in the villages has been left primarily to the peasants, but the availability of first-class materials for construction and repair of dwellings in villages has been limited strictly. The size of the rural population in all the Satellites, however, has decreased or remained relatively stable, and the peasants generally have been more successful in maintaining their previous levels of housing than have the urban populations, which have had to depend primarily on state-sponsored construction. Discontent with rural housing does exist, especially in Poland, in which even rural housing has declined sharply under Communist rule. In most of the Satellites, however, housing is not a major cause of discontent in the villages.

It is believed that the Communist governments of the European Satellites always had recognized the harmful effect of neglect of housing. The neglect had continued because of the single-minded concentration on industrialization. However, by 1956, the beginning of new 5-year plans in all of the Satellites except Bulgaria, the Communist governments had become seriously concerned about the political and economic consequences of continued neglect of housing. The new plans, consequantly, promised greatly increased attention to housing. Prospects for 1956-60, nevertheless, are for no appreciable improvement in housing in East Germany and Czechoslovakia and for further deterioration of housing in Hungary, Poland, and Rumania. Urban housing in Bulgaria probably will improve somewhat by 1960 but will remain wholly inadequate.*

The failure of the European Satellites to plan any appreciable improvement in urban housing by 1960 illustrates the limitations of their economic strength in the face of the dimensions of housing problems. Whatever other concessions the Communist governments may choose to make in the line of consumer welfare, housing problems will continue to plague the Satellites for a very long period. More than with other facets of consumer welfare, an expansion of construction of dwellings would drain essential materials and skilled labor from industrial projects. Because of past neglect of housing, only a major reduction of plans for further industrial expansion would release sufficient resources for more than a token improvement, and none of the Satellites has indicated any willingness to undertake such a course. Poor housing in the European Satellites will be the most lasting evidence of the damage to consumer welfare caused by Communist emphasis on rapid industrial growth.

* For a discussion of the prospects in each country, see subsections F and G of II through VII, below.

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A major factor which will prolong the housing problem in the European Satellites is the rapid rate of deterioration of urban dwellings. A large proportion of the urban dwellings in the Satellites is old and poor in construction, and, consequently, the rate of loss through deterioration naturally would be high. Years of neglect of essential repairs and of maintenance of dwellings has aggravated the problem of decay.

Under Communist rule, rents of dwellings have been maintained by law far below the level of return needed for upkeep and replacement of existing dwellings. The Communists have favored low rents as a means of fostering low wages. Although the governments have assumed the burden of supplying additional funds for the repair of dwellings, they have preferred to publicize construction of new dwellings rather than to invest in repair and upkeep of existing dwellings. As a result, funds for repairs always have been inadequate. Of the funds allotted for repairs, moreover, much money has been diverted to other purposes.

For 1956-60, increased attention to repair of dwellings has been promised in all the European Satellites. Because the problem of decay is cumulative, it is believed that deterioration of dwellings will become an even greater problem by 1960 in most Satellites.

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II. Poland.

A. General.

The housing problem in Poland in 1958 is believed to be the most critical in the European Satellites in terms of the number of people acutely discontented with their housing and the seriousness of the effect of inadequate housing on economic development. According to Polish officials, the deplorable housing in both urban and rural areas constitutes "the most painful and grievous problem" in the daily lives of the Polish people. Overcrowding in Polish dwellings is general and severe; privacy in dwellings, especially in urban areas, is practically nonexistent; and the quality of dwellings is very poor.

Housing in Poland always has been poor. Widespread destruction during World War II aggravated a housing problem that was already serious. Losses of population during the war and immediate postwar periods and efforts at reconstruction during 1945-49 served to offset wartime losses of dwellings. During the Six Year Plan (1950-55), however, the housing needs of the population, similar to other consumer needs, were subordinated to the needs for development of heavy industry. Consequently, housing in Poland deteriorated markedly.

By 1956, government officials had come to recognize the acuteness of the housing problem in Poland in terms of its effect on economic development and political stability. An improvement of housing was made "a basic task" of the Five Year Plan (1956-60). Despite increased expenditures for construction and repair of dwellings, further deterioration of urban housing in Poland is unavoidable.

B. Prewar, War, and Reconstruction Periods.

The Communist government of Poland inherited a serious housing problem, which resulted primarily from the very poor housing that existed in Central Poland* before World War II and the widespread wartime destruction of dwellings throughout the territory of postwar Poland. Housing in Central Poland in the prewar period ranked among the worst in Europe. The average number of persons per dwelling room (kitchens included) in urban areas during the 1930's was approximately two. Extreme overcrowding was general among working class families. In addition, the quality of Polish housing, in terms of construction and availability of utilities, was very poor. Housing in the

* The term Central Poland as used in this report designates that part of postwar Poland which was part of prewar Poland.

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Incorporated Territories* during the prewar period was far superior to that in Central Poland. The average number of persons per dwelling room in the urban areas of the Incorporated Territories in 1939 was only 1.3. For all of present-day Poland the average in 1939 is estimated to have been 1.67 (see Table 1**). Housing in the rural areas of both Central Poland and the Incorporated Territories was inferior to housing in the respective urban areas both in the quantity and in the quality of available dwellings. $\underline{2}/$

During World War II, almost 40 percent of the prewar urban dwelling rooms of the present territories of Poland were destroyed completely or rendered uninhabitable as a result of severe damage. In all, more than 2.8 million of 7.25 million prewar urban dwelling rooms were lost. The destruction was greatest in the Incorporated Territories, in which 60 percent of prewar urban dwelling rooms were lost, and in the city of Warsaw, in which 56 percent of the prewar rooms were lost. Losses of dwelling rooms in rural areas as a result of military action, although not as great as urban losses, also were considerable. 3/

Poland also suffered heavy losses of population during the war and immediate postwar periods. Consequently, despite the heavy losses of dwelling rooms the average number of persons per room in Poland in 1946, according to the census of that year, was 1.7 (see Table 1**), or approximately the same as in 1939. The national average of persons per dwelling room, however, in no way indicated the extreme nature of the housing crisis in Poland immediately after the war, for the regional distribution of rooms did not match the distribution of population. In the towns and cities of the Incorporated Territories, housing was much worse than before the war but was not serious by Polish standards. In Warsaw and the other major urban centers of Central Poland, in contrast, the shortage of dwelling rooms was extreme. Overcrowding was greater than before World War II, and tens of thousands of families were forced by the shortage of dwelling rooms to live in makeshift and bombed-out quarters which were totally unfit for human habitation. 4/

Attention to construction and repair of dwellings in Poland during 1945-49 apparently alleviated the housing emergency. For the 5-year period of reconstruction the Poles claim that 810,000 urban dwelling rooms were made available, primarily through reconstruction repairs.*** 5/

* The term Incorporated Territories as used in this report designates that part of postwar Poland which was annexed from Germany in 1945. The former free city of Danzig also is considered part of the Incorporated Territories.

** P. 18, below.

*** The term reconstruction repairs as used in this report refers to the process by which dwellings which were previously uninhabitable are made habitable through major repairs.

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C. Six Year Plan (1950-55).

1. Urban Housing.

1

a. Introduction.

The major concern in housing of the Polish government during the Six Year Plan (1950-55) was urban housing, for it was in the cities, towns, and workers' settlements of Poland that the industrial development planned for the period was to take place. Despite the progress in housing made during the period of reconstruction, the housing problem in the urban areas of Poland in 1950, the opening year of the Six Year Plan, still was serious. There were indications, moreover, that the problem would become worse during the plan unless there was a massive program of construction and repair of dwellings.

By January 1950, according to official data, the average number of persons per urban dwelling room* had dropped to 1.57 (see Table 1**). As in 1946, however, the distribution of dwellings and of population did not always coincide. In the Incorporated Territories the average number of persons per urban dwelling room was 1.3. In some towns, already abandoned by the former German residents and not yet repopulated by Poles, there were more dwelling rooms than residents. In Central Poland, however, the average number of persons per urban dwelling room was more than 1.7 for the area as a whole and 2 or more in several of the major cities, including Warsaw. The above figures represent only average densities of room occupation, and numerous families in Central Poland lived five or more per dwelling room. In addition, as in 1946, tens of thousands of families lived in very substandard dwellings, including garages, cellars, attics, shacks, caves, and decayed and even bombedout buildings. 6/ According to the estimates of Polish housing authorities, in 1950, 500,000 urban families, about 15 percent of the total number of urban families, were without adequate dwellings. 7/ Such an estimate would place the urban housing shortages in 1950 at approximately 1 million dwelling rooms.

Polish planners were aware that the urban population would increase greatly during the Six Year Plan. The birthrate of postwar Poland was one of the highest in Europe. In addition, the rapid industrial expansion planned for the period would impel hundreds

* The term <u>dwelling room</u> as used in Poland includes all enclosed areas of 6 sq m or more of floorspace (including kitchens). ** P. 18, below.

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of thousands of peasants to abandon the overpopulated countryside and to migrate to expanding towns and cities. It was clear in 1950 that such increases in population would place a tremendous strain on the already inadequate urban housing.

In estimating urban housing needs for the Six Year Plan, Polish planners had to consider not only existing shortages and the press of new population but also probable losses in dwellings as a result of deterioration. Polish dwellings were generally old and, in Central Poland, of poor construction. During World War II, necessary repairs and maintenance of dwellings had been neglected, and damage to dwellings from military action had been very widespread.. During the period of reconstruction, energies had been concentrated on making available as many additional dwellings as possible, and once again essential repairs were neglected. As a result of age, poor quality, and long-term neglect of dwellings, tens of thousands of dwellings could be expected either to collapse completely or decay beyond repair during the plan period.

b. Results.

The housing program in Poland for urban areas under the Six Year Plan called for state construction of 724,000 dwelling rooms and nonstate construction* of 62,000 dwelling rooms. 8/ The combined total of 786,000 dwelling rooms planned was unquestionably too small merely to maintain the prevailing inadequate housing standards of 1950. Even if all of the rooms planned were to be applied to meet the needs of new urban residents at an average of 1.57 persons per dwelling room (the 1950 average), a population increase of only 1,230,000 would have been accommodated, compared with an actual increase of 2.2 million in urban population during the plan. The inadequacy of the urban housing program adopted for the Six Year Plan reflects the very low priority assigned under the plan to housing. During the plan, there was to be a major expansion of the Polish construction industry. 'The construction needs of industry, however, were made paramount, and the proportion of the economic resources of Poland devoted to housing was to be restricted, for the most part, to the minimum necessary to meet the most pressing needs of areas of planned industrial expansion. 9/

* Unless otherwise indicated, the term <u>nonstate construction</u> as used in this report refers to construction both by private individuals and by cooperatives composed of private individuals, either with or without state financial assistance. Construction by cooperatives which are organized by the state as parts of institutions run by the state -for example, trade unions -- generally is treated as state construction.

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According to official Polish reports a total of 818,000 urban dwelling rooms were constructed during the Six Year Plan, 4 percent more than the number planned for the period. Of the total reported, however, 113,000 so-called dwelling rooms consisted of space in worker and student barracks, calculated at 1 room per 100 cubic meters (cu m) of space. The actual number of family dwelling rooms provided was 705,000. Of the latter total, 52,600 resulted from reconstruction repairs.

The state construction sector provided 761,000 urban dwelling rooms during 1950-55, 5 percent more than the number planned. The nonstate sector provided 57,000 urban dwelling rooms during the period, 92 percent of the number planned.* Because state plans for urban construction were exceeded each year during 1950-53, the total urban housing goals for those years also were exceeded. During 1954-55, however, state plans were seriously underfulfilled, and the total urban housing goals for those years were not attained. Total urban construction increased from 123,000 dwelling rooms in 1950 to 166,000 rooms in 1955 (see Table 2**). For 1955, 190,000 dwelling rooms had been planned. It is believed that the new course*** policy, launched in the European Satellites in 1953, had no significant effect on construction of dwellings in Poland.

Difficulties in state construction during 1954-55 resulted from inadequate supplies of construction materials, shortages of skilled labor, low productivity by workers, and organizational and planning deficiencies. Nonstate construction was hampered seriously by the lack of government cooperation which prevailed throughout most of the plan and the consequent difficulty in obtaining adequate construction materials. In 1955, when the government began to encourage nonstate construction in urban areas, 18,100 dwelling rooms were constructed, many more than had been planned for the year. 10/

Although the program for urban housing for 1950-55 was exceeded slightly, the number of dwelling rooms turned over to the population during the period was grossly inadequate compared with actual needs in urban housing. During 1950-55, 818,000 urban dwelling rooms were gained through construction and reconstruction repairs. It is

* Included under nonstate construction are 7,800 dwelling rooms constructed by nonstate builders with state financial assistance. In some Polish sources these rooms are included under state construction.

** P. 26, below.

*** The term <u>new course</u> as used in this report refers to the changes. in policy launched in the Satellites after the death of Stalin in 1953, one purported purpose of which was to improve consumer welfare.

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estimated that during the same period approximately 200,000 dwelling rooms were lost as a result of deterioration and destruction.* The net gain in urban rooms, therefore, was approximately 618,000. The urban population increased during the period by 2.2 million. $\underline{12}/$ Consequently, only 1 dwelling room was made available for every 3.6 additional residents, compared with the 1950 standard for the population of 1 room for every 1.57 residents. As shown in the accompanying chart, Figure 2,** and in Table 3,*** at the 1950 standard, only 44 percent of the increase in population would have been accommodated by the net gain in dwelling rooms. In addition to the marked increase in overcrowding, the number of families living in substandard dwellings greatly increased during the period. The program for housing repair undertaken during the period was completely inadequate, and because of the severe housing shortage hundreds of thousands of dangerously deteriorated rooms were continued in use. $\underline{13}/$

2. Rural Housing.

Although more than one-half the Polish population lives in rural areas,**** the problems of rural housing were almost completely neglected by the Polish government during the Six Year Plan, under which no program for state or private construction of rural dwellings was published. The government policy of neglect reflects the secondary position assigned to agricultural development under the Six Year Plan. Actually, housing in rural areas in 1950, in respect to both overcrowding and the prevalence of substandard dwellings, was far worse than housing in urban areas. In the rural areas of Poland the average number of persons per dwelling room in 1950 was approximately 2, and the average for Central Poland probably was considerably higher than 2. The rate of deterioration of the old, poorly constructed, and long-neglected rural dwellings was very high. <u>15</u>/

For the most part, the peasants were left to meet their housing needs by their own means. Government allocation of resources, however, severely restricted the supplies of construction materials delivered to rural areas. Construction by peasants during the entire 6-year period consequently totaled only 263,000 dwelling rooms. The state restricted its construction activity to state farms, on which it constructed 118,000 rooms. Housing in rural areas deteriorated considerably during the period. Housing authorities estimated the

** Following p. 16.

*** P. 27, below.

**** Of the over-all Polish population, in January 1950, 64 percent resided in rural areas and in January 1956, 56 percent. By Polish usage, all areas not included under cities, towns, and workers' settlements are considered rural. 14/

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^{*} This estimate is based on source 11/.

Figure 2

URBAN DWELLING ROOMS MADE AVAILABLE

POLAND



1950-57



(a) Net gain in urban dwelling rooms, as percentages of rooms needed to house increases in population, at the 1950 average of 1.57 persons per room.

(b) Totals are derived from unrounded data and may not agree with the sum of the rounded components.

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needs for replacement of decayed rural dwellings at 150,000 dwelling rooms per year, or 900,000 for the period, compared with a total of only 381,000 rooms constructed. Because of the inadequacy of the construction program, only dwellings which collapsed completely were actually retired from use. Nevertheless, the number of dwelling rooms lost may have exceeded the number of rooms constructed, whereas the number of rooms in deteriorated condition increased sharply. The lack of construction materials for even minor repairs further aggravated the housing problem in rural areas. 16/

- D. 1956-58.
 - 1. Urban Housing.
 - a. Nature of the Housing Problem.

Polish officials admit that urban housing problems became more serious as a result of the inadequacies of the housing program during the Six Year Plan. The official expression of the extent of the decline in housing is the rise in the official index of persons per dwelling room from 1.57 in January 1950 to 1.7^4 in January 1956. <u>17</u>/ During the same period the average number of persons per urban room increased from 1.3 to 1.5 in the Incorporated Territories and from 1.7 to 1.9 in Central Poland, as shown in Table 1.*

Official Polish statistics on housing, even if accurate, do not begin to express the severity of the housing problem from the point of view of the urban population. The general standard of room occupancy desired by urban dwellers in Poland is believed to be two persons or less per sleeping room.** The number of sleeping rooms in Poland is considerably lower than the total number of dwelling rooms because kitchens and other rooms too small for beds and kitchens shared by more than one family are counted as dwelling rooms by housing authorities. It is estimated that if only sleeping rooms were counted, the average number of persons per room in the urban areas of Poland would be more than 2 and in Warsaw and in the other major urban centers of Central Poland close to 2.5.***

Overcrowding in Polish dwellings is nearly universal. The typical urban dwelling in Poland consists of 2 or 3 dwelling rooms. In most instances, one family occupies each sleeping room in the dwelling, and kitchens and bathrooms, when present, are shared. In many

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^{*} Table 1 follows on p. 18.
** Based on source 18/.
*** Based on source 19/.

