

## Chapter 4

### 'Paid for by the Workers, Occupied by the Bureaucrats': Housing Inequalities in 1980s Belgrade<sup>1</sup>

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This chapter explores access to housing in Belgrade during the 1970s and 1980s as a case study to inform upon broader concerns of social inequality and working class discontent in Yugoslav society. I argue that housing is a site where social inequality was particularly pronounced in Yugoslavia and intimately linked to educational attainment and employment status. The distribution of socially owned housing and credit through the workplace offer analytically productive sites to explore deepening social cleavages between marginalised workers and more privileged employees in non-productive sectors. I rely on the analysis of Yugoslav (mostly Belgrade based) print media, Yugoslav sociological research and oral history narratives of workers and their families about housing and labour in the 1980s in Greater Belgrade to demonstrate how the nominally workers' state and institutions of self-management systematically discriminated against many of its poorer workers. Workers, like all social sector employees, funded the construction of socially owned flats through involuntary contributions but were far less likely to receive use of these flats compared to white collar workers. Many workers had to pay for and/or build their own housing according to market principles, forming increasingly discrete working class communities which were increasingly less visible in the formal institutions of self-management (cf. Dević, this volume).

### **Housing in Socialist Yugoslavia**

Pre-WWII Yugoslavia was a predominantly agrarian society with a small urban housing stock. Much of this stock in Belgrade and other cities was destroyed or damaged during the war and would prove insufficient for the remaining urban residents let alone the influx of workers to come after 1945 (Dobrivojević 2013). With the consolidation of the Communist Party in the wake of WWII, housing was conceived of within the frame of the on-going goals of industrialisation (and its corollary urbanisation) and social equality. Linkages between social equality and the provision of housing stem from Marxist and other radical critique of

capitalist systems (Gantar and Mandič 1991: 120) and thus immediately after WWII steps were taken to limit the rights of property owners according to such parameters which saw rents frozen at half their 1939 level and the state take the lead in the financing, production and distribution of housing (Le Normand 2012: 353). Although one of the principal tenets of the new socialist state was that the government 'owes each family an adequate dwelling unit with minimum standards' this objective remained 'far from realised' (Simić 1973: 94) and less than a quarter of Yugoslavs were able to access heavily subsidised, socially owned housing. From Djilas's critique of the 'new class' (Djilas 1957) to the widely publicised corruption scandals of late Yugoslav socialism,<sup>2</sup> the abuse of housing and other socially owned property was a resonant trope in Yugoslav public life increasingly voiced by scholars, journalists and citizens by the 1980s. The distribution of apartments cemented a network of patron-client relationships between party leadership, cadres and technocrats (Le Normand 2012: 353). News magazine *Danas*, reporting on housing in 1983, opined that 'we are a country with many laws and regulations but an incomprehensible gap between what is written and what is done'.<sup>3</sup>

The consumerist shift in Yugoslavia with the turn to market socialism was reflected in housing policy. The private market, independent building and personal credit played a greater

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<sup>2</sup> For example the Agrokomerc scandal implicated high ranking BiH officials (Anđelić 2003: 56-62) or the construction of Višnjička Banja, Belgrade, during which the press claimed that its construction was partly illegal and that social property was being stolen in the process. See Brkić, M and Pavlović, A. 1985. I Banja za mahere. *Večernje Novosti*, 20 April. (Dokumentacioni centar lista "Borba" (henceforth DCB) 1984, Jugoslavija, Građevinarstvo, Izgradnja Beograda).