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Table 1

Average Number of Persons per Dwelling Room a/ in the Urban Areas b/ of Poland January 1939, February 1946, January 1950, January 1956, and January 1958

Date	<u>Central Poland C</u>	Incorporated Territories <u>C</u> /	Postwar Poland d/
January 1939	2.0	1.3	1.67
February 1946	1.8	1.4	1.69
January 1950	1.7	1.3	1.57
January 1956	1.9	1.5	1.74
January 1958	1.9	1.6	1.79

a. The term <u>dwelling room</u> as used in this table includes all enclosed areas of 6 sq m or more of floor space (including kitchens). b. Based on official data on housing and population. According to official usage, the term <u>urban</u> includes cities; towns; and, after World War II, workers' settlements. For methodology, see Appendix A. c. The term <u>Central Poland</u> as used in this table designates that part of postwar Poland which was part of prewar Poland. The term <u>Incorporated Territories</u> designates that part of postwar Poland which was annexed from Germany in 1945. The former free city of Danzig also is considered part of the Incorporated Territories.

d. These data have been carried out to three digits to indicate more clearly changes in the average density of room occupation.

cases the number of occupants in each sleeping room is limited only by the number of persons in each family, and reports of five and more persons to a single dwelling room are commonplace in Poland. 20/ Almost no information is available on the average amount of living space per urban resident in Poland. It is estimated, however, that the average is approximately 7 sq m of living space (floorspace of sleeping rooms) per person.*

Privacy in urban housing is practically nonexistent in Poland, inasmuch as sharing a dwelling with strangers is the rule for most urban families. According to Polish estimates, the number of households in urban areas exceeds the number of dwellings by 40 percent. Even sharing a sleeping room with strangers is not uncommon.

* Based on source 21/.

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Moreover, hundreds of thousands of workers are forced by the shortage of dwellings to live in workers' barracks separated from their families. Thousands of young married couples never have lived together, because of the unavailability of living quarters which they could share, and divorced people often are forced to continue sharing the same room because of the impossibility of securing alternate quarters. 22/

As oppressive to the Poles as overcrowding and lack of privacy is the widespread necessity to use dwellings which even the government recognizes as dangerous to the health and safety of the occupants. A decade after the end of World War II, tens of thousands of families are still living in patched-together shelters in bombed-out buildings and in caves, hovels, huts, attics, and cellars. Of even greater importance, hundreds of thousands of families are living in dangerously deteriorated dwellings, and the number of such families increases every year. The repair programs undertaken since 1950 have taken care of only a fraction of the dwellings needing capital repairs to avert major decay. Of the decayed dwellings, few are taken out of use until they actually collapse. Disrepair of dwellings is universal throughout Poland. Even in dwellings constructed during the postwar period, roofs leak, stairways sag, doors and windows do not work properly, and sanitary facilities are out of order. 23/

The exact extent of the urban housing problem in Poland is difficult to measure. It is estimated, however, that as many as 30 percent of the 13 million urban residents in 1958 live under conditions which represent severe hardship in their daily lives in terms of extreme overcrowding, dangerously substandard dwellings, and involuntary separation from family.*

b. Warsaw.

The housing problem in Warsaw is one of the worst in all Poland, although some improvement was reported during 1956-57. In December 1957 the official average number of persons per dwelling room in Warsaw was 1.9, compared with 2.1 in January 1956. The conversion to dwelling purposes of a large number of rooms formerly used as offices has contributed to the improvement of housing. Housing, nevertheless, remains critical, especially for the very large proportion of the population which resides in dwellings constructed before World War II. The average number of persons per sleeping room for all Warsaw in 1957 probably was close to 2.5, and the average for persons residing in prewar housing probably was greater than 2.5. The housing shortage is so severe in Warsaw that even high ranking bureaucrats are affected.

* Based on source 24/.

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It is not uncommon for a privileged official and his family to live 3 or 4 to a sleeping room. No improvement has been registered in the problem of decay of dwellings. $\underline{25}$ / Despite the progress reported for 1956-57, it is unlikely that any substantial improvement in over-all housing in Warsaw will result during the next few years.

2. Rural Housing.

Few official statistics are available on housing in the rural areas of Poland. It is known, nevertheless, that housing is even worse in rural areas than in urban areas. In 1950 the average number of persons per rural dwelling room was close to 2 and by 1956 greater than 2. The rural shortage of dwellings is greatest in Central Poland. In the province of Kielce, for example, approximately 40 percent of all the dwellings in rural areas consist of only 1 dwelling room, for which the average number of occupants is 4.3. The quality of rural dwellings, which was very poor in 1950, deteriorated considerably during the Six Year Plan. By 1956, hundreds of thousands of rural families occupied dwellings which were in a state of ruin. 26/ Less publicity has been given by the Polish government to the housing plight of the rural population than to that of the urban population. Even though the housing standards of the rural population are not so high as those of the urban population, the existence of dissatisfaction and irritation over housing nevertheless is very widespread in the Polish countryside.

E. Effect of the Housing Problem on Political Stability and Economic Development.

1. Political Stability.

The housing problem is a major economic factor arousing the antagonism of the Polish population, both urban and rural, against the Communist government. For most Polish families the struggle to maintain a minimum level of subsistence is extremely burdensome. Consequently, once a family obtains housing facilities which afford the minimum conditions of safety and health, the housing problem becomes just one of many oppressive economic problems of everyday living. However, for the hundreds of thousands of Poles to whom housing is the major problem of living, housing may be the primary spur to anti-Communist attitudes. Dissatisfaction with housing generally is most acute among engineers, architects, doctors, lawyers, and other professionals who constantly contrast their present inadequate dwellings with dwellings of their class before World War II. Discontent also is very widespread among newly married couples who find it very difficult to secure adequate housing. 27/

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The Communist policy of allocating available dwellings almost exclusively to high government and Party officials, Stakhanovite workers, police and military officers, and others favored by the regime has especially provoked bitterness among those Poles who do not rate preferential treatment. Since 1956, there has been some modification of the official policy on allocations, and it has become more often possible for the ordinary citizen in desperate housing straits to be allocated a dwelling. Bitterness against the government policy on allocations, however, has remained. Since the breakdown of authoritarian governmental controls in 1956, disturbances and even riots have resulted when Poles without official authorization have occupied vacant dwellings and have resisted the efforts of authorities to

Besides provoking a general antiregime attitude, poor housing conditions also cause opposition to specific governmental policies which only indirectly are related to housing. For example, there is a distinct resentment among many Poles against the governmental policy of unlimited repatriation of Poles from the USSR and from the West, for repatriates often are given top priority in the assignment of available dwellings. In addition, one factor involved in the anti-Semitism which has been rampant in Poland, despite government efforts to curtail it, is the desire of Poles to secure the dwellings of Jews who may be forced to leave the country. <u>29</u>/

2. <u>Economic Development</u>. *

Since 1956, Polish officials have expressed concern over the effect of the housing problem on Polish industrial and agricultural development. Depressing and unhealthy housing adversely affects the productivity of the individual worker. The lack of adequate housing in an area adversely affects the output of a factory or even of an entire industry. In Poland it is not only the unskilled laborers in industries of secondary importance to the national economy who are poorly housed but also engineers, foremen, and highly skilled operators in key industries. The vital coal-mining industry, key to the future economic development of Poland, for example, has been considerably affected by housing problems. The shortage of dwellings in mining areas, in the face of a large expansion in the size of the mining labor force, has forced large numbers of mine workers of all categories to live in overcrowded and unpleasant barracks. Still other workers are forced to commute to the mines from distant towns and villages. Almost onehalf of the mining force in 1957 was housed inadequately, according to mining authorities. The housing problem is a key factor contributing to the labor shortages and to the excessive turnover and low productivity of workers which afflict the industry. A solution of the housing problem is considered essential to the solution of labor problems,

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but little in the way of improvement of housing in mining areas is expected during the next few years. <u>30</u>/ Paradoxically, the construction industry itself has been hampered by the housing problem. Particularly in the new socialist towns of Nowa Huta and Nowe Tychy, construction schedules have bogged down as a result of low productivity and excessive turnover of workers, both resulting in large measure from housing problems. <u>31</u>/

Housing problems also aggravate the problem of distribution of labor in Poland. During 1956-58, unemployment in the major cities of Poland increased considerably, although there were many Polish towns which had their economic development stifled by shortages of workers that were directly related to shortages of dwellings. <u>32</u>/ Housing problems also affect adversely the availability and productivity of agricultural workers. Inadequate rural housing has been cited by Polish officials as a major factor in the excessive exodus of peasants from the countryside to the city since 1950. As a result, shortages of workers now exist in some rural communities, especially in the Incorporated Territories. Agricultural officials have called for an improvement of rural housing as a factor necessary for the fulfillment of plans for increased agricultural production during the Five Year Plan (1956-60). <u>33</u>/

Poor individual health in Poland has resulted in lower productivity of workers. Polish officials have cited overcrowded and unsanitary dwellings as contributing to the poor health prevailing among peasants, laborers, students, and even nurses. An explicit relationship has been made by Polish authorities between poor housing and the continued high incidence of tuberculosis in Poland. 34/

F. Five Year Plan (1956-60).

1. Urban Housing.

a. Plans.

By 1956, Polish officials admitted that urban housing had become critical. An improvement in urban housing consequently was made a basic task of the Five Year Plan (1956-60). The housing program proposed for 1956-60 called for construction of 1.2 million dwelling rooms in urban areas, compared with the 694,000 rooms actually provided during the 5-year period 1951-55. In addition, considerable increases in expenditures for repairs and maintenance of dwellings were promised for the new plan. 35/

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The government of Wladyslaw Gomulka, which came into power in October 1956, promised that special attention would be devoted to a "radical improvement" in Polish housing. Gomulka himself has stated that increased urban housing is the most "urgent necessity" of Polish life. <u>36</u>/ The Gomulka government, however, has not raised the goal for construction of urban dwelling rooms under the Five Year Plan.

It is believed that the housing program for 1956-60 will not prevent a further decline in urban housing in Poland. Most Polish officials predict that the program will lead to a slight improvement in urban housing by 1960 or at least will prevent a further decline in housing. 37/ Such predictions apparently consider only the quantitative level of housing. The 1956-60 housing program may preserve the average number of persons per urban dwelling room at the January 1956 level of 1.74* but only by continuing in use hundreds of thousands of dwelling rooms which will deteriorate beyond repair during the period. Several Polish housing officials have insisted that construction of 2.5 million dwelling rooms during 1956-60 is essential to maintain the level of housing of 1956. Such officials consider the need to replace rooms which decay beyond repair as well as rooms which are actually retired from use. 40/ The planned total of only 1.2 million dwelling rooms will not prevent a very sharp increase in the number of urban residents living with housing which represents great hardship in their daily lives.

The key to the continuing problem of urban housing in Poland is the rapid rate of deterioration of dwellings. Repairs and maintenance of urban dwellings generally have been neglected in Poland since 1939. During 1950-55, according to Polish housing authorities, only a fraction of the amount needed was spend on repairs of dwellings. 41/ By 1956, hundreds of thousands of dwelling rooms had deteriorated beyond the point of repair (except by reconstruction repairs) and still were occupied only because of the shortage of dwellings. 42/ During 1956-60, according to some Polish housing officials, the number of such dwelling rooms will increase at a rate faster than the number of new rooms added. Whole neighborhoods in Lodz, Gdynia, and other cities are crumbling because of age and

* Of the 1.2 million urban dwelling rooms planned for 1956-60, 200,000 will be needed, according to housing authorities, to replace rooms lost through destruction or complete collapse. <u>38</u>/ The remaining 1 million rooms could house the increase in urban population during 1956-60 (estimated on the basis of source <u>39</u>/ as approximately 1,750,000) at 1.74 persons per room. A larger loss of dwelling rooms, a larger increase in population, or an underfulfillment of the construction plan -- and all of these events are possible -- would raise the 1956 average number of persons per dwelling room.

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neglect. 43/ Proposed repair programs, even if fulfilled, will not be adequate to arrest the deterioration. 44/ Moreover, repair programs in the European Satellites usually are not fulfilled.

Partly as a measure to combat the problem of deterioration of dwellings and partly to assure the fulfillment of the construction program of the Five Year Plan, the Polish government has reversed its traditional policy toward nonstate construction in urban areas from one of discouragement, or at best tolerance, to one of encouragement. According to the original version of the housing program for 1956-60, 200,000 dwelling rooms were to result from nonstate construction, mostly through a system of state financial assistance. 45/ During 1951-55, only 46,000 dwelling rooms had resulted from nonstate construction.* The Gomulka government has increased even further the role of private and cooperative construction in Poland. In 1957 the goal for nonstate construction for the Five Year Plan was raised to 310,000 dwelling rooms, or more than 25 percent of the total number of rooms planned for the period. 46/ In addition, provisions for the sale of state-controlled dwellings to private individuals or to cooperatives have been approved by the government in order to relieve the state of the burden of maintenance and repair of the dwellings transferred. 47/ In 1958 the government proposed a future revision of the rent system as an incentive to increased nonstate construction of new dwellings and improved maintenance of existing dwellings. 48/ Housing officials, however, expect no substantial relief of the housing problem in the near future through increased use of nonstate resources. 49/

b. Results, 1956-57.

For 1956, the opening year of the Polish Five Year Plan, there were promised 177,000 urban dwelling rooms, only a slight increase in comparison with the 166,000 actually provided in 1955. Although "extreme attention" was pledged for the launching of the new 5-year housing program, the 1956 housing plan was underfulfilled. According to official reports, 165,000 dwelling rooms were provided in 1956 (see Table 2**), 50/ 7 percent less than were planned for the year and 1,000 less than were provided in 1955. It is believed, moreover, that the reported total of dwelling rooms for 1956 included about 9,000 rooms gained through conversion of offices and military buildings to residential use. 51/ Previously, only rooms gained through new construction or reconstruction repairs were reported.

* Including 7,800 nonstate dwelling rooms constructed with state financial aid.

** P. 26, below.

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The worst bottleneck in Polish construction of dwellings in 1956, as in the past, was the shortage of construction materials. Shortages of skilled laborers, low productivity of workers, and poor planning and administration also were key factors involved in the failure of the plan for urban construction. 52/

For 1957, there were planned 197,000 urban dwelling rooms, including approximately 17,000 rooms which were close to completion at the end of 1956. 53/ According to official reports, 211,000 urban dwelling rooms were provided in 1957 (see Table 2*), 7 percent more than were promised for the year, 54/ and it is probable that once again rooms gained through conversion were counted in the total reported.

Despite the increase in the number of urban dwelling rooms provided, from 307,000 during 1954-55 to 376,000 during 1956-57, the net gain in rooms did not meet the needs of the new population (see Figure 2** and Table 3***), and the quantitative index of housing has continued to decline. According to official reports the average number of persons per urban dwelling room rose from 1.74 in January 1956 to 1.79 in January 1958 (see Table 1****). 55/ The increase in overcrowding was accompanied by a further decline in the quality of available housing.

2. Rural Housing.

No program for rural housing in Poland for the Five Year Plan has been published. Polish officials, however, in their recent statements on economic problems, have been paying greater attention to the housing needs of rural areas. As in the past, construction of dwellings in the rural areas during 1956-60 is to be left primarily to the private initiative of the peasants. The government, for its part, has promised much greater supplies of construction materials and increased financial assistance. 56/ Polish housing authorities have estimated that during 1956-60 270,000 dwelling rooms a year will be needed to meet the most pressing housing needs in rural areas. Merely to replace the rooms which are completely destroyed or which fall into a state of serious dilapidation would require 150,000 dwelling rooms each year. 57/

During 1956, there were many reports of a continued serious shortage of construction materials in rural areas. According to

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^{*} Table 2 follows on p. 26.
** Following p. 16, above.
*** Table 3 follows on p. 27.
**** P. 18, above.
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Table 2

Construction of Dwelling Rooms <u>a</u>/ in Poland <u>b</u>/ 1950-57

		Thousand Dwelling	Rooms
Year	Urban c/	Rural c/	Total
1950 1951 1952 1953 1954 1955 1956 <u>a</u> / 1957 <u>a</u> /	123.2 112.6 129.9 144.9 141.2 165.9 164.8 <u>e</u> / 210.8 <u>f</u> /	55.6 63.3 44.4 63.5 68.1 86.2 98.7 135.4	178.8 175.9 174.3 208.4 209.3 252.1 263.5 346.2

a. The term <u>dwelling room</u> as used in this table includes all enclosed areas of 6 or more sq m of floorspace (including kitchens).
b. Source <u>58</u>/, unless otherwise indicated. This table includes dwelling rooms gained through reconstruction repairs and space in worker and student barracks converted at 1 "room" per 100 cu m of space.

c. According to official usage, the term <u>urban</u> is used for construction in cities; towns; and, in the postwar period, workers' settlements. The term <u>rural</u> is used for construction in all other areas.

a. 59/

e. The official figure is believed to include approximately 9,000 dwelling rooms gained through conversion of offices and military buildings to dwellings (based on source <u>60</u>/). f. Probably includes dwelling rooms gained through conversion.

official reports, nevertheless, 98,700 rural dwelling rooms were completed during the year, 12,500 more than in 1955 (see Table 2). <u>61</u>/ Throughout 1957, reports by both Polish officials and Western observers indicated a greatly accelerated pace of construction of rural dwellings. <u>62</u>/ According to preliminary estimates by Polish officials, 135,000 rural dwelling rooms were completed in 1957, 37 percent more than in 1956. <u>63</u>/

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Table 3

Relation Between Dwelling Rooms <u>a</u>/ and Population in Urban Areas <u>b</u>/ in Poland 1950-57

Measures of Dwelling Rooms and Population	1950-55	<u> 1956-57</u>	<u>1950-57 c/</u>
Increase in urban population (thousand persons) Dwelling rooms needed to house increase in	2,200 <u>a</u> /	720 <u>e</u> /	2,920
population at 1950 average of 1.57 persons per dwelling room $f/$ (thousand rooms) Gross gain in urban dwelling rooms $g/$	1,400	459	1,860
(thousand rooms)	818	376	1,193
Dwelling rooms lost (thousand rooms)	200 h/	80 i/	280
Net gain in dwelling rooms (thousand rooms) Net gain in urban dwelling rooms, as percent- ages of rooms needed to house increase in	618 -	296	913
population at 1950 average (percent)	44	· 64	49

a. The term <u>dwelling room</u> as used in this table includes all enclosed areas of 6 sq m or more of floorspace (including kitchens).

b. Cities, towns, and workers' settlements.

c. Totals are derived from unrounded data and may not agree with the sum of their rounded components.

d. <u>64</u>/

e. <u>65</u> f. <u>66</u>

i. <u>69</u>/

g. <u>67</u>/. Gross gain is a result of new construction and reconstruction repairs. These figures include space in workers' and students' barracks converted at 1. "room" per 100 cu m of space. Figures for 1956-57 probably include rooms gained through conversion of office and military buildings to dwellings. h. <u>68</u>/. This loss is a result of destruction and deterioration and includes only rooms retired from use.