<sup>3</sup> Nikolić, Z. 1983. Stanovi: Potraga za ljudima s više adresa. *Danas*, 4 January, 4-7.

role after 1959 both complimenting and contradicting socialist attempts to strive for equality (Le Normand 2012: 356). After 1965 responsibility for the provision of housing was designated to the level of self-managing enterprises which were obliged to allocate 4 per cent of net earnings to housing (Petrović 2004: 81). Although all Yugoslav workers employed in the social sector contributed to the obligatory housing fund surprisingly few workers in direct production were able to access socially owned housing (Le Normand 2012: 356). While half of Belgrade's housing stock was socially owned only a quarter of workers were housed in such a way (compared to two thirds of those in leadership positions) (Vujović 1987: 88). By 1981 some 70 per cent of the Yugoslav housing stock was in private ownership (Gantar and Mandić 1991: 126, Čaldarović 1991: 135). The shortage of socially owned flats was perennially controversial and many Yugoslavs considered that because all social sector employees made involuntary contributions to housing fund during their working years, all workers should therefore receive a flat.<sup>4</sup>

Attempting to access housing from the stock of subsidised socially owned flats was an arduous process fraught with difficulty for most workers (so much so that many did not even attempt to do so). Obtaining a flat was conditioned by a range of factors including one's qualifications, whether or not one's skills were in shortage, the profitability of the enterprise one worked in, marital status and number of dependants, and participation in party and self-management institutions. As Simić (1973: 95) observed, problems connected to employment, education and housing were intimately linked. Educational attainment was the most decisive factor in the distribution of socially owned flats by the particular enterprise. For workers for whom a socially owned flat was never a viable option (because of the limited resources of their firm, their lack of qualifications or other factors) accessing housing usually involved

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<sup>4</sup> Sanković, N. Stan kao mislena imenica. *Beogradski radnik* br. 10. October 1984, 16-17.

operating according to market principles taking place in a rather volatile economic context which offered both opportunities (the possibility of receiving credit – the adjusted payments of which would be diminished by inflation) and challenges (the sharp fall in wages and living standards; the high cost of rental accommodation and the insecure and often exploitative conditions it operated within).

As Gantar and Mandič (1991: 119) demonstrate, although housing equality was 'inscribed in the very core of socialist ideology and its developmental policy, [it] turned itself into a contradiction, and instead of creating more equality, it actually brought about new and even more striking inequalities...'. Such a development was not unique to Yugoslavia with Szelenyi (1983: 6) finding that across the socialist bloc new housing inequalities were being created by the 'distinctly socialist mechanism which was supposed to replace the capitalist market method of allocation'. The market socialism of Yugoslavia arguably rendered the phenomenon more intense as the state retreated in its attempts to provide housing after 1965.

### **New geographies of poverty: Yugoslav working class communities in the 1970s and 1980s**

The building of apartments for urban newcomers never kept pace with demand in Yugoslavia's cities. The populations of Belgrade, Sarajevo and Zagreb more than tripled between 1931 and 1971 (Čaldarović 1987: 10) but housing stocks were chronically incapable of absorbing the influx of migrants. The number of newly built flats in Belgrade increased in the 1960s and 1970s (from 1966 to 1981 between 7,000 and 12,000 flats were built annually) but slowed to some 5,000 flats built annually after 1983 (Statistički godišnjak Beograda 1988, 200-1). Migration to Belgrade continued unabated and the population increased from 1.397 million to 1.625 million in the decade between 1978 and 1988 (Statistički godišnjak Beograda 1989, 27).

Those most disadvantaged by housing shortages were newcomers to the city, most often unskilled industrial workers – the nascent Yugoslav working class. Acquiring suitable housing during one's lifetime was beyond the capacities of many Yugoslav citizens. Frequent newspaper reports noted that many pensioners remained homeless on retirement (despite contributing to the housing fund during their working lives), either living with relatives or as sub-tenants who were exploited by unscrupulous landlords. Significant numbers of individuals from nominally privileged social categories like NOB<sup>5</sup> veterans or members of the JNA<sup>6</sup> found themselves late in life without suitable housing. Figures indicated that Belgrade consistently lacked 50,000 flats and trends during the 1980s indicated that this shortage would continue to the year 2000 (Vujović 1987: 87). For young people resolving their living situation was a grave and primary concern (coupled with growing unemployment).<sup>7</sup>

The late 1970s and early 1980s saw the 'geography of poverty' in Yugoslavia change. For the first time the number of poor households in the cities outnumbered those in the countryside (Milanović 1990: 314-5). Between 1978 and 1983 the urban poor increased by some 800,000 individuals according to a study by Branko Milanović (ibid.). This urbanisation of poverty, sharply contradicting socialist narratives of modernisation, occurred parallel to sustained Yugoslav economic and political crises in the wake of Tito's death and the closing down of social mobility (Lazić 1987). By the mid-1980s some 40 per cent of social sector workers were estimated to be living on the poverty line (Bartlett 1992: 239). Workers took the brunt of stabilisation measures and as a result living standards in the 1980s were pushed back

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<sup>5</sup> *Narodnooslobodilačka borba* (National Liberation War in Yugoslavia during WWII).

<sup>6</sup> *Jugoslovenska narodna armija* (The Yugoslav People's Army)

<sup>7</sup> Nikolić, Z. 1983. Stanovi: Potraga za ljudima s više adresa. *Danas*, 4 January, 4-7. See also Woodward (1995).

to those of the 1960s (Schierup 1992: 86). Denitch writes that class solidarity fostered in the workplace amongst Yugoslav blue collar workers was reinforced in increasingly segregated residential neighbourhoods leading to an 'us and them' attitude pitting workers against the communist politocracy and its technocrat allies (Denitch 1990: 69).<sup>8</sup> I suggest that such working class communities can be conceived of in Bourdieu's terms, as places where significant numbers of manual workers and their families lived in urban and semi urban areas occupying similar positions in social space, with similar dispositions and interests producing practices and representations – a habitus – of a similar kind (Bourdieu 1987: 5-6). By the 1980s Party membership and participation of workers in the institutions of self-management had declined sharply leading Bolčić to refer to a 'new generation' of the working class with no direct experience of WWII, over half of whom had entered the workforce after the 1965 economic reforms (Bolčić 1986: 46-8). It appeared that significant numbers of workers were 'opting out' of the self-management system, or in the case of the many unemployed, they never even entered it.<sup>9</sup> Swathes of Yugoslavia's working class communities had become decoupled from institutions of self-management, the Party and the state.

Figures circulating in the Yugoslav media for at least a decade prior to 1982 claimed that up to half a million Yugoslavs were 'homeless'. Homeless in the Yugoslav socialist context did not usually mean living on the street without shelter but tended to refer to

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<sup>8</sup> Empirical studies undertaken in the mid-1960s demonstrated residential segregation in cities across Yugoslavia. Živković (1968) observes such a process in newly built neighbourhoods in Sarajevo. Social differentiation was also observed in Zagreb neighbourhoods and new developments in Novi Sad in the early 1970s (Berković 1986: 86-90).

<sup>9</sup> In 1985 Yugoslavia had the highest rate of registered unemployment in Europe (Woodward 1995: xiii).

substandard and precarious living conditions which may have included cohabiting with relatives in cramped conditions, squatting common areas of a socially owned apartment building (usually attics or basements) or renting on the grey real estate market from exploitative landlords,<sup>10</sup> a phenomenon Tsenkova (2009: 29) terms 'hidden homelessness' in socialist states. In Belgrade the shortage was most severe. The 1981 census showed 489,438 households resided in the city which possessed a housing stock of 440,061 flats, a deficit of nearly 50,000 flats (Statistički godišnjak Beograd, 1989: 248; 101). According to Zagreb weekly *Danas* the real picture was even worse because of 'privileged landlords and exploited tenants' – it was claimed that a significant number of individuals had acquired multiple socially and/or privately owned properties while another section of Yugoslavs were not in possession of *any* housing.<sup>11</sup> Some individuals were able to usurp socially owned property and rent it to the 'homeless' under exploitative conditions. While accurate figures are impossible to gauge, reports in newspapers, workplace publications and oral history interviews all suggest that this was an increasingly endemic phenomenon.