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G. Prospects.

Prospects for Polish housing are bleak. A critical housing problem will continue to plague the people, the government, and the economy of Poland for decades. Housing in urban areas will continue to deteriorate for years to come. Approximately 211,000 urban dwelling rooms were constructed in 1957. For 1960, 332,000 urban rooms are planned. In contrast, 500,000 urban rooms a year are needed, according to some housing authorities, merely to meet current population and replacement needs. Such a level of construction is not contemplated until 1963-64. <u>70</u>/ The inability of the Polish government to prevent further deterioration of urban housing, despite frequent pronouncements about the vital importance of improving housing, reflects both the magnitude of the housing problem and the very weak condition of the Polish economy.

If the emphasis on increasing rural construction revealed in 1957 is maintained, it is possible that by 1960 the number of dwelling rooms constructed each year in rural areas will be sufficient to meet current needs for replacement and for new population and thereby to avert a further decline of housing. The rapid expansion of urban housing planned for 1959-60, however, may cut down the resources available for the further expansion of rural construction. In any case, it will not be possible, for a very long period, to undo the damage to rural housing of years of neglect.

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III. Czechoslovakia.

A. General.

The general level of housing in Czechoslovakia in 1958 is considerably higher than the level prevailing in any of the other European Satellites. Nevertheless, Czechoslovakia has a housing problem which depresses the standard of living of the population and impedes the economic development of the country. The housing problem results partly from the high standard of housing demanded by the population. Very overcrowded and substandard housing does exist in Czechoslovakia but not nearly to the extent that it does in Poland. For the most part the complaints of the Czechoslovaks about housing are about dwellings which are too small and too old to provide the comforts demanded by the occupants and not about dwellings which affect the health and safety of the occupants.

To the Czechoslovaks, nevertheless, demanding as they do a higher standard of living than their neighbors in the European Satellites, the housing problem is very real. Especially in Prague and in rapidly expanding industrial and mining centers, people complain vehemently of undesirable housing. The government has acknowledged the legitimacy of popular grievances about housing and has admitted that something must be done to improve the situation. As yet, however, the government has not undertaken a housing program which would eliminate the conditions about which the population complains. During 1949-55, housing throughout the country actually deteriorated because of Communist emphasis on rapid industrial expansion and neglect of the housing needs of the population. The program for construction of dwellings proposed for 1956-60 probably will prevent any further decline of housing but will provide practically no relief of existing housing problems.

B. Prewar, War, and Reconstruction Periods.

Housing in Czechoslovakia before World War II, although not up to the standards of the industrialized nations of Western Europe, was superior to housing prevailing in the countries of Eastern Europe. In 1937 the average number of persons per dwelling throughout Czechoslovakia was approximately 4.1, <u>71</u>/ and the average number of persons per dwelling room, about 1.7 to 1.8,* as shown in Table 4.** Although

* Based on source <u>72</u>/. The term <u>dwelling room</u> as used in Czechoslovakia comprises main rooms of more than 4 sq m of floorspace and kitchens of more than 12 sq m of floorspace. ** Table 4 follows on p. 30.

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Table 4

Average Number of Persons per Dwelling and per Dwelling Room in Czechoslovakia <u>a</u>/

1937, January 1949, March 1950, January 1956, and January 1958

Persons

Date	Per Dwelling	Per Dwelling Room b/
1937	4.1	1.7 to 1.8
January 1949	3.44	1.55
March 1 9 50	3.42	1.54
January 1956	3.47	1.57
January 1958	3.43	1.56

a. For methodology, see Appendix A, p. 87, below.

b. The term <u>dwelling room</u> as used in Czechoslovakia comprises main rooms of more than 4 sq m of floorspace and kitchens of more than 12 sq m of floorspace.

housing was poorest in the rural areas of Slovakia, the major housing problem of the country, in the view of government officials, existed in the urban centers of Bohemia and Moravia. The working class lived under very crowded conditions in Prague and in other industrial centers. Dwellings in working class districts in Czechoslovakia probably were not so crowded, however, as dwellings in similar districts in Poland. Moreover, the quality of urban dwellings in Czechoslovakia, in respect to both construction and existence of utilities, was superior to that of Poland.

As in all the European Satellites, residential construction in Czechoslovakia was curtailed seriously throughout World War II, and necessary maintenance and repair of dwellings were neglected. Wartime destruction of Czechoslovak dwellings, however, was relatively light because little military action took place on Czechoslovak territory. Only 3 to 4 percent of prewar dwellings were lost as a result of military action. Losses of population immediately after the war, resulting primarily from the emigration of the ethnic German population from the Sudetenland, far outweighed losses of dwellings. As a result, housing in Czechoslovakia, in quantitative terms, was more favorable in 1946 than in 1939. Empty houses in the Sudetenland, however, did not compensate for the postwar shortages of dwellings which existed elsewhere in Czechoslovakia. 73/

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The magnitude of the housing problem in Czechoslovakia in the early postwar period is indicated by the top priority within the construction sector of the economy assigned by the pre-Communist regime to construction of dwellings. According to the draft of the Two Year Plan (1947-48), a total of 125,000 dwellings were to be gained through construction and reconstruction repairs. Housing construction during 1947-48 fell far short of the planned goal primarily because of the chaotic condition of the construction industry and the political uncertainties of the period. In 1947, 28,700 dwellings were completed and in 1948 21,700, for a 2-year total of only 50,400 dwellings. It is not known whether or not the latter totals include dwellings resulting during the period from unauthorized construction activity. 74/

- C. 1949-55.
 - 1. Introduction.

Housing in Czechoslovakia in 1949-50, the opening years of the First Five Year Plan (1949-53), was superior to housing in any other European Satellite at the commencement of its first longterm plan. Nevertheless, in terms of the housing standards demanded by the population, a major housing problem existed in Czechoslovakia.

In March 1950, according to the census of that date, throughout Czechoslovakia the average number of persons per dwelling was 3.42 and per dwelling room 1.54 (see Table 4*). There was a marked regional variation in the quantitative level of housing. In the Czech regions of Bohemia and Moravia, in which 72 percent of the total population resided, the average number of persons per dwelling was 3.2 and per dwelling room 1.4. $\underline{77}$ / Even within Bohemia and Moravia there were marked differences in housing. There was still an overabundance of dwellings in the Sudetenland and a shortage of dwellings in Prague and in most other major urban centers.

In Slovakia in 1950 the average number of persons per dwelling was 4.2 and per dwelling room 2.0, $\frac{78}{8}$ with both averages being considerably higher than the averages for the Czech regions. In addition, the general quality of available dwellings in respect

* P. 30, above. It is estimated that in January 1949 the average number of persons per dwelling throughout Czechoslovakia was 3.44. The decline in the average from January 1949 to March 1950 resulted from the population's remaining about the same during the period while the number of dwellings increased by about 30,000. <u>75</u>/ Czechoslovak sources usually cite the March 1950 census figures in discussing housing at the beginning of the First Five Year Plan. <u>76</u>/

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to construction and presence of utilities was considerably poorer in Slovakia than in the Czech regions. However, the Slovaks, predominantly a rural people, did not demand the same high standards of housing as did the urban Czechs.

2. First Five Year Plan (1949-53).

The housing problem in Czechoslovakia at the start of the First Five Year Plan (1949-53) was just as pressing as it had been at the start of the Two Year Plan (1947-48). In contrast with the pre-Communist government, which had given top priority within the construction sector of the economy to construction of dwellings, the Communist government gave top priority to industrial construction. For 1949-53, state construction and reconstruction repairs were to provide 9.7 million sq m of dwelling room space, or only approximately 130,000 dwellings. <u>79</u>/ The Communist housing program primarily was meant to provide for the minimum housing needs of key industrial and mining areas whereas the housing needs of the country as a whole were neglected. No plan for nonstate construction of dwellings during the First Five Year Plan was published, and apparently little nonstate construction was expected.

During 1949-50, state construction provided 48,700 dwellings. In April 1951 the First Five Year Plan was redrafted with a sharp upward revision of industrial goals. At the same time the state construction program for the 3 years 1951-53 was revised upward to 133,000 dwellings, <u>80</u>/ apparently to meet the increasing housing needs of areas of planned accelerated industrialization. The revised total for the First Five Year Plan, consequently, was to be approximately 182,000 dwellings. As one means of achieving the increased goal, Czechoslovak planners probably intended to reduce the average size of the dwellings to be constructed during 1951-53 below the average size originally planned for the period.

The 1951-53 goal for state construction of dwellings was underfulfilled inasmuch as only 82,300 dwellings of the 133,000 planned actually were provided. Because the entire construction sector of the economy encountered difficulties in fulfilling revised targets, resources originally intended for construction of dwellings were diverted to projects of nonresidential construction.

During the entire First Five Year Plan the state provided 131,000 dwellings, only slightly more than the number called for in the original housing program. In terms of dwelling room space -- the terms in which the housing program originally was expressed -- state construction fell far short of the original goal for the plan. Of the 9.7 million sq m of dwelling space called for by the plan, only

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6.05 million were provided by the state, an underfulfillment of 38 percent. <u>81</u>/ During 1949-53, nonstate construction, which generally was discouraged by the state, provided 47,400 dwellings. State and nonstate construction and reconstruction repairs combined therefore provided 178,000 dwellings (see Table 5*).

3. 1954-55.

As part of the new course originated in the Soviet Bloc in 1953, the Czechoslovak government promised a more vigorous housing effort for the interplan period 1954-55. The state construction goal for 1954-55 was set at 88,000 dwellings, <u>82</u>/ compared with the 60,000 dwellings actually gained through state efforts during 1952-53. Once again, state plans were underfulfilled considerably. In 1954, 27,800 dwellings were provided, as shown in Table 5,* and in 1955 35,600, resulting in a 2-year total of only 63,400 dwellings. During 1954-55 the government changed its policy toward nonstate construction from one of restriction and indifference to one of encouragement. Consequently, 31,500 nonstate dwellings were constructed in 1954-55, one-third of the total number of dwellings constructed in Czechoslovakia during the 2 years.

4. Results.

During the 7-year period 1949-55, state construction and reconstruction repairs in Czechoslovakia provided 194,000 dwellings,** and nonstate construction provided 78,900 dwellings for a total of 273,000 dwellings. An attempt was made, for purposes of propaganda, to provide a token amount of new state-constructed dwellings in most larger towns. Most state-constructed dwellings during the period, however, were provided in key industrial and mining centers. Particular emphasis was given to the Ostrava coal and steel area of Moravia and to newly developed industrial centers in Slovakia. The average size of state-constructed dwellings decreased steadily during the period from 57.0 sq m of dwelling room space in 1949 to 35.4 sq m in 1955. In addition, toward the end of the period, rooms in workers' dormitories were counted as part of the total of dwellings constructed. 84/

Government officials admit that the volume of construction of dwellings in Czechoslovakia during 1949-55 was not sufficient to cover the minimum needs of the country and that, consequently,

* Table 5 follows on p. 34. ** During 1949-55, 8.3 million sq m of dwelling room space were provided by state construction and reconstruction repairs, less than the original goal for 1949-53 alone. 83/

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Table 5

Construction of Dwellings in Czechoslovakia a/ 1948-57

Thousand Dwellings

		THOUSE	and Dwertrugs
Year	State Sector	Nonstate Sector b/	Total <u>c/</u>
1948	11.9	9.8	21.7
1949	19,6	9.5	29.1
1950	29.1	9.1	38.2
1951	22.3	8.6	30.9
1952	30.4	9.9 d/	40.2 a/
1953	29.7	10.3 ā/	40.0 <u>a</u> /
1954	27.8	13.4 <u>a</u> /	41.2 <u>a</u> /
1955	35.6	18.1 <u>a</u> /	53.7 <u>a</u> /
1956	33.3	· 22.3 <u>a</u> /	55.6 <u>a</u> /
1957 <u>e</u> /.	31.5	31.5	63.0

Source 85/, unless otherwise indicated. This table includes dwellings gained through reconstruction repairs. b. The term nonstate as used in this table includes private construction with and without state financial aid. c. Totals are derived from unrounded data and may not agree with the sum of their rounded components. Source 86/ includes, under its column for Nonstate Sector for d. 1956, 8,100 dwellings constructed in previous years but not reported until 1956. In this table the dwellings have been subtracted from the number reported for 1956 in this source and have been added to the numbers reported for the previous 4 years as follows: 1955, 3,100; 1954, 3,000; 1953, 1,000; and 1952, 1,000. These changes affect the column for total for 1952-56. e. 87/

housing deteriorated. During 1949-55, 273,000 dwellings were added, but it is estimated that the number of dwellings lost as a result of demolition was 48,000,* and the net gain therefore was 225,000 dwellings. During 1949-55 the population of Czechoslovakia increased

* Based on source 88/. According to Czechoslovak housing officials the number of dwellings gained by the conversion of buildings to residential uses was about the same as the number of dwellings lost through conversion of dwellings to nonresidential uses and through other means (not including demolition). Dwellings added through the subdivision of existing dwellings are not counted as dwellings gained, because they do not add to the total dwelling room space of the country.

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by 822,000. 89/ At the 1950 average of 3.42 persons per dwelling, the net gain in dwellings would have housed only 94 percent of the increase in population. More importantly, in a country in which most families desire separate dwellings, the increase in dwellings fell far behind the increase in family units. During 1949-55 the net increase in households totaled approximately 350,000.* 90/ The net gain in dwellings consequently was only 64 percent of the net gain in households, as shown in the accompanying chart, Figure 3,** and Table 6.*** In addition, the general quality of dwellings in use in Czechoslovakia declined during the period. As a result of the inadequacy of the program for construction, a large number of dilapidated dwellings, which by Czechoslovak standards should have been abandoned, were continued in use. Because of the increased shortage of dwellings, moreover, the number of persons compelled to live in workers' barracks, in attics and cellars, in abandoned stores, and in other makeshift and substandard quarters increased. 91/

D. <u>1956-58</u>.

1. Nature of the Housing Problem.

According to government officials, the decline in housing in Czechoslovakia during 1949-55 was the "weakest link" in efforts of the government to raise the standard of living. In addition, the existing shortage of dwellings has been described by government officials as one of the key problems affecting the economic progress of Czechoslovakia. The housing problem in Czechoslovakia in 1956-58 is by no means so harmful in its effect on the population and on the economy as it is in Poland. Nevertheless, by their own housing standards, which are considerably higher than Polish standards, the Czechoslovaks do have a major housing problem.

The population of Czechoslovakia on 1 January 1956 was 13,200,000. The number of dwellings, according to estimates by Czechoslovak officials, was 3.8 million and the number of dwelling rooms 8.4 million. The average number of persons per dwelling consequently was 3.47, a slight increase in comparison with 1950. The average number of persons per dwelling room was 1.57 (see Table 4****), also a slight increase in comparison with 1950. The average amount of living space (floorspace of dwelling rooms) per person was 11.2 sq m, a slight decrease since 1950. The number of families without separate

Most new households result from new marriages.
** Following p. 36.
*** Table 6 follows on p. 36.
**** P. 30, above.

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Table 6

Relation Between Dwellings and Population in Czechoslovakia 1949-57

		·	
Measures of Dwellings and Population	1949 - 55	<u>1956-57</u>	1949-57
Increase in population $a/$ (thousand persons)	822	248	1,070
Dwellings needed to house increase in popula- tion at 1950 average of 3.42 persons per			
dwelling b/ (thousand dwellings)	240	73	313
Gross gain in dwellings c/ (thousand dwellings)	273	119	392
Dwellings lost d/ (thousand dwellings)	48	15	63
Net gain in dwellings (thousand dwellings)	225	104	329
Net gain in dwellings, as percentages of dwell-			
ings needed to house increase in population at			
1950 average (percent)	94	143	105
Net gain in households e/ (thousand households)	35 0	110	460
Net gain in dwellings, as percentages of net			
gain in households (percent)	64	94	71

b. <u>93</u>/
c. <u>94</u>/. Including dwellings gained through new construction and reconstruction repairs only. (See Table 5, footnote d, p. 34, above.)
d. Based on source <u>95</u>/. This loss is a result of demolition only. (See Table 5, footnote d, p. 34, above.)

e. 96/. Most new households result from new marriages.

a. 92

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Figure 3

CZECHOSLOVAKIA DWELLINGS MADE AVAILABLE As Percentages of Need*

1949-57



*Net gain in dwellings, as percentages of net increase in households.