### **Socially owned housing**

The most obvious cleavage in regard to housing was that between those citizens who enjoyed the benefits of a socially owned flat [*društveni stan*]<sup>12</sup> and those who were excluded from this

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<sup>10</sup> Nikolić, Z. 1983. Stanovi: Potraga za ljudima s više adresa. *Danas*, 4 January, 4-7.

<sup>11</sup> Nikolić, Z. 1983. Stanovi: Potraga za ljudima s više adresa. *Danas*, 4 January, 4-7.

<sup>12</sup> There is a semantic difference between the Serbo-Croatian term *društveni stan* (socially owned flat) and English language notions of social housing. The former term relates to the ownership of the flat (socially owned or societally owned within the Yugoslav self-management system) while in English "social flats" tends to imply assistance based on social vulnerability, which was a different category of housing in the Yugoslav context supplied ad-

subsidised stock. Social housing right of occupancy [*stanarsko pravo*] conferred most of the benefits of owning a flat without the cost or risk. 'Dwellings were acquired without incurring personal costs, while in terms of their use, inheritance and even trading there were practically no differences between the holders of tenancy rights to state/socially owned housing and private owners' (Petrović 2004: 270). Those unable to access socially owned housing however would need to engage in far more costly practices to resolve their housing status. Although conceived of in terms of the necessity to reshape society in an industrialised, socialist image, socially owned housing actually served to create novel disparities in Yugoslav society. *Ekonomska Politika* wrote in 1982 that it created 'the greatest social and economic differences among workers' (cited in Lydall 1984: 232).

Social sector housing was built out of the funds of enterprises, bank credits and involuntary contributions of employees. The average rent charged was 'absurdly small' not even covering basic maintenance and representing less than 5 per cent of the income of an average worker's family in 1980 (ibid. 231). On the other hand the cost of renting a sublet through an informal agreement might approach the entire monthly wage of a worker.<sup>13</sup> While all employees in socially owned enterprises contributed financially to housing funds, few workers actually received flats. Better paid white collar workers (clerks and management) and those who were politically active tended to receive proportionately more flats than blue-collar workers (Živković et al 1977: 42). A study by Sekulić (1986) indicated that 80 per cent of

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hoc by employers or local authorities for so called "social cases" [*socijalni slučajeви*]. A programme of solidarity housing [*stanovi solidarnosti*] was declared in the mid-1970s but its results were negligible (Mandić 1988, cited in Gantar and Mandić 1991: 125).

<sup>13</sup> Banović, P. 1986. Prodaj kuću – zadrži stan. *Borba*, 31 March (DCB, 1986, Jugoslavija, Građevinarstvo, dodela stanova, akcija "imaš kuću – vrati stan)

those in positions of political leadership were housed in socially owned flats while only 20 per cent of unskilled workers and 22 per cent of skilled workers were housed in this way. Writing about the distribution of flats in Split during the 1970s, Vušković (1976: 37) claims that 'highly-skilled workers and people with the highest professional qualifications received thirteen times more flats than manual and semi-skilled workers. Although the two former categories represented only just over a tenth of all employed, they received more than a third of the housing fund.' The ostensibly redistributive housing policy actually served to markedly *increase* social differentiation in that it subsidised the living costs of richer members of society while placing the financial burden on employees. Thus Gantar and Mandič (1991: 125) liken social housing distribution to a form of employment benefit.

In Belgrade by 1981 just over half of the housing stock was socially owned (in comparison to a state average of 25 per cent) (Vujović 1987: 97) bolstered by the city's role as capital of both the Socialist Republic of Serbia and the federative state of Yugoslavia. The percentage of socially owned housing was greatest in the model socialist construction of Novi Beograd<sup>14</sup> where nearly 90 per cent of flats were socially owned. The central municipalities of Stari Grad (the old city centre with 75 per cent), Savski Venac (70 per cent) and Vračar (60 per cent) similarly boasted a larger proportion of socially owned flats than the city's average (Statistički godišnjak Beograda 1988, 314-5). These municipalities were the home to most of Belgrade's political, economic and cultural elites where industrial workers did not represent the majority of the workforce (ibid. 260-261).<sup>15</sup> Poorer and predominantly industrial

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<sup>14</sup> For a detailed study on the development of this modernist satellite of Belgrade see Le Normand (2014: 103-46)

<sup>15</sup> In Novi Beograd the largest category of workers were employed in construction enterprises, in Stari Grad and Vračar in trade (Statistički godišnjak Beograda 1989: 266-7) Similarly in

municipalities like Zemun and Čukarica had a lower proportion of socially owned flats than average (45 per cent and 38 per cent) while other urban parts of the city with a large number of industrial workers contained an average (Voždovac 52 per cent) or above average proportion of socially owned housing (Palilula 65 per cent, Rakovica 62 per cent) (ibid. 314-5). More peripheral suburban industrial municipalities where industrial workers overwhelmingly represented the majority of the workforce had a much smaller stock of socially owned housing (Grocka 4 per cent, Barajevo 5 per cent, Mladenovac 16 per cent, Obrenovac 16 per cent, Sopot 5 per cent, Lazarevac 16 per cent) (ibid.). In such municipalities (as in the more peripheral parts of larger municipalities like Zemun, Voždovac and Palilula) individually built houses were the most dominant form of housing.

One's housing status was deeply connected to both the position of the enterprise on the Yugoslav market (i.e. its profitability and scale), the economic sector in question and one's particular occupation and position within the enterprise. Coupling housing provision with self-managing enterprises from the mid-1960s increased inequalities in housing as badly performing firms were ill equipped to provide homes for their workers. In the 1970s studies showed that the largest degree of hardship was being experienced by those employed in the textile industry (40 per cent without a flat) and metal workers (34 per cent), workers in industry (31 per cent), agriculture (33 per cent), construction (28 per cent) and the communal

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Zagreb commentators observed that the city was spatially stratified between the city centre and the leafy northern suburbs which tended to contain better quality socially owned flats and the worse quality socially owned flats and self-built working class communities elsewhere.

See: Nikolić, Z. 1983. Kvarтови za odabrane. *Danas*, 13 April, 16-19. Čaldarović (1991) empirically confirms such findings.

utility sector (33 per cent.).<sup>16</sup> Linkages between housing and the enterprise's profitability sometimes resulted in outcomes whereby unskilled workers in a particularly profitable enterprise would enjoy greater opportunities to access social housing or favourable credit than a more skilled worker or manager in a less profitable enterprise.

A report in *Politika ekspres* from March 1979 based on an investigation by the City Institute for the Study of Social Problems<sup>17</sup> in cooperation with representatives of the council of trade unions claimed that 27 per cent of Belgrade's employed workforce was without suitable housing.<sup>18</sup> Workers *not* involved in direct production were systematically favoured by prevailing systems of flat allocation.<sup>19</sup> Allocation was primarily organised by the enterprise management and nominally approved by the workers' council. Inequalities were institutionalised in individual enterprises in 'rule books' [*pravilnici*] which stipulated the procedures for the distribution of flats disproportionately favouring those with higher educational achievements.

Despite the widespread acknowledgment that social flats were primarily allocated according to merit rather than social need, the Yugoslav press deplored such inequalities

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<sup>16</sup> Ružičić, S. 1979. Svaki četvrti bez stana. *Politika ekspres*, 26 March, 10. The sample of workers came from unions representing around 100 companies employing 41,172 workers.

<sup>17</sup> *Gradski zavod za proučavanje socijalnih problema*

<sup>18</sup> Ružičić, S. 1979. Svaki četvrti bez stana. *Politika ekspres*, 26 March, 10.

<sup>19</sup> Milovanović, D. 1979. Stan prema diplomi. *Večernje novosti*, 30 May (DCB, 1979-1982, Jugoslavija, Dodela