26839 7.58

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dwellings in 1956 had increased considerably in comparison with 1950 but probably was still less than 10 percent of the total number of families living in private households. 97/

The general level of housing prevailing in Czechoslovakia in 1956-58 is considerably superior to the general level of housing prevailing throughout the rest of the European Satellites. In Czechoslovakia, almost all families are able to obtain separate dwellings, whereas elsewhere in the Soviet Bloc the sharing of dwellings by more than one family is very widespread. The average amount of living space per person in Czechoslovakia is 11.2 sq m whereas in no other Satellite is the average higher than 8.1 sq m. In consideration of the quality of construction, the maintenance of repairs, and the availability of utilities, housing in Czechoslovakia also is generally superior to housing elsewhere in the Satellites. The people of Czechoslovakia, however, tend to compare their living conditions with conditions in Western Europe and not in the Soviet Bloc. In comparison with the highly industrialized countries of Western Europe, housing in Czechoslovakia is substandard.

There are instances of marked overcrowding in Czechoslovakia, especially in Prague and in expanding industrial and mining centers. Many families, moreover, occupy very substandard dwellings, such as attics and basements, abandoned stores, and dilapidated buildings. For the most part, however, complaints about housing in Czechoslovakia involve the discomfort of the occupants and not great hardship. Nevertheless, the standards of housing of the Czechoslovak population are very high, and dissatisfaction with housing is very widespread.

The major source of dissatisfaction with housing in Czechoslovakia is the small size of most dwellings. About 25 percent of all dwellings contain only 1 dwelling room and another 41 percent only 2 dwelling rooms. By Czechoslovak standards, as expressed by housing officials, there should be 1 dwelling room in a dwelling for every occupant 15 years of age or older and 1 dwelling room for every 2 occupants under 15 years of age. <u>98</u>/ It is estimated that by such standards less than 30 percent of all households in Czechoslovakia are of a size which can be accommodated by the 1- and 2-dwelling room units which make up 66 percent of the total number of dwellings.* Consequently, a very large number of families, especially in urban areas, are forced to live under conditions which are very cramped by the standards of the occupants. It does not appease an irate Czechoslovak family to know that the housing about which it complains would be considered very satisfactory elsewhere in the Satellites.

* Based on source 99/.

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Another major source of dissatisfaction with housing in Czechoslovakia is the poor quality and old age of the dwellings available. In the words of one harassed housing official, everyone in Czechoslovakia wants a modern, fully equipped apartment. In contrast, most Czechoslovak dwellings are old fashioned and without adequate facilities from the point of view of the occupants. 100/

2. Regional Variations.

There still is a marked regional variation in the level of housing in Czechoslovakia between Slovakia and Bohemia and Moravia. Although adequate statistical data on regional developments in housing since 1950 are not available, it is probable that regional differences in housing have been narrowed somewhat in recent years. The Communist regime has emphasized both the industrial development of Slovakia and the improvement of the standard of living. As a consequence, the priorities for construction of dwellings for both urban and rural areas in Slovakia have been higher in general than the priorities for Bohemia and Moravia. During 1948-57, 44 percent of all dwellings constructed in Czechoslovakia were located in Slovakia, although Slovakia contained only about 28 percent of the total population. Reports for 1958 indicate a continued greater relative scale of construction of dwellings in Slovakia than in Bohemia and Moravia. 101/ It is probable that the increased urbanization of Slovakia since 1949 also has tended to raise the standards of housing demanded by the population. Consequently, discontent with housing in Slovakia, at least in urban areas, may be greater today than it has been in the past, in spite of the greater attention given by the regime to housing in Slovakia than to housing in Czechoslovakia as a whole.

Within the Czech lands of Bohemia and Moravia, there still are sectional variations in housing. The Sudetenland still enjoys a surplus of housing whereas the rapidly expanded urban communities of the Ostrava coal-mining and industrial area are subject to large-scale shortages of dwellings.

Little is known specifically about urban-rural differences in housing in Czechoslovakia. It is believed, however, that housing is better in urban than in rural areas. It is probable, nevertheless, that the rural population is more content with prevailing housing than is the urban population inasmuch as rural housing standards are lower and the size of the rural population has remained fairly stable since 1949 in contrast with the large increases in population in key urban centers.

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3. Prague.

The general level of housing in Prague is considerably higher than that in the capital of any other European Satellite. Nevertheless, by the standards of housing demanded by the population and accepted as reasonable by the government, Prague suffers from a housing problem of very great dimensions. In March 1956 in Prague the average number of persons per dwelling was 2.9 and per dwelling room 1.3 (in both instances about 20 percent lower than the averages for all of Czechoslovakia). Also in March 1956, 11,000 people (1.1 percent of the population of the city) lived in "emergency" or nonresidential buildings. Of more importance, 36 percent of the 330,000 dwellings of the city were considered by housing officials to be overcrowded in terms of the number of occupants per dwelling room. 102/

Housing in Prague has deteriorated steadily under Communist rule. Despite a continually expanding shortage of dwellings in the capital, the government has restricted the level of construction of dwellings, preferring instead to concentrate efforts in construction in the rapidly expanding industrial centers of Slovakia and the Ostrava coal and steel area. 103/ During 1945-55 an annual average of only 1,300 dwellings were constructed in Prague whereas about 500 dwellings a year were lost as a result of destruction or deterioration. A large number of additional dwellings were gained through the subdivision of large dwellings, but such changes did not add to the total living space of the city. 104/ In July 1957, there were registered in Prague approximately 60,000 officially approved requests for dwellings. The number of such requests increases by about 8,000 a year. The average annual number of dwellings planned for construction in Prague during 1956-60 is only 4,200. 105/ Consequently, no relief of the shortage of dwellings in Prague can be expected in the near future.

- E. Effect of the Housing Problem on Political Stability and Economic Development.
 - 1. Political Stability.

Popular dissatisfaction with housing is very widespread in Czechoslovakia, especially in the key industrial, mining, and administrative centers. The Communist government, with its policy of stressing rapid industrial expansion at the expense of consumer welfare, generally is held responsible by the population for the housing problem. Young couples with growing families are among the people most discontented with their present dwellings. On the other hand, older families occupying dwellings which are considered adequate

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are constantly fearful that they may be forced by the government to give up some of their dwelling space or move to a less desirable dwelling. From time to time, older people have even been forced to evacuate overcrowded cities and move to less congested areas to alleviate the urban shortage of dwellings. The government policy of favoring members of the Party; officials of the government, police, and military; and Stakhanovite workers in the allocation of available dwellings, especially choice dwellings, has been an important factor in provoking antiregime sentiment among individuals who are not so favored. Since 1956, government policy on allocations has been modified somewhat. It is still almost essential to have political or monetary influence in order to get a desirable dwelling. Despite the widespread animosity toward the government because of housing, it is unlikely, given the general disposition of the Czechoslovak population, that the housing problem seriously threatens the stability of the regime.

2. Economic Development.

A shortage of dwellings in key industrial and mining areas frequently has been listed by government officials as a major, factor impeding the economic development of Czechoslovakia. Insufficient dwellings and the poor quality of existing dwellings have been associated particularly with difficult problems of the labor force in the coal-mining and industrial enterprises of the Ostrava area of northwest Moravia. The recruitment and stabilization of an adequate labor force in the area depend to a very large extent on ending the critical shortage of dwellings. Despite concentration in the Ostrava area of a large share of the new dwellings planned for Czechoslovakia during 1956-60, poor housing is expected to continue to impede the development of the area for some time to come. 106/

The urban housing problem in Czechoslovakia is one factor adversely affecting productivity of workers. Many workers, for example, have to commute to factories from distant villages over undependable public transportation systems. In contrast with the situation in Poland, however, housing in Czechoslovakia is not at such a low level as to impair the physical and mental alertness of a large portion of the labor force. The general level of housing in Czechoslovakia, for example, is not so dangerously low as to affect the level of health of the population, especially in view of the relatively high standards of sanitation and medicine which prevail in the country.

Government officials have demonstrated concern over the possible effects of the housing problem on the birthrate of Czechoslovakia and thereby on the economy of this labor-short country.

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According to housing officials the continued shortage of dwellings in Czechoslovakia tends to delay marriages, and the small size of dwellings tends to restrict the size of families, especially in Bohemia and Moravia. 107/

F. Second Five Year Plan (1956-60).

1. Plans.

After admitting that the number of dwellings added during 1949-55 had not met the minimum housing needs of the country, government officials in Czechoslovakia promised that exceptional attention would be paid to housing during the Second Five Year Plan (1956-60). The original draft of the housing program for 1956-60 called for construction of 300,000 dwellings, compared with an actual construction total during the 5-year period 1951-55 of 206,000 dwellings. Under the original program, nonstate construction was to be deemphasized during 1956-60, with only 50,000 private dwellings called for, compared with an actual nonstate total during 1951-55 of 60,000 dwellings. 108/ In October 1957 the goal for construction of dwellings for 1956-60 was revised upward to 330,000 dwellings, and official policy on nonstate construction was reversed. The target for nonstate construction was raised to 120,000 dwellings, and the goal for state construction was cut back from 250,000 to 210,000 dwellings. 109/ The increased emphasis on nonstate construction probably arises from government recognition of the inadequacies of state construction in view of the magnitude of the existing housing problem.

2. <u>Results</u>, 1956-57.

For 1956, the opening year of the Czechoslovak Second Five Year Plan, the state construction goal originally was set at approximately 39,000 dwellings.* In March 1956, apparently as a result of the poor performance of the construction industry during the first quarter of the year, the state plan was lowered to 35,600 dwellings, or to approximately the level of achievement of 1955. <u>111</u>/ Even the revised plan was underfulfilled, because only 33,300 stateconstructed dwellings were completed in 1956. Nonstate construction, however, more than made up for the deficiencies of the state sector by providing 22,300 dwellings compared with only 15,000 dwellings originally expected for the year. In all, 55,600 dwellings were completed during 1956 <u>112</u>/ compared with 53,700 dwellings in 1955 (see Table 5**).

* Based on source 110/.

** P. 34, above.

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For 1957, state construction was to provide 38,000 dwellings and nonstate construction 25,000 dwellings for a total for the year of 63,000 dwellings. Approximately 63,000 dwellings were completed in 1957, but once again state plans for construction were underfulfilled whereas the nonstate sector provided more dwellings than were expected. The state sector and the nonstate sector each provided about 31,500 dwellings during the year. <u>113</u>/ Difficulties in state construction, as in the past, arose from shortages of skilled laborers, high rates of absenteeism, shortages of key construction materials, and poor planning and management. <u>114</u>/

The increase in construction during 1956-57, accompanied by a decline in the rate of increase in population, resulted in a slight quantitative improvement in housing in Czechoslovakia. For January 1958 the average number of persons per dwelling is estimated at 3.43 and the average number of persons per dwelling room at 1.56 (see Table 4*). The net gain in number of dwellings during 1956-57 nearly matched the net gain in households (see Figure 3** and Table 6***).

G. Prospects.

The urgent problems of housing in Czechoslovakia will continue for some years to come. The revised housing program for 1956-60, if fulfilled, will meet the minimum current housing needs of Czechoslovakia and will prevent any further deterioration of housing. The program, however, will provide practically no relief for existing inadequacies. Czechoslovakia housing authorities estimate the minimum housing need of the country, taking account only of the expected increase in number of households and the retirement of the most severely deteriorated dwellings, at 62,000 dwellings a year. The revised housing plan calls for construction of 66,000 dwellings a year. Any appreciable headway against existing housing problems would require construction of at least 90,000 dwellings a year, a level of construction which will not be attempted in Czechoslovakia, according to housing authorities, until 1963. 115/ The Czechoslovak government explains its inability to relieve the housing distress of the population during the Second Five Year Plan by pointing to the limited capabilities of the construction industry and to the continued favoring of heavy industry in the allocation of construction resources. 116/

* P. 30, above. ** Following p. 36, above. *** P. 36, above.

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IV. Hungary.

A. General.

Housing in Hungary in 1958 is superior to that in Poland but considerably inferior to that in Czechoslovakia. The standards of housing considered acceptable by the Hungarian population more nearly approximate those of the Czechoslovaks than those of the Poles. Consequently, a great number of Hungarians, especially in urban areas, are very dissatisfied with their housing.

Under Communist rule, rapid industrial expansion has been stressed in Hungary, and housing, like all other facets of consumer welfare, has been neglected. During 1950-55, housing in Hungary deteriorated considerably, as even the relatively small goals for construction of dwellings were underfulfilled. By 1956, government officials admitted that the housing problem in Hungary was acute and realized that substandard housing was one important factor contributing to widespread popular dissatisfaction with Communist rule. Moreover, officials had come to recognize that the inadequacy of housing in key areas, especially in coal-mining centers, was impeding the economic development of the country. Consequently, a sharp increase in construction of dwellings was promised for the Second Five Year Plan (1956-60), compared with achievements during 1950-55. Although no improvement in over-all housing was expected, it was hoped that the new program would at least prevent further deterioration of housing.

The regime of Janos Kadar, which came into power as a result of the Hungarian uprising of October 1956, has stated that housing represents Hungary's most urgent problem. The proportion of capital investment in Hungary to be devoted to housing during 1957-60 has been increased in comparison with the proportion originally proposed for the period. A reassessment of the economic potential of Hungary, however, apparently has led to a sharp curtailment of the over-all investment program. Consequently, the number of dwellings planned for 1956-60 actually has been decreased from 200,000 to 184,000. It is probable that housing in Hungary will continue to deteriorate at least until 1961 and that the Communist regime will continue to be plagued by a major housing problem for a considerable period.

B. Prewar, War, and Reconstruction Periods.

Housing in Hungary before World War II was superior to housing in Poland but was poor compared with that in Czechoslovakia at the time. It is estimated that in 1940 in Hungary the average number of

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persons per dwelling was approximately 3.9 and per dwelling room* approximately 2.7, as shown in Table 7. <u>117</u>/ Housing, in terms of the quantity and quality of dwellings available, was poorest in rural areas. From the point of view of public officials, however, the major problem of housing in Hungary existed in the larger urban centers and particularly in Budapest. Overcrowded dwellings of very poor quality were almost universal in working class districts.

Table 7

Average Number of Persons per Dwelling and per Dwelling Room <u>a</u>/ in Hungary <u>b</u>/ 1940, January 1949, and January 1956

		Persons
Date	Per Dwelling	Per Dwelling Room
1940 January 1949 January 1956	3.9 3.72 3.84	2.7 2.64 2.8

a. The term <u>dwelling room</u> as used in this table comprises main rooms and all kitchens regularly used for sleeping purposes. b. For methodology, see Appendix A, p. 88, below.

Losses of dwellings in Hungary as a result of military action during World War II were concentrated primarily in Budapest, which suffered great damage during the Soviet siege of the city in 1944. Out of a total of 300,000 dwellings in Budapest, 13,600 were destroyed completely during the war, and 66,000 were rendered wholly or partly uninhabitable. Throughout Hungary, moreover, normal construction and repair of dwellings were interrupted by the war. By 1949, however, reconstruction repairs and new construction had compensated for wartime losses, and the housing situation, in quantitative terms, had improved slightly compared with the prewar period. Housing probably had improved most in rural areas as a result of the small extent of wartime losses and of considerable construction activity by peasants during 1946-49. 118/

* The term <u>dwelling room</u> as used in Hungary comprises main rooms and all kitchens regularly used for sleeping purposes.

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C. <u>1949-55</u>.

1. Introduction.

In 1949, the year preceding the launching of the First Five Year Plan (1950-54), there were in Hungary 2,480,000 dwellings, 3,490,000 dwelling rooms, and 9,205,000 people. The average number of persons per dwelling was 3.72 and per dwelling room 2.64 (see Table 7*). Housing in quantitative terms in Greater Budapest, in all other urban centers, and in rural areas was as follows** 119/:

Area	Percent	Persons	Persons
	of Total	per	per
	Population	Dwelling	Dwelling Room
Greater Budapest	17	3.4	2.0
Other urban centers	20	3.5	2.5
Rural areas	63	3.9	3.0

In 1949 the problem of urban overcrowding, especially in Budapest, was as pressing as it had been before World War II. Moreover, most dwellings in urban areas were very old and in need of considerable repair. Large increases in urban population could be expected during the First Five Year Plan as a result of the planned rapid industrial expansion. Such increases in population would increase greatly the burden on the already inadequate urban housing unless relieved by a large-scale program for construction of dwellings.

In terms of the quantity and quality of dwellings available, housing in rural areas in 1949 was much worse than in the cities and towns. The housing standards of the peasants, however, were far lower than those of the urban population. Moreover, the size of the rural population was not expected to increase to any great extent during 1950-5⁴. Nevertheless, considerable construction in rural areas during the First Five Year Plan would be needed merely to replace the dwellings which would be lost as a result of destruction and decay.

2. First Five Year Plan (1950-54).

The original version of the housing program for the First Five Year Plan of Hungary (1950-54) called for construction of 180,000 new dwellings. In 1951 the housing goal was increased to 220,000 new

* P. 44, above.

** The term <u>Greater Budapest</u> as used in this report includes Budapest and suburbs, the term <u>other urban centers</u> includes autonomous cities and county towns, and the term <u>rural areas</u> includes the remainder of the country.

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dwellings. In both instances, half of the dwellings were to be constructed in urban areas and half in rural areas. 120/ Presumably, most of the dwellings in urban areas were to be constructed by the state and most of those in rural areas by the peasants themselves. The state program for construction of dwellings was drawn up almost exclusively in terms of the requirements for an increased number of workers in key industries rather than in terms of the general welfare of the population. Considering the emphasis placed on industrial expansion under the Five Year Plan and the consequent requirements for large-scale programs for nonresidential construction, it is believed that both the original and the revised housing goals represented what government officials considered to be the minimum housing needs of the nation. Hungarian officials in 1955 labeled the housing goals set for 1950-54 as "relatively low." 121/

Even the relatively low housing goals for the First Five Year Plan, however, were underfulfilled considerably. Hungarian officials admit that resources originally allocated for housing projects were diverted to construction of factories, warehouses, and office buildings. <u>122</u>/ In 1950, 24,700 dwellings were constructed (see Table 8*). Three-fourths of the total were provided by nonstate builders. During 1951-53, only 17,000 to 18,000 dwellings a year were constructed. State construction of dwellings increased slightly, but nonstate construction decreased sharply as nonstate builders (primarily peasants) were unable to obtain necessary construction materials.

The advent of the new course in 1953 led to pledges of a more vigorous housing effort through increased state construction and through state financial assistance for nonstate construction. For 1954, 40,000 dwellings were promised, <u>123</u>/ compared with only 16,800 dwellings provided in 1953. Only **27**,200 dwellings actually were provided in 1954, a substantial increase in comparison with 1953 but only 68 percent of the number planned for the year. Most of the increase in construction of dwellings during 1954 was provided by nonstate builders.

According to official reports, during the Five Year Plan there were provided 103,000 dwellings, only 47 percent of the revised goal. Of the total, only 40,000 dwellings (39 percent) resulted from state activity. <u>124</u>/ Moreover, it is estimated that 21,000 dwellings did not result from new construction but from reconstruction repairs, additions to existing buildings, and other means.** Even dwellings gained through subdivision of larger dwellings and through remodeling

* P. 47, below.

** Based on source 125/.

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of existing dwellings, neither of which adds to existing living space, were counted as dwellings provided. In terms of new construction alone, during the Five Year Plan, there were completed about 82,000 dwellings, only 37 percent of the revised goal.

3. 1955.

During 1955, an interplan year, 31,500 dwellings were provided in Hungary, including 26,100 through new construction. <u>126</u>/ No plan for housing for 1955 is available. It is probable, nevertheless, that once again more dwellings were planned than actually were constructed. In 1955, 17,900 dwellings, 57 percent of the number provided, resulted from nonstate construction, including construction with state financial assistance (see Table 8).

Table 8

Construction of Dwellings in Hungary a/ 1950-57

		Thousand Dwelli	<u>ngs b</u> /
Year	State Sector	Nonstate Sector <u>c</u> /	Total
1950 1951 1952 1953 1 9 54 1955 1956 <u>d</u> / 1957 <u>e</u> /	5.8 6.3 7.4 9.2 11.3 13.6 7.4 22.8	18.9 11.4 9.3 7.6 15.9 17.9 18.1 25.2	24.7 17.7 16.7 16.8 27.2 31.5 25.5 48.0

a. Based on source 127/, unless otherwise indicated.

b. Including dwellings gained through new construction, reconstruction repairs, additions to existing buildings, subdivision of existing dwellings, and renovation and remodeling of existing dwellings.

c. The term <u>nonstate</u> as used in this table includes private construction with and without state financial aid.

d. 128/

e'. 129/. Believed to include dwellings gained through conversion of offices to dwellings.

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4. Results.

The number of dwellings gained in Hungary through new construction and through other means during 1950-55 was not sufficient to maintain the already depressed levels of housing prevailing in 1949. During 1950-55 the population of Hungary increased by 572,000. <u>130</u>/ To provide dwellings for such an increase in population at the 1949 level of 3.72 persons per dwelling would have required 154,000 dwellings. During 1950-55, 135,000 dwellings were provided, but it is estimated that during the period 60,000 dwellings were lost as a result of deterioration and of destruction from flood, fire, and earthquake.* The net increase in dwellings, consequently, was approximately 75,000, less than one-half of the number needed to maintain the quantitative level of housing of 1949. During 1950-55, moreover, it is estimated that the net increase in households in Hungary was approximately 300,000.** The net increase in dwellings, therefore, was only 25 percent of the net increase in households, as shown in Table 9.***

It is estimated that by January 1956 the average number of persons per dwelling for all of Hungary had increased to 3.84, an increase of 3 percent since 1949. The average number of persons per dwelling room in January 1956 is estimated as 2.8, an increase of about 6 percent in comparison with 1949 (see Table 7****). The number of persons per dwelling room increased more sharply than the number of persons per dwelling because the average size of dwellings decreased during 1949-55.

The decline in housing during 1950-55 was most marked in urban areas. Most of the increase in population during the period was registered in urban districts, whereas a large portion of the increase in dwellings was registered in rural areas. It is estimated that by January 1956 the average number of persons per dwelling in Greater Budapest had risen to more than 3.6. For all other urban centers the average had risen to about 3.8. The average for rural areas, in contrast, had remained at about the 1949 level of 3.9.[†]

* Based on source 131/.

** Based on source 132/. Most new households result from new marriages.

- *** Table 9 follows on p. 49.
- **** P. 44, above.

 \dagger These estimates are based on source 133/. Direct comparisons between the averages of 1956 and those of 1949 cannot be made for the three divisions of Hungary, because of changes during the period in the definitions of the areas included in Greater Budapest, other urban areas, and rural areas.

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Table 9

Relation Between Dwellings and Population in Hungary 1950-55

Measures of Dwellings and Population	<u> 1950-55</u>
Increase in population a/ (thousand persons) Dwellings needed to house increase in popu-	572
lation at 1949 average of 3.72 persons per	
dwelling \underline{b} (thousand dwellings)	154
Gross gain in dwellings c/ (thousand dwellings)	135
Dwellings lost d/ (thousand dwellings)	60
Net gain in dwellings (thousand dwellings)	75
Net gain in dwellings, as a percentage of dwell-	
ings needed to house increase in population at	
1949 average (percent)	49
Net gain in households e/ (thousand couples) .	300
Net gain in dwellings, as a percentage of net	0
gain in households (percent)	. 25

a. <u>134</u>

b. <u>135</u>/

c. 136/. Including dwellings gained through new construction, reconstruction repairs, additions to existing buildings, subdivision of existing dwellings, and renovation and remodeling of existing dwellings.

d. Based on source <u>137</u>/. Including dwellings lost through deterioration and through destruction by fire, flood, and earthquake.
e. <u>138</u>/. Most new households result from new marriages.

The increase in overcrowding during 1950-55 was accompanied by a decrease in the quality of dwellings available. As a result of the inadequacy of the program for repair and maintenance of existing dwellings during the period and of the low level of construction of new dwellings, the number of families living in decayed and substandard dwellings increased sharply, especially in urban areas. 139/

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D. 1956-58.

1. Urban Housing.

a. Nature of the Housing Problem.

Housing in Hungary in 1956-58 still is worse in rural than in urban areas. From the point of view of the Communist regime, however, the housing problem in Hungary remains predominantly an urban one. It is in Budapest and in the principal mining and industrial towns that popular dissatisfaction with housing and the adverse effect of housing on economic development are greatest.

Overcrowding in the cities and towns of Hungary, by the standards of the population, is almost universal. It is believed that the quantitative standard of housing desired by the urban population, which in 1956 constituted about 40 percent of the total population, calls for no more than 2 persons per dwelling room.* In contrast, the average number of persons per dwelling room throughout Greater Budapest in January 1956, according to official reports, was more than 2.3. <u>141</u>/ It is estimated that in all other cities and towns the average was 2.7.** The average amount of living space (floorspace of dwelling rooms) per urban resident in Hungary in 1958 is estimated at 8.0 sq m,*** compared with more than 11 sq m per person in Czechoslovakia.

In addition to the problem of overcrowding, the urban population of Hungary suffers from lack of privacy in housing. As in Czechoslovakia, most urban families in Hungary desire separate dwellings. In Hungary, however, although the average size of urban dwellings is only 1.5 dwelling rooms, it is estimated that 20 to 25 percent of all urban families must share dwellings with other families.**** Moreover, thousands of married workers are forced by the shortage of dwellings in certain industrial and mining centers to live in workers' barracks, separated from their families. Thousands of young married couples are living apart because of the unavailability of suitable living quarters. 145/

In addition to the burden of overcrowding and lack of privacy in housing, the urban population of Hungary suffers from the very poor quality of dwellings. Hungarian officials admit that the majority of dwellings are overage and are without adequate utilities

- *	Based	on	source	140/.
**	Based	on	source	142/.
***	Based	on	source	143/.
****	Based	on	source	144/.

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and sanitary facilities, according to the standards of the population. Neglect of repair and maintenance since 1941 has led to a critical problem of decay of dwellings. By official admission, there has been a sharp increase since 1949 in the number of dwellings which have decayed beyond the point of safety but which are still in use. It is estimated that in January 1956 about 30 percent of all urban dwellings were in need of extensive repairs in order to meet minimum housing standards.* The number of families forced by the shortage of dwellings to live in abandoned stores, in unsanitary cellars and attics, and in huts and hovels also has increased sharply in recent years. $\underline{147}$ / In summary, the housing problem in Hungary, both in terms of the actual conditions which prevail and in terms of the percentage of the population dissatisfied with housing, is best characterized as more acute than the housing problem in Czechoslovakia but not as great as the one in Poland.

b. Budapest.

In March 1956, municipal officials labeled housing in Greater Budapest (in which about 20 percent of the total population of Hungary resides) as the most serious problem and worry of the city. Housing in Budapest has deteriorated considerably since 1949 and is worse than housing that prevailed before World War II. In 1956 the average number of persons per dwelling room in Budapest was greater than 2.3, compared with less than 2.1 in 1949 (within 1956 boundaries). During 1950-55, only 25,500 dwellings were constructed in Budapest, whereas, according to estimates by housing officials, a minimum of 120,000 dwellings were needed during the period to replace losses in dwellings and to provide for demographic changes. The quality of dwellings in Budapest has been decreasing. From January 1949 to July 1954 the number of stores and other makeshift buildings used as dwellings increased by 14,000. The prevalence of disrepair of dwellings and the accompanying annoyances and dangers are almost universal in Budapest. 148/

c. Other Urban Centers.

Housing in the other cities and towns of Hungary has declined even more rapidly than in Budapest. In Miskolc, the second largest city of Hungary, the average number of persons per dwelling increased from 3.7 in 1949 to 4.2 in 1954. 149/ In the provincial

* Based on source 146/. In 1954, according to Hungarian officials, 145,000 of a total of 496,000 dwellings in Budapest were in need of "full repair." It is believed that the situation in all other urban centers was about the same as in Budapest and that no substantial improvement in the repair problem took place between 1954 and 1956.

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city of Kaposvar only 560 dwellings were added during 1949-55, whereas the population increased by 12,000. As a result, the average number of occupants per dwelling jumped during the period from 3.4 to 4.4. <u>150</u>/ In Debrecen, a city of 120,000 residents, 6,000 families in January 1957 were lodged in cellars and other unhealthy quarters. <u>151</u>/

2. Rural Housing.

In 1956 the average number of persons per rural dwelling in Hungary was 3.9, the same as in 1949. In general, little publicity has been given by the government to the housing problem in rural areas. A press report of February 1957, however, indicated that complaints about housing are widespread in the villages. In terms of the standards of the peasants, the shortage of dwellings is not nearly so pressing in the villages as in the towns and cities. Large numbers of rural houses, however, are in a state of disrepair because of neglect (if state owned) or the unavailability of construction materials (if privately owned). 152/

E. Effect of the Housing Problem on Political Stability and Economic Development.

1. Political Stability.

The housing problem in Hungary causes discomfort and irritation in the daily lives of a very large percentage of the population, especially in the major cities and towns. Grievances about housing, in both urban and rural areas, are a key economic factor in the very widespread popular antagonism to the Communist regime and its policy of rapid industrialization at the expense of consumer welfare. The repeated failure of the state to fulfill plans for construction of dwellings and the admission that housing in the country has deteriorated under the Communist regime have damaged the prestige of the regime. Dissatisfaction over housing is probably sharpest among young people, who are starting families and who find it almost impossible to find adequate and private housing, and among the intelligentsia, who feel that the inadequate housing which the regime allots them is unsuitable to their work and station. $\underline{153}$

As in the other European Satellites, the discriminatory policy of allocations of dwellings by the Hungarian government, which favors members of the Communist Party, police and army officials, and Stakhanovites, has provoked antiregime feelings among the individuals living under poor housing conditions who do not rate special treatment. After the uprising of October 1956, Hungarians completely ignored the allocations machinery of the state and "illegally" occupied 10,000 partly constructed or recently evacuated dwellings in Budapest alone. 154/

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2. Economic Development.

The low level of housing of the urban population is one key economic factor adversely affecting the productivity of the Hungarian labor force. The productivity of workers living in barracks, in which conditions generally are very poor, or commuting to factories and mines from distant villages and towns especially is affected. The vital coal-mining industry has been hardest hit by the housing problem. Because of shortages of dwellings in the mining areas, one-third of all coal miners are forced to live in workers' barracks and another one-third must commute to work over long distances. The productivity of both groups of miners is diminished. Moreover, in large measure as a result of poor housing, turnover of workers in the coal-mining enterprises is excessive, and shortages of labor are a chronic problem. Hungarian officials admit that the solution of the housing problem in mining areas is essential to the development of a permanent and highly productive force of coal miners. 155/ As in the other European Satellites, the construction industry itself, especially in Stalinvaros and other "new socialist towns," has suffered from excessive turnover and low productivity of workers, partly because of housing problems. 156/

F. 1956-60.

1. Original Plans.

By 1956, the opening year of the Second Five Year Plan (1956-60), Hungarian officials had come to recognize the political and economic necessity of increased attention to the housing problem. For the Second Five Year Plan, 200,000 dwellings were promised, an average of 40,000 dwellings per year, compared with an actual yearly average of 22,000 during 1950-55. One-half of the dwellings were to be constructed by the state and one-half by nonstate builders under an expanded program of state financial assistance. In recognition of the great need for dwellings in Budapest, 60,000 dwellings were to be constructed there, compared with only 25,500 actually constructed during the 6-year period 1950-55. Special attention also was promised for housing needs in mining areas. To complete the housing program, a considerably expanded effort for repair and maintenance of dwell-ings was promised. 157/

Hungarian officials recognized that the fulfillment of \bullet the program for construction and repair during 1956-60 would not result in any improvement in housing. At least 100,000 dwellings per year would be needed to meet adequately demographic and replacement needs and to make headway against existing shortages. <u>158</u>/ It was hoped, however, that the housing program would prevent further

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major deterioration of housing. Hungarian officials openly admitted that to attempt to do more, given the limited economic resources of the country, would jeopardize other programs considered essential to the future development of Hungary. The solution of the housing problem would have to await future 5-year plans. 159/

2. Results, 1956-57.

The housing program for Hungary for 1956 required construction of 40,000 dwellings, including 16,300 through state construction. The uprising in Hungary in October disrupted construction. Even before the uprising, however, the construction program for the year had fallen behind schedule. According to official data, not released until late in 1957, 25,500 dwellings were provided in 1956, including only 7,400 dwellings by the state (see Table 8*). 160/ It is believed that the official figure includes a large number of dwellings which did not result from new construction. It is possible that the reported total may include dwellings damaged during the uprising and repaired before the end of the year.

Hungarian officials report that as a result of the fighting in Budapest in October and November 1956 2.200 dwellings were destroyed completely, 5,000 dwellings were damaged severely, and 15,000 additional dwellings received more than minor damage. <u>161</u>/ Reports from Western observers in Budapest during the uprising, however, indicate that the number of dwellings destroyed or severely damaged was significantly higher than the official figures reveal. <u>162</u>/ Damages outside of Budapest were negligible. In general, population losses as a result of the uprising mitigated the effect of losses of dwellings.

Promised for 1957 was the completion of 41,000 dwellings, including a large number nearly completed in 1956. The state was to provide 20,000 dwellings, nearly all of which were to be 1-room efficiency apartments. Official reports for 1957 claim that 48,000 dwellings were "handed over to the people," including 22,800 dwellings provided by the state. 163/ It is believed that a large portion of the dwellings "handed over" resulted from reconstruction repairs, renovation and remodeling of existing units, and conversion (in many cases, reconversion) of offices to dwellings.** As promised by the government, miners received 10,000 dwellings during 1957.

Hungarian reports indicate that 73,500 dwellings were "handed over" to the population during 1956-57, compared with 58,700

* P. 47, above.

** Based on source <u>164</u>/.

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during 1954-55. It is believed that the net gain in dwellings during 1956-57 was only one-half or less of the reported gross gain. Losses of dwellings through deterioration and destruction, including the 1956 uprising, were very high during the period. Moreover, a large number of the dwellings "handed over" during 1956-57 probably were already a part of the housing stock at the beginning of 1956.

For all of Hungary, some quantitative improvement in housing did result during 1956-57 because the population decreased through emigration. It is believed that the average number of persons per dwelling still is approximately 3.8.* The nationwide gain in the quantitative level of housing was largely offset by the continued decrease in the quality of available dwellings. Reports from urban centers during 1957 reveal a continuation of the problems of overcrowding and dilapidation of dwellings. <u>166</u>/ A large-scale program of repairs and renovation of dwellings was undertaken in Budapest during 1957. Moreover, most of the offices converted to dwellings in 1957 were located in Budapest. The population of the city, however, increased sharply during 1957, and it is believed that housing in January 1958 was no better than in January 1956. <u>167</u>/

G. Prospects.

Housing in Hungary will continue to decline at least until 1961, and the housing problem will remain critical for many years to come. The Kadar government has described housing as the most urgent problem of Hungary. <u>168</u>/ The postrevolutionary "hard look" at the economic capabilities of Hungary, nevertheless, has led to a cutback in housing plans for 1956-60. Hungary has instituted a Three Year Plan for 1958-60 under which 110,000 dwellings are to be constructed. <u>169</u>/ Including dwellings "handed over" during 1956-57, less than 184,000 dwellings now are planned for 1956-60, compared with the original goal for the period of 200,000 dwellings. The percentage of total Hungarian investments to be devoted to housing during 1957-60 has been increased in comparison with the percentage originally planned for the period. The size of the total investment program, however, apparently has been sharply decreased.

* Based on source 165/.

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V. East Germany.

A. General.

Very little official statistical information is available on housing in East Germany. Helpful, although incomplete, unofficial data on housing in 1946 and in 1950, however, are available. Consequently, reasonable estimates on developments in housing throughout the postwar period can be made.

Housing in the present area of East Germany during the period before World War II was among the best in Europe, being substantially superior to housing in any of the other future European Satellites. East German housing, however, deteriorated markedly as a result of heavy wartime destruction of dwellings and large increases in population immediately after the war. Through neglect of the housing problem, housing deteriorated even further during 1946-50. Some slight improvement in housing took place during the First Five Year Plan of East Germany (1951-55) primarily through losses in population rather than through any substantial effort by the government in construction of dwellings. In 1958, housing in East Germany still is very poor by the prewar standards of the area and is substantially inferior to housing in West Germany or Czechoslovakia. The substandard housing of the population of East Germany is one of the major economic factors provoking popular dissatisfaction and undermining the productivity of workers. The Communist government is aware of the adverse effects of inadequate housing but apparently accepts a perpetuation of depressed conditions as one necessary cost for rapid expansion of industry. The housing program for the Second Five Year Plan (1956-60) calls for expanded construction of dwellings, compared with the First Five Year Plan. There is little prospect, however, for any appreciable improvement in housing by 1960.

B. Prewar, War, and Reconstruction Periods.

In 1939 in the present area of East Germany,* almost all families occupied separate dwellings. The average number of persons per dwelling room was only 0.8, and the average amount of living space per person was 15.6 sq m.** The quality of housing, in terms

* Available data for 1939 and 1946 do not include East Berlin. It is believed that data on East Berlin, if available, would not alter substantially the figures for the rest of the territory of East Germany. ** No definitions of the terms <u>living space</u> and <u>dwelling room</u> are available. Kitchens probably are considered as dwelling rooms but probably are not included in living space.

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of workmanship and of availability of utilities, was superior to that of housing in the other future European Satellites. Housing in the urban areas of the future territory of East Germany was generally superior to housing in rural areas.

Housing in the territory of East Germany deteriorated markedly as a result of World War II. Losses of dwellings caused by military action were heavy. In addition, immediately after the war the population of the area increased as a result of a heavy influx of refugees from the German provinces annexed by Poland and from the Sudetenland of Czechoslovakia. By 1946 the number of family units in the area greatly exceeded the number of dwellings. Almost 10 percent of the entire population was forced to live in emergency barracks and other emergency structures. The average number of persons per dwelling room had doubled to 1.6, and the average amount of living space per person had been cut by almost one-half to approximately θ sq m. Finally, as a result of war damages, neglect of necessary repairs and maintenance, and the introduction of many hastily and poorly constructed dwellings, the quality of occupied dwellings in the area had declined considerably since 1939. <u>170</u>/

During the period of reconstruction, 1946-50, almost nothing was done to relieve the housing distress of the population, and housing actually deteriorated further. During this period the population of the area decreased by about 100,000 as a result of emigration. $\underline{171}$ / The size of the housing stock, however, decreased at a more rapid rate than did the size of the population. More living space was lost as a result of natural destruction; collapse through deterioration; and, especially, conversion to nonresidential uses than was gained through new construction and reconstruction repairs. The liquidation of emergency housing camps and the transfer of the former occupants to permanent types of dwellings further intensified the problem of overcrowding. 172/

C. First Five Year Plan (1951-55).

In 1951, the opening year of the First Five Year Plan of East Germany (1951-55), housing was very poor by prewar German standards. By January 1951 the average amount of living space per person had declined to about 7.3 sq m.* 173/ It is estimated that the average number of persons per dwelling room had climbed to about 1.8.** Shared

* Including East Berlin.

** This estimate is based on source 174/. Source 175/ reports the results of a 1950 housing census for East Germany, excluding East Berlin. The 4.5 million dwellings indicated by this source as existing in 1950 is inconsistent with all other information on East German housing and is not accepted in this report.

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tenancies were the rule rather than the exception, and many families of 4 and 5 and more were forced to live in a single dwelling room. Thousands of dilapidated and collapsing buildings, which before World War II would have been abandoned as unsafe and unsanitary, were still occupied because of the shortage of dwellings. <u>176</u>/ A massive long-term construction program would have had to be undertaken if an end to the housing crisis was to be obtained and if prewar standards were to be restored.

In drafting the housing program for the First Five Year Plan, the government of East Germany made no attempt to improve the general level of housing of the population. In contrast, the government probably decided that the perpetuation of the prevailing poor housing was one necessary cost for the planned rapid development of heavy industry. The housing program as drafted was designed to do little more than to meet the minimum propaganda and economic requirements of the regime.

For the Five Year Plan, construction of 240,000 dwellings, constituting 10.1 million sq m of living space, was promised. 177/ Even this minimum program was not fulfilled, because only 208,000 dwellings, constituting approximately 9.1 million sq m of living space, were provided. The latter total included dwellings gained through reconstruction repairs and through additions of dwellings to existing buildings as well as through new construction. 178/ The state construction sector provided about 95,000 dwellings, about 46 percent of the total. The government also contributed financial assistance to some of the nonstate builders. 179/

State and nonstate efforts resulted in making available 61,000 dwellings in 1951 and 48,000 in 1952, as shown in Table 10.* The large early gains resulted from concentration on the less costly projects of restoring and enlarging existing buildings. During 1953-55, in contrast, an average of only 33,000 dwellings a year was gained. <u>180</u>/ Apparently, the new course had no effect on construction of dwellings in East Germany. State-constructed dwellings were concentrated near key industrial and mining enterprises, especially near the Wismut uranium mines in Saxony and Thuringia. Construction of rural dwellings received the lowest priority during the period. <u>181</u>/

The actual increase in number of dwellings in East Germany during 1951-55 was considerably less than the 208,000 dwellings reported as gained because of the large number of dwellings lost as a result of destruction, deterioration, and conversion to nonresidential uses. Official East German sources indicate that at least 30,000 dwellings per year became "uninhabitable" because of deterioration alone during

* Table 10 follows on p. 60.

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Table 10

Construction of Dwellings in East Germany a/ 1950-57

Year	State Sector	Nonstate Sector b/	Total C/
1950 1951 1952 1953 1954 1955 1956 1957 <u>e</u> /	30.1 19.8 18.7 38.4	4.7 13.0 14.1 22.7	31.0 61.0 47.6 32.3 34.7 (34.7) <u>a</u> / 32.8 (30.1) 32.8 (30.4) 61.1 <u>f</u> / (50)

a. Source 182/, unless otherwise indicated. This table includes dwellings gained through new construction, reconstruction repair, and additions to existing buildings.

b. The term nonstate as used in this table includes private and cooperative construction with and without state financial aid.

c. Totals are derived from unrounded data and may not agree with the sum of their rounded components.

d. Figures in parentheses include new construction only.e. 183/

f. Probably includes dwellings gained through conversion of nonresidential buildings.

1951-55. 184/ Many of these dwellings, however, were not evacuated because of the critical shortage of dwellings. Whatever the actual extent of losses of dwellings during the period, a quantitative improvement in housing resulted because the population of East Germany decreased by 530,000. 185/ The quantitative gain, however, largely was offset by a further decrease in the quality of housing. The number of dangerously deteriorated buildings which still were occupied increased during the period. Moreover, the general quality of all residential buildings decreased during the period as essential repairs and maintenance were neglected. Finally, many of the dwellings constructed during the period consisted of workers' barracks and cabins of very poor quality. 186/

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D. 1956-58.

Whatever the extent of housing gains in East Germany during 1951-55, the level of housing in 1956-58 still is very depressed by standards in Germany before World War II. The population of East Germany in January 1958 is estimated at 17.4 million* and the total amount of living space at 141 million sq m.** Consequently, the average amount of living space per person was about 8.1 sq m, only about one-half the 1939 average.*** The average number of persons per dwelling room in 1958 is estimated at 1.7, approximately 2 times the 1939 average.***

The people of East Germany still suffer from a lack of housing privacy to a degree unknown before World War II. A very large percentage of families in East Germany must share dwellings with other families. Reports of families of 4 and 5 living in a single dwelling room are common. The quality of dwellings in East Germany remains well below the standards to which the population was accustomed in prewar days. Tens of thousands of families live in dangerously decayed buildings, while hundreds of thousands of families live in buildings which rapidly are decaying as a result of old age and neglect of essential repairs and maintenance. <u>191</u>/

It is believed that almost all the population of East Germany is living under conditions of housing which the population recognizes to be substandard. Moreover, a very large portion of the population is living under conditions of housing considered extremely substandard. Housing in East Germany is markedly inferior to housing both in Czechoslovakia and in West Germany, the latter having suffered much heavier losses of dwellings during World War II than did East Germany and having been subject to large increases in population. 192/

No information is available on urban-rural variations in housing in East Germany in 1956-58. It is believed, nevertheless, that, similar to prewar days, urban housing still is generally superior to rural housing. Almost no information is available on housing in East Berlin. It is probable, however, that despite construction of "Stalin Allee" for propaganda purposes, housing in East Berlin is far below prewar national standards.

** Based on source 188/ and the assumption that the net gain in living space during 1951-57 was about one-half the gross gain. *** Official data on housing are available for Wismar, a city of 55,000. The average amount of living space per person in 1957 was 8.5 sq m. 189/

**** Based on source 190/.

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^{*} Based on source 187/.
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E. Effect of the Housing Problem on Political Stability and Economic Development.

1. Political Stability.

The almost universally substandard housing of the East German population is one key economic factor provoking anti-Communist feelings in East Germany. Before the uprising in East Berlin in June 1953, almost no mention of the housing problem was made by officials of East Germany. Since 1953, and especially since 1956, officials publicly have recognized the existence of a housing problem. Almost nothing, however, has been reported on the actual extent and severity of the problem. 193/ It is believed that most East Germans rank substandard housing second only to shortages of food as the most depressing economic factor in their daily lives and that the Communist government is criticized severely by the population for failure to improve housing since the end of the war. East Germans are especially aware of the sharp contrast between the poor effort at construction of dwellings in East Germany and the remarkable achievements in construction in West Germany in recent years.* In July 1956 a program for accelerated construction of dwellings for East Germany was announced, ** partly as a response to popular dissatisfaction over housing.

2. Economic Development.

Little specific information on the relationship of housing to economic problems is available for East Germany. The low level of housing is believed to be one key factor in the low level of productivity of workers. The shortage of dwellings probably is very extreme in rapidly expanding economic areas, such as Stalinstadt and the uranium mining areas of Saxony and Thuringia. <u>195</u>/ These areas probably have suffered from labor problems, partly as a result of inadequate housing. Insofar as poor housing is a factor in the emigration of young, active workers from East Germany, housing contributes to the depletion of the supply of labor in an economy already suffering from a tight labor market.

* In 1956, West Germany completed 561,000 dwellings compared with only 33,000 by East Germany. On a per capita basis, West Germany completed more than 6 times as many dwellings in 1956 as did East Germany. <u>194</u>/ ** See F, below.

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F. Second Five Year Plan (1956-60).

1. Plans.

The original housing program for the Second Five Year Plan of East Germany (1956-60) called for the construction of 260,000 dwellings. <u>196</u>/ In July 1956, in a much publicized announcement, the construction goal for 1956-60 was increased to 360,000 dwellings. <u>197</u>/ In October 1957, however, the goal was decreased to 340,000 dwellings, including 25,000 dwellings to be obtained through reconstruction repairs, through additions to existing dwellings, and through conversions of dwellings from nonresidential uses. It has been made clear, moreover, that the average size of the dwellings to be constructed during 1956-60 is to be restricted to 38 sq m of living space, compared with an average of 48 sq m for the dwellings constructed in 1955. 198/

2. Results, 1956-57.

The 1956 housing plan for East Germany called for construction of 42,100 dwellings. Even this goal, which was small considering the magnitude of the revised plans for 1956-60, was underfulfilled. There were completed in 1956 only 30,400 dwellings, 72 percent of the goal for the year. An additional 2,400 dwellings were gained through reconstruction repairs (see Table 10*). Housing authorities admit that as many dwellings were lost through decay in 1956 as were gained through construction. <u>199</u>/ Failures in construction in 1956 were most serious in rural areas. As in the past, East German officials blamed the underfulfillment of the construction goal on poor planning and on shortages of skilled labor and construction materials. 200/

For 1957, East Germany proposed the completion of 55,000 new dwellings, including several thousand which were nearly completed in 1956. 201/ Provisional reports indicate that once again the plan for new construction was not fulfilled. Only 50,000 dwellings were constructed in 1957 (see Table 10*). Additionally, 11,000 dwellings were "gained" through conversion of nonresidential buildings, through reconstruction repairs, and probably through renovation of decayed but still occupied dwellings. 202/

It is possible that the downward revision in October 1957 of the housing program for 1956-60 resulted from pessimistic views of the probable accomplishments in 1957. The chances of East German completion of the 340,000 dwellings currently promised for 1956-60 are at best doubtful. 203/

* P. 60, above.

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G. Prospects.

Prospects for housing in East Germany are for long-term continuation of very depressed conditions, with their adverse effect on individual welfare, political stability, and economic development. No substantial improvement in housing can be expected by 1960. Some quantitative improvement in housing, however, will result even if the 1956-60 construction program is not fulfilled, because the population of East Germany should continue to decrease. As in the past, however, the quantitative gains in housing will be in part offset by further decreases in quality. There is no indication that East Germany has undertaken a repair program for 1956-60 of sufficient magnitude to combat the problem of the ever-increasing decay of dwellings. By 1960, according to official pronouncements, East Germany expects to complete 100,000 dwellings a year. 204/ Only if that level of construction actually is achieved and then maintained for a long period, will any substantial progress in housing result.

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VI. Bulgaria.

A. General.

An analysis of housing in Bulgaria is hampered by the vagueness and inconsistency of official data. Although the general trends in housing since World War II can be traced, the actual extent of changes in housing under Communist rule and the actual level of current housing are difficult to estimate. Almost no official information is available on the effect of housing on individual welfare and national development.

Housing in prewar Bulgaria was very poor, especially in rural areas and in working class districts in urban areas. The cities and towns of prewar Bulgaria, however, were relatively uncongested, and over-all urban housing was far superior to rural housing. The size of the urban population has increased rapidly during the postwar period. Until 1955, however, the Communist government, in its drive toward industrial development, almost completely ignored the housing needs of urban areas. Consequently, urban housing deteriorated considerably. Since 1955 the government has increased state construction and encouraged private construction in urban areas, and housing has improved slightly. The level of urban housing, nevertheless, still is very depressed even by Bulgarian standards and constitutes one of the major problems of the country. Rural housing, in contrast, has improved slightly during the postwar period. In quantitative terms, housing in the villages is now better than housing in the towns and cities. Housing of the vast majority of rural families still is very poor, but because the level of housing demanded by the peasants is low, there is no serious housing problem in the villages.

B. Prewar, War, and Reconstruction Periods.

Housing in Bulgaria before World War II was among the worst in Europe, reflecting the poor and underdeveloped economy of the country. The nationwide average of persons per dwelling room in 1939 was more than 2.* In rural areas, in which about three-fourths of the population lived, the average was 2.4, and the quality of housing was extremely poor. There was relatively little congestion in urban areas, in which the average number of persons per dwelling room was less than 1.5. In Sofia the average was less than 1.4.

* Kitchens probably were included as dwelling rooms. No information is available on persons per dwelling or on square meters of living space per person, the two measures on which information is available for the postwar period. For the same period, no information is available on the average number of persons per dwelling room.

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Housing in working class districts, however, was very poor in terms of overcrowding and quality of dwellings. 205/

About 12,000 dwellings in Sofia were destroyed or damaged during World War II as a result of military action, 206/ but wartime destruction of housing outside Sofia was minimal. Normal activities of construction and repair, however, were interrupted throughout the country during the war. Construction and repair activities also were very limited during the reconstruction period of 1946-48.

C. 1949-57.

1. First Five Year Plan (1949-52).

During the First Five Year Plan of Bulgaria (begun in 1949 and announced as completed in 4 years in 1952) urban housing deteriorated considerably, whereas housing in rural areas improved slightly. By 1949, housing in urban areas already had deteriorated below prewar levels of housing. The population of urban areas already had begun to increase rapidly, mainly as a result of the migration of large numbers of peasants to the towns and cities. The largest expansion of population had taken place in Sofia, in part as a result of the concentration there of an enlarged bureaucracy. Villas confiscated from the old ruling class were taken over as offices or dwellings by the new ruling class. Many apartment buildings similarly were confiscated. Most new urban residents, however, were crowded into the working class and lower middle class districts. 207/

It is estimated that by 1949 the average number of persons per dwelling in all urban areas was slightly more than 4* and per dwelling room close to 2. All signs indicated that the swell of population in urban areas would increase in tempo during the Five Year Plan, as a result of the planned industrial expansion and of the existence in rural areas of widespread underemployment. Unless housing facilities were provided for the new urban residents, a major housing problem was inevitable.

Rural housing in 1949 probably was about the same as before the war. Overcrowding might have decreased slightly as a result of the movement of peasants to urban areas, but the quality of rural dwellings still was extremely poor. The major problem of rural housing during the Five Year Plan was to be the replacement of the most dilapidated and substandard units.

* Based on source 208/.

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No plan for construction of dwellings for the First Five Year Plan of Bulgaria is available. According to the latest official data (released in 1957), 3,510,000 sq m of dwelling space* were constructed during 1949-52 with the peak year for this period being 1950, as shown in Table 11. State construction accounted-for 836,000 sq m and nonstate construction** for 2,680,000 sq m. State and private construction combined thus provided about 60,000 dwellings during 1949-52. 210/

Гa	ble	e l	1

Construction of Dwelling Space <u>a</u>/ in Bulgaria <u>b</u>/ 1949-57

	- <u></u> · · <u></u> ·	Thousand Square Meters		
Year	State Sector	Nonstate Sector	Total <u>c/</u>	
1949 1950 1951 1952 1953 1954 1955 1956 1957	93 281 214 248 299 377 640 435 100 <u>a</u> /	806 859 527 484 545 733 1,151 1,259 2,190 <u>e</u> /	899 1,140 741 732 843 1,109 1,791 1,695 2,290	

a. The term <u>dwelling space</u> as used in this table comprises floorspace of main rooms; kitchens; and, probably, private entrance halls and bathrooms. In some sources the term <u>living accommodation</u> is used.
b. Source <u>211</u>/, unless otherwise indicated.
c. Totals are derived from unrounded data and may

not agree with the sum of their rounded components. d. Based on source 212/.

e. <u>213/</u>

* The term <u>dwelling space</u> as used in Bulgaria comprises floorspace of main rooms; kitchens; and, probably, private entrance halls and bathrooms. In some sources the term <u>living accommodation</u> is used. ** Private construction in Bulgaria is reported to the state in terms of dwellings and then is converted into dwelling space by housing officials. <u>209</u>/ It is believed that Bulgarian officials exaggerate the average size of private dwellings when converting them to dwelling space for purposes of official reports on housing and thereby exaggerate the over-all amount of construction of dwelling space in Bulgaria.

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No breakdown of the latest official data on housing between urban and rural construction is available. Earlier official reports indicated that state urban construction during 1949-52 had provided about 9,300 dwellings and nonstate construction 9,200 additional urban dwellings, giving a total of 18,500 dwellings for urban areas. 214/ The number of dwellings constructed was only a fraction of the number needed to prevent further deterioration of urban housing. It is estimated that during 1949-52 the urban population increased by 350,000.* To accommodate such an increase in population at the 1949 standard of slightly more than 4 persons per dwelling would have required the construction of at least 80,000 dwellings, or more than 4 times the number of dwellings actually constructed. Moreover, many dwellings were lost during the period as a result of destruction, deterioration, and conversion to nonresidential uses. The inadequacy of urban construction of dwellings during the First Five Year Plan illustrates the extent to which considerations of consumer welfare were subordinated to considerations of industrial expansion during the period.

According to official reports, construction by peasants in rural areas during 1949-52 provided 41,000 dwellings. <u>216</u>/ State construction may have provided a small number of additional dwellings on state farms. As a result of the effort in construction, housing in rural areas improved slightly during the period. The number of dwellings lost during the period as a result of deterioration probably was nearly as high as the number of dwellings constructed.** The size of the rural population, however, decreased. Consequently, there was some quantitative gain in housing. Not all rural dwellings constructed during the period were 2-story brick buildings, as official propaganda would indicate. Because of the national shortage of brick, cement, and timber, most of the dwellings probably were constructed of materials of secondary importance, such as scrap lumber, clay, and mud. Nevertheless, the general quality of the newly constructed dwellings probably was superior to the general quality of the dwellings replaced. <u>217</u>/

2. Second Five Year Plan (1953-57).

For the Second Five Year Plan (1953-57) the Bulgarian government promised a great expansion in construction of dwellings. <u>218</u>/ According to official reports, during 1953-56, the first 4 years of the new Plan, 5,440,000 sq m of dwelling space were constructed in Bulgaria, compared with 3,510,000 during the 4-year period, 1949-52,

** It is possible that many of the rural dwellings reported as new construction actually resulted from renovation of decayed but still occupied dwellings.

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^{*} Based on source 215/.

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an increase of 55 percent (see Table 11*). State construction during 1953-56 totaled 1,750,000 sq m of dwelling space, more than 2 times the amount of state construction during 1949-52. Nonstate construction during 1953-56 totaled 3,690,000 sq m, compared with 2,680,000 sq m during 1949-52, an increase of 38 percent.**

According to official reports, nonstate construction in 1957 provided 31,800 dwellings containing 2,190,000 sq m of dwelling space, a very substantial increase over 1956. <u>220</u>/ State construction in contrast fell sharply in 1957 to, it is estimated, 100,000 sq m,*** less than one-half of the state plan for the year. Total construction of dwellings in 1957 consequently provided approximately 2,290,000 sq m of dwelling space, an increase of one-third in comparison with 1956 (see Table 11*). For the entire Second Five Year Plan, state construction provided 1.8 million sq m of dwelling space and nonstate construction 5.9 million sq m for a combined total of about 7.7 million sq m.****

Very little information on the urban-rural breakdown for construction of dwellings during 1953-57 is available. It is probable, however, that compared with 1949-52 the annual rate of urban construction increased considerably, whereas the annual rate of rural construction increased only slightly.

The annual rate of construction of urban dwellings increased only slightly during 1953-54, compared with 1949-52. The rate of increase in urban population remained high, and, consequently, a further decline in urban housing resulted. During 1955-57, large increases in construction of urban dwellings, combined with a decrease in the rate of increase of urban population, served to halt the trend toward deterioration and resulted in a slight improvement in urban housing. State urban construction, according to official reports, produced more dwellings in 1955 alone than during the entire period of

* P. 67, above.

** Official reports on nonstate construction in terms of dwellings strongly indicate that the reported increase in nonstate construction (and therefore in total construction) in terms of dwelling space during 1953-56 may be exaggerated. One report indicates that nonstate construction actually decreased from about 50,000 dwellings during 1949-52 to 48,000 dwellings during 1953-56. <u>219</u>/

*** Based on source 221/.

**** A Bulgarian report on plan fulfillment 222/ states that a total of 8.2 million sq m of housing was constructed during 1953-57. Such a total probably represents an attempt to exaggerate the level of construction by adding types of construction which previously were not considered as dwelling space.

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1949-52. 223/ Nonstate urban construction began to increase in 1954 as a result of a government policy, as part of the new course, of liberal construction loans to private nonstate builders. 224/ During 1956-57, state construction was deemphasized, and still greater emphasis was placed on nonstate urban construction. 225/

Nonstate rural construction decreased from about 41,000 dwellings during 1949-52 to 36,200 dwellings during 1953-56. 226/ Greatly increased nonstate rural construction during 1957, however, probably raised the average annual rate of construction for the Second Five Year Plan to slightly above the level of the First Five Year Plan. 227/ State rural construction, moreover, may have increased during the more recent period. Losses in rural dwellings as a result of deterioration probably continued to cancel a major portion of gains in dwellings. During 1953-57, moreover, the size of the rural population began to increase. 228/ Consequently, little if any quantitative improvement in rural housing took place during the Second Five Year Plan.

3. Results.

For the 9-year period 1949-57, Bulgarian officials report the construction of more than 11 million sq m of dwelling space. The net gain in dwelling space during the period was considerably less than the reported total construction. In rural areas, losses of dwellings were probably almost as extensive as gains in dwellings. Losses of dwellings in urban areas, as a result of destruction from floods, demolitions for planning purposes, deterioration, and conversion to nonresidential uses also were considerable. 229/ It is believed that the net gain in dwelling space throughout Bulgaria during 1949-57 did not meet the needs of new population and that nationwide housing deteriorated somewhat. The housing problem in Bulgaria definitely became more critical during the period. Although some improvement in rural housing probably was registered, the improvement was very slight in relation to the over-all depressed condition of peasant housing and did not have any significant effect on the morale or economic productivity of the peasant class. In urban areas, in contrast, housing deteriorated considerably. It is believed that the net increase in urban dwellings during the period was substantially less than one-half the number needed to provide for the increase in urban population at the 1949 level of housing.* A decline in the quality of dwellings during the period, as a result of the neglect of essential repairs, served further to aggravate the housing problem. decline in housing in urban areas did significantly affect the morale and economic productivity of the urban worker. By 1956-57, Bulgarian officials began to admit publicly that housing problems in urban areas had become critical. 231/

* Based on source 230/.

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D. 1958.

1. Urban Housing.

a. Nature of the Housing Problem.

Housing in the urban areas of Bulgaria in 1958 is depressed seriously, by national standards. Although comparisons are difficult because of the noncomparability of available data on housing for each country, urban housing in Bulgaria is probably worse than in Poland.

The vast majority of urban residents in Bulgaria (onethird of the total population in 1958) live under conditions of extremely poor housing. In marked contrast with prewar days, overcrowding of dwellings now is greater in urban areas of Bulgaria than in rural areas. The generally accepted minimum standard of housing in Bulgaria, adhered to by both prewar and Communist authorities, is 9 sq m of "clear living space" per person (the floorspace of main rooms only). 232/ In December 1954, according to an estimate by Bulgarian housing authorities, the average amount of "clear living space" per person in urban areas was only 4.6 sq m. 233/ It is estimated that by January 1958 the average may have increased to 5.0 sq m per person.* For the most part, only members of the privileged class occupy as many as 9 sq m of "clear living space." The majority of urban dwellers occupy only one-half or less of the amount of "clear living space" considered to be the minimum for purposes of health. In contrast with a prewar average of less than 1.5 persons per urban dwelling room, the average number of persons per urban dwelling room (kitchens included) in Bulgaria in 1958 is believed to be 2 or more.

In addition to the physical discomforts of overcrowding, almost all urban families in Bulgaria must suffer the annoyance of sharing a dwelling with strangers. In 1958 the basic dwelling accommodation for the urban family in Bulgaria is 1 or possibly 2 rooms in a multiroom dwelling. Prewar urban residents have been forced to turn over much of their dwelling space to strangers from the villages. Tensions and conflicts between tenants of different backgrounds are endemic in Bulgaria. <u>235</u>/ Even in newly constructed state housing, 2 or more families often share a dwelling originally designed for 1 family. 236/

Housing for the urban population in Bulgaria is made even more unpleasant by the very poor quality of available dwellings. The quality of dwellings has deteriorated under Communist rule as a

* Based on source 234/.

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result of the shoddy construction of new dwellings by the state and of the neglect of essential repairs of existing dwellings. <u>237</u>/ The rate of decay of dwellings in urban areas is accelerated by the occupancy of residential buildings by 2 and 3 times the number of residents for which the buildings were designed.

b. Sofia.

The failure of the program for urban construction of dwellings in Bulgaria is illustrated by developments in Sofia. By Eastern European standards, there was relatively little overcrowding in Sofia before World War II, but housing has deteriorated considerably during the postwar period. The population of Sofia has increased by more than 200,000 since 1946 to 730,000 in 1957. Not until 1957, however, after a decade of concentration on the construction of factories, warehouses, and office buildings, was more than a token program for construction of dwellings actually launched. During the 7-year period 1950-56, only about 16,000 dwellings were completed. For 1957, 7,000 dwellings were planned. <u>238</u>/ The shortage of dwellings in Sofia has led to a government policy of restricting immigration of "nonessential persons" into the city and even of expelling from the city, from time to time, persons classified as economically "nonproductive." 239/

2. Rural Housing.

Two-thirds of the population of Bulgaria reside in rural areas. Although slight improvements in rural housing probably have taken place since 1949, the vast majority of families in rural areas continue to live under conditions of very poor housing, compared with levels of housing in the rural areas of Hungary or Czechoslovakia. According to estimates by Bulgarian housing authorities, the average peasant in 1958 occupied about 7 sq m of "clear living space," <u>240</u>/ compared with about 5 sq m for the average urban dweller. The general quality of rural dwellings probably remains below the quality of dwellings in urban areas. The peasants of Bulgaria generally are accustomed to and accept very low levels of housing. From the point of view of the government, consequently, there is no serious problem of housing in the villages.

E. Effect of the Housing Problem on Political Stability and Economic Development.

1. Political Stability.

The housing problem in Bulgaria, insofar as it affects political stability, basically concerns urban areas. The portion of

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the Bulgarian urban population which is dissatisfied with its housing probably is very large. Information is lacking, however, as to just how acute the dissatisfaction actually is. It is known that the remnants of the prewar bourgeoisie, who were accustomed to adequate housing and who now must accept the lowest housing priority in a country with an acute housing shortage, are very bitter about housing. 241/ Bulgarian workers have expressed dissatisfaction over the generous allotment of dwellings to the numerous Russian officials resident in Bulgaria. Dissatisfaction also has been expressed over the allotment of apartments to Party leaders and bureaucrats in buildings constructed with factory funds supposedly for factory workers. 242/ It is unlikely that popular dissatisfaction concerning housing has any serious effect on political stability in Bulgaria because of the strict controls over the population which the regime has been able to maintain.

2. Economic Development.

Almost no information is available on the relationship between the urban housing problem in Bulgaria and poor economic performance. It is believed that in Bulgaria, as in the other European Satellites, however, poor housing adversely affects the productivity of the labor force. The inadequacy of housing in key centers of industry and mining adversely affects the progress of a plant or an enterprise. Overcrowded and substandard dwellings are a major factor depressing the level of health of the population in Bulgaria and thereby retarding productivity of workers. The increase in construction of urban dwellings since 1955 probably is an indication that the Bulgarian government has recognized that poor dwellings do interfere with economic progress.

F. Prospects.

Bulgaria will be faced with a major urban housing problem for years to come. The housing program proposed for the Third Five Year Plan (1958-62) indicates that the government will continue to stress increased construction of urban dwellings. 243/ Although it is probable that a gradual improvement in urban housing conditions will continue to take place, it will take years of strenuous effort in construction to undo the damage of the 1949-54 period of unrestrained emphasis on industrial development and consequent neglect of housing. In rural areas the peasants probably will continue to meet their lowlevel housing needs.

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One development begun in Bulgaria in 1956 which probably will be continued in the future is the curtailment of state construction in urban areas and the expansion of nonstate construction with state financial assistance. Of the 7,000 dwellings planned for completion in Sofia in 1957, only 1,500 were being constructed by state enterprises. 244/

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VII. Rumania.

A. General.

Even less statistical information on housing is available for Rumania than for Bulgaria. An analysis of housing in Rumania is handicapped by the lack of any official or unofficial estimate of the size of the housing stock. The general direction of developments in housing in Rumania since World War II, however, is known. Estimates of the current situation, moreover, can be made by using statistical data available for Bulgaria.

Housing in the rural areas of Rumania before World War II was very poor and probably was on a par with rural housing in Bulgaria. During the postwar period, housing in the rural areas of Rumania has improved somewhat. Although the level of housing in the villages still is very poor compared with rural housing in Hungary or Czechoslovakia, the housing standards of the Rumanian peasantry are low, and there is relatively little discontent over housing in the villages. From the point of view of the Communist government, consequently, there is no serious housing problem in rural areas.

Housing in the cities and towns of Rumania was very poor in prewar days but probably was superior to housing in rural areas. Under Communist rule, housing of the urban population -- 31 percent of the total population in 1956 -- has deteriorated considerably. The government has neglected housing in urban areas even though the size of the urban population has been increasing at a rapid rate throughout the postwar period. Current urban housing in Rumania is believed to be the worst of all the European Satellites, and the urban housing problem is one of the major problems of the country. The Rumanian government admits that housing in urban areas is inadequate. There are indications, moreover, that the government recognizes the adverse effect of poor housing on economic progress and political stability. The government, nevertheless, consistently has accepted deterioration of urban housing as a necessary price to be paid for industrial expansion.

Stimulated by events in Hungary and Poland, the Rumanian government late in 1956 did promise an accelerated program for construction of urban dwellings. It is unlikely, however, that in the next few years there can be attained a level of construction sufficient to avert further serious deterioration of housing in the cities and towns of Rumania. Rumania will be faced with a critical urban housing problem for a very long period.

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B. Prewar, War, and Reconstruction Periods.

Very little data on prewar housing in Rumania are available. As in Bulgaria, housing in the rural areas of prewar Rumania was characterized by great overcrowding and by dwellings of very poor quality. Housing of the urban population of Rumania probably was superior both quantitatively and qualitatively to housing of the rural population. Housing in urban working class districts, however, was very poor and probably was inferior to housing in similar districts in Bulgaria.

Losses of dwellings in Rumania as a result of military action during World War II were concentrated primarily in Bucharest, in which 7,500 houses were destroyed or damaged severely. Several other towns suffered significant war damage. The Rumanian capital also suffered housing losses as a result of an earthquake in 1940. Throughout the country normal activities of construction and repair were interrupted by the war, thereby aggravating existing shortages of dwellings. Housing activity during the reconstruction period of 1946-50 also was below normal prewar levels and the shortage of dwellings increased further. Large migrations from the villages to the towns and cities took place during 1946-50, thereby overtaxing the already inadequate supply of dwellings in urban areas. 245/

C. First Five Year Plan (1951-55).

1. Urban Housing.

By 1951, the opening year of the Rumanian First Five Year Plan (1951-55), urban housing in Rumania already was appreciably worse than it had been in the prewar period. Serious shortages of dwellings were reported in Bucharest and in other expanding population centers. The postwar legal "minimum" standard of urban housing in Rumania, supposedly based on considerations of health and sanitation, is 8 sq m of living space* per person. 246/ By 1951 the actual average amount of living space per resident probably was already less than 8 sq m, and the average number of persons per room probably was 2 or more. The First Five Year Plan, with its emphasis on industrial expansion, necessarily would impel a larger-than-ever migration of peasants to growing centers of industry, mining, and administration.

* The term <u>living space</u> as used in Rumania comprises the floorspace of main rooms and internal halls, excluding kitchens and bathrooms. In some sources, it is referred to as "inhabitable space." The Rumanian definition of living space is similar to, although not identical with, the Bulgarian definition of clear living space.

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Despite the indications that a critical problem of urban housing would develop during the First Five Year Plan unless the state sponsored a huge housing program, the Communist government chose to ignore the housing problem in order to concentrate on industrial expansion. The state housing program for 1951-55 called for construction of 2.8 million sq m of "housing area,"* 247/ only a fraction of the minimum housing needs for the period.

According to an official report published in 1957, state and state-aided construction** during 1951-55 totaled 2,610,000 sq m of "housing area," 93 percent of the amount planned for the period. Of this total, however, only 1,510,000 sq m (58 percent) represented living space.*** State and state-aided construction thus provided approximately 50,400 dwellings.**** Almost all these dwellings were located in urban areas. Several thousand dwellings, however, were located on state farms. In addition, 26,700 urban dwellings emcompassing 800,000 sq m of living space were provided by private constructiont during the period. 248/ In all, therefore, about 75,000 dwellings consisting of 2,250,000 sq m of living space were constructed in urban areas during 1951-55.

The combined total of state, state-aided, and private urban construction increased from 302,000 sq m of living space in 1951 to 577,000 sq m in 1954 and 666,000 sq m in 1955, as shown in Table 12.++ Much of the increase in urban construction during 1954-55 resulted from the expansion, as part of the new course, of state-aided

* The term housing area as used in Rumania comprises the floorspace of all rooms, closets, corridors, and laundry areas. ** The term state-aided construction as used in Rumania includes nonstate construction with state financial assistance. *** The percentage of "housing area" devoted to living space in the sector of state construction decreased from 67 percent in 1951 to 49 percent in 1955. Considering the acuteness of the shortage of living space in Rumania, such a decrease appears unrealistic. It is possible that in an effort to exaggerate the actual level of construction the government included under "housing area" in the later years of the plan types of construction not originally so considered. If in fact the regime did pad its figures for "housing area," the figures for living space would be more reliable as an indicator of the resources devoted to housing. Most references in the present report will be in terms of living space. **** According to official Rumanian usage, 30 sq m of living space equals 1 dwelling unit.

t The term private construction includes nonstate construction without state financial assistance.

tt Table 12 follows on p. 78.

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Table 12

Construction of Living Space a/ in Urban Areas of Rumania b/ 1951-57

Thousand Square Meters

Year	State <u>Sector</u>	State-Aided Sector <u>C</u> /	State and State-Aided Sectors <u>d</u> /	Private <u>Sector e</u> /	<u>Total f</u> /
1951 1952 1953 1954 1955 1956 1957 <u>h</u> /	172 166 316 282 332 288	2 11 96 134 149	331	130 120 150 200 200 200 <u>g</u> / 200	302 289 477 577 666 637 531

a. The term <u>living space</u> as used in this table comprises the floorspace of main rooms and internal halls, excluding kitchens and bathrooms. In some sources the term <u>inhabitable space</u> is used instead of the term <u>living space</u>. According to official Rumanian usage, 30 sq m of <u>living space</u> equals 1 dwelling.

b. Source 249/, unless otherwise indicated.

c. The term state-aided as used in this table includes nonstate construction with state financial aid.

d. The data for 1957 are available only as a total for state and state-aided construction.

e. The term <u>private</u> as used in this table includes nonstate construction without state financial aid.

f. Including living space of several thousand state and stateaided dwellings constructed in rural areas. Totals are derived from unrounded data and may not agree with the sum of their rounded components.

g. Based on source 250/.

h. Based on source 251/.

construction. The increase of total urban construction, although impressive in terms of percentage, was insignificant in relation to the real need for urban dwellings.

Most of the new state and state-aided dwellings during 1951-55 were located in Bucharest and in centers of coal, petroleum, and steel production. A substantial proportion of state construction consisted of workers' barracks and dormitories. The quality of many

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of the dwellings constructed by the state has been criticized as very poor by both official and unofficial sources. 252/

As a result of the inadequacy of new construction during 1951-55, urban housing declined sharply. During this period the urban population increased, it is estimated, by at least 1 million persons.* A considerable number of dwellings were lost during the period as a result of destruction, deterioration, and conversion to nonresidential purposes. Nevertheless, even if all reported urban construction is considered as net gain, only 2.2 sq m of "living space" were provided for each new resident. At the official standard of 8 sq m of "living space" per person, only 280,000 of the 1 million or more new residents would have been accommodated. During 1951-55, moreover, the quality of urban housing declined as a result of the neglect of essential repairs of old dwellings and of the poor workmanship in new state-constructed dwellings. 254/

2. Rural Housing.

Housing in the rural areas of Rumania in 1951 was probably essentially the same as it had been before World War II. During 1951-55, according to official reports, private construction provided 174,000 dwellings in rural areas. Several thousand additional dwellings were constructed on state farms by the state or through state aid. Most of the newly constructed rural dwellings were utilized to replace dwellings lost as a result of destruction or deterioration.** It is believed, nevertheless, that the size of the housing stock of the villages probably did increase slightly during the period, whereas the population of the villages declined slightly. Consequently, a quantitative improvement in rural housing was registered. Any improvement in the over-all quality of rural dwellings during the period was at best very slight because most of the new dwellings were of very poor construction. 255/ The peasants in Rumania, nevertheless, were much more successful in meeting their housing needs than the state was in satisfying the housing needs of the urban population.

3. Results.

Despite the slight gains in rural areas, housing in Rumania probably declined during the First Five Year Plan. The problem of housing in Rumania, moreover, was intensified greatly during the period. As in Bulgaria, slight changes one way or another

** It is possible that many of the rural dwellings reported as new construction actually resulted from renovation of decayed but still occupied dwellings.

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^{*} Based on source 253/.

in rural housing do not alter the general economic and political situation in the villages. In contrast, a sharp decline in urban housing such as occurred in Rumania during 1951-55 does affect significantly the economic and political situation in the towns and cities. By 1955, Rumanian officials had come to admit that the level of construction of urban dwellings during the First Five Year Plan had been inadequate and that the problem of housing in urban areas had become serious. <u>256</u>/

D. 1956-58.

1. Urban Housing.

Urban housing in Rumania in 1956-58 is far below the prewar level of housing in that country and is believed to be worse than urban housing in any other European Satellite. Even for a population which is accustomed to very poor housing, the present level of housing constitutes the outstanding problem of daily living in the cities and towns of Rumania. Moreover, the situation gets worse every year, and there is almost no hope for any improvement in the near future.

No official or unofficial estimate of the size of the housing stock in Rumania is available. Urban housing in 1946, however, was probably worse than urban housing in Bulgaria at the time as a result of greater prewar urban congestion in Rumania and heavier wartime losses. The decline in urban housing during the postwar period, moreover, has been sharper in Rumania than in Bulgaria. During 1955-57, for example, urban housing in Bulgaria began to improve whereas housing in Rumania continued to deteriorate at a rapid rate. The average amount of living space per urban resident in 1958, consequently, is believed to be even smaller in Rumania than in Bulgaria and is estimated at less than 5 sq m.

For the urban workers of Rumania the official standard of 8 sq m of living space per person is in effect a maximum standard rather than a minimum. Except for the top ranks of the privileged class, almost everyone lives two or more per dwelling room (kitchens included). In most instances, entire families live in a single room of a multiroom dwelling. Privacy in dwellings in Rumania is almost unknown, and almost all families must contend with the constant irritations arising from sharing dwellings with other families. The quality of urban dwellings has declined sharply in the postwar period. Because of the shortage of dwellings, thousands of families must continue to occupy badly decayed dwellings and unsanitary basements and attics. Urban dwellings are decaying rapidly because of the neglect of essential repairs and maintenance. The pressure of excess residents in a flat hastens its deterioration. 257/

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2. Rural Housing.

More than two-thirds of the population of Rumania live in rural areas. In 1956-58 the average peasant in Rumania probably had more living space than the average urban resident. Over-all rural housing conditions probably are slightly better today than they were before the war. Although the quality of dwellings still is very poor by the standards of peasants in Hungary or Czechoslovakia, it meets the over-all level of housing aspired to by the Rumanian peasants. Some peasants do complain about the lack of first class materials for construction and repairs. In general, however, housing does not seem to be a major problem of village life.

E. Effect of the Housing Problem on Political Stability and Economic Development.

1. Political Stability.

The deplorable housing of the urban population probably is one of the major economic sources of antiregime attitudes in Rumania. Complaints about overcrowded and substandard dwellings, about favoritism and corruption in the allocation of dwellings, and about neglect of repairs are universal. 258/ Dissatisfaction is most general among the remnants of the prewar bourgeoisie, who enjoyed adequate housing before the war and who now must accept. the lowest housing priority. 259/ The government admits that the housing complaints of the population are justified and apparently recognizes the importance of the housing problem as a source of popular discontent. A depressed and continually declining level of housing, nevertheless, is accepted by the government as a necessary cost of the drive for industrial expansion. In times of tension, as after the uprisings in Hungary and Poland in 1956, the government has promised an accelerated program of construction of dwellings. 260/ Any serious effort to alleviate the housing shortage, however, would curtail severely plans for industrial development, a step to which the Communist regime has never yet committed itself.

2. Economic Development.

In Rumania, depressed urban housing seriously impedes economic development. Inadequate housing is one key factor in the problems of low productivity by workers, excessive turnover of labor, and inadequate mobility of labor, all of which sap the strength of the Rumanian economy. Low productivity by workers is related to the very poor status of health of workers in Rumania. Poor housing contributes importantly to the prevalence of both physical and psychological illnesses in Rumania. The government has recognized the importance

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of housing to economic development and has concentrated new state dwellings almost exclusively in key economic areas to attract necessary manpower and to increase productivity per worker. Even in these areas, however, the construction effort has been inadequate and housing remains a problem. 261/

F. Second Five Year Plan (1956-60).

1. Plans.

The program for state and state-aided housing for the Second Five Year Plan of Rumania (1956-60) calls for construction of 2.5 million sq m of living space, compared with the 1,510,000 sq m actually constructed during the First Five Year Plan.* 262/ The housing program, even if accomplished, will not prevent further major deterioration of urban housing. At the current inadequate rate of 5 sq m of living space per person, 500,000 people would be accommodated by the proposed program. At the official standard of 8 sq m, only 310,000 people would be accommodated. In contrast, it is estimated that the urban population of Rumania will increase during the period by about 1 million.** Losses of urban dwellings during the period, moreover, will be heavy because of past and present neglect of repairs and upkeep of dwellings. Private construction, which contributed about one-third of the total urban construction during 1953-55, will compensate for only a portion of the difference between planned state and state-aided construction for 1956-60 and actual urban need.

In rural areas during 1956-60 it is likely that the peasants will continue to satisfy their basic housing needs through private construction based on the use of local materials. As in the past the state will construct a small number of dwellings on state farms.

2. Results, 1956-57.

During 1956, state and state-aided urban construction provided less living space than in 1955, despite the expansion in construction of dwellings promised for the Second Five Year Plan. In

* It is not clear from official Rumanian reports whether the 1956-60 housing program refers to "housing area" or "living space." However, UN housing reports, which usually are based on consultation with Rumanian officials, refer to the program in terms of "living space." Moreover, an expansion of construction of dwellings during 1956-60, which would be indicated only if the program were in terms of "living space," would be consistent with housing developments in Rumania and elsewhere in the European Satellites.

** Based on source <u>263</u>/.

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1956, 437,000 sq m of living space were provided, compared with 466,000 sq m in 1955. Private urban construction during 1956 provided, in addition, 200,000 sq m of living space, giving an urban total for the year of 637,000 sq m (see Table 12*). Consequently, approximately 21,000 urban dwellings were gained in 1956. It is believed that private rural construction during 1956 remained at approximately the 1955 level of 34,000 dwellings. 264/

For 1957, in reaction to events in Hungary and Poland in 1956, the Rumanian government pledged a greatly accelerated effort to provide better housing in urban areas, along with other concessions to the consumer at the expense of industrial development. <u>265</u>/ Despite government promises, official reports indicate that less living space was gained in 1957 than in 1956. State and state-aided construction provided an estimated 331,000 sq m of living space,** 24 percent less than in 1956. If private urban construction continued at the same rate as it did during 1954-56, a total of only 531,000 sq m of urban living space would have been completed in 1957 (see Table 12*).

G. Prospects.

Prospects for housing in Rumania are for a long-term continuation of critical conditions in urban areas. Any realistic program for the alleviation of the housing problem in the cities and towns of Rumania would require a complete recasting of present economic plans. Merely to arrest the trend toward continual deterioration of urban housing would require an annual construction output of two times the 1955-56 level. It is unlikely that Rumania will reach and maintain such a level of construction during the next few years. Urban conditions, consequently, will continue to decline sharply throughout the Second Five Year Plan.

* P. 78, above. ** Based on source 266/.

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APPENDIX A

METHODOLOGY

1. Figure 1.

The statistics reported for the average amount of living space in urban areas in 1958 in the European Satellites and in the USSR have been derived from data of considerably varied completeness and reliability. The absolute value of the statistics, consequently, should not be given great weight. It is believed, however, that the statistics do represent reliably the relationship among the countries as to per capita amounts of living space in urban areas.

a. Czechoslovakia.

The estimate for Czechoslovakia is based on official data in source <u>267</u>/. The national figure has been adjusted upward from 11.2 sq m to 11.5 sq m on the assumption that there is more living space per person in urban than in rural areas. The assumption is based on source 268/.

b. East Germany.

The estimate for East Germany is based on the UN estimate for 1950, source 269/, and the assumption that the net gain in living space during 1951-57 was about one-half of the gross gain.

c. Hungary.

The estimate for Hungary is based on the census figure for December 1954, source 270/, and on the assumption that there was a. slight increase in the average amount of living space per person from December 1954 to January 1958.

d. Poland.

The estimate for Poland is based on an estimate by Polish housing officials, source <u>271</u>/. The Polish estimate is adjusted downward on the assumption that many rooms considered as main rooms in Poland would not be so considered in the other European Satellites.

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e. Bulgaria.

The estimate for Bulgaria is based on an official estimate for December 1954, source 272/, and on the assumption of some increase in the average amount of living space per person since the Bulgarian estimate was made.

f. Rumania.

The estimate for Rumania is based on the assumption that the average amount of living space per person in the urban areas of Rumania is less than that in Bulgaria.*

g. USSR.

The estimate for the USSR is based on source 273/.

2. Table 1.

a. 1939.

The number of dwelling rooms for Central Poland, for the Incorporated Territories, and for postwar Poland are taken from source 274/. An estimate of the size of the urban population in each case was derived from source 275/ and is based on the assumption that from 1931 to 1939 the percentage of the total population in urban areas increased slightly in Central Poland and remained the same in the Incorporated Territories.

ъ. 1946.

The number of dwelling rooms is taken from source 276/. An estimate of the size of the urban population was derived from source 277/. The portion of the population not designated as either urban or rural has been apportioned according to the urban-rural ratio for the rest of the population.

c. 1950.

The average number of persons per urban dwelling room for all postwar Poland is taken from source 278/. The averages for Central Poland and for the Incorporated Territories have been derived from source 279/.

* See VII, above.

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d. <u>1956</u>.

The average number of persons per urban dwelling room for all postwar Poland is taken from source 280/. The averages for Central Poland and for the Incorporated Territories have been derived from source 281/.

.e. 195<u>8</u>.

The average number of persons per dwelling room for all postwar Poland is taken from source 282/. The averages for Central Poland and for the Incorporated Territories are estimated from the 1956 averages for each area.

3. Table 4.

a. 1937.

The average number of persons per dwelling for Czechoslovakia is taken from source 283/. The average number of persons per dwelling room is derived from an estimate of an average of 2.3 to 2.4 dwelling rooms per dwelling. This estimate is based on source 284/and on the assumption that the average size of dwellings, in terms of rooms, was larger in 1937 than in 1950.

b. January 1949.

The population on 1 January 1949 is taken from source 285/. The net increase in the number of dwellings from 1 January 1949 to 1 March 1950 is estimated from source 286/. The average number of persons per dwelling room is derived from an estimate of 2.2 dwelling rooms per dwelling, as given for March 1950 in source 287/.

c. March 1950.

These statistics are based on official census data adjusted to include the entire population and not just the portion of the population residing in dwellings. 288/

d. January 1956.

These statistics are based on official data given in source 289/.

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e. January 1958.

The population on 1 January 1958 is taken from source 290/. The net increase in dwellings from 1 January 1956 to 1 January 1958 is estimated from source 291/. Dwellings gained through subdivision of larger dwellings are included. The net increase in dwelling rooms from 1 January 1956 to 1 January 1958 is estimated from source 292/.

4. Table 7.

a. 1940.

These estimates are based on data for dwellings and dwelling rooms in Hungary in source 293/ and data on population in source 294/.

ъ. 1949.

These estimates are derived from census data in source 295/.

c. <u>1956</u>.

The average number of persons per dwelling was estimated from 1949 census data on number of dwellings, from data on the population in 1956 in source 296/, and from an estimate of net gain in dwellings during 1949-55 (90,000 dwellings) based on source 297/. The same figure is derived by using a Hungarian estimate of persons per dwelling in July 1954, 298/ 1956 population data, and an estimate of net gain in dwellings from July 1954 to January 1956 (30,000 dwellings) based on source 299/.

The average number of persons per dwelling room is estimated on the basis of the average for Greater Budapest, 300/ an estimate of the average for all other urban areas based on source 301/, and the assumption that the average for rural areas was the same as in 1949. 302/

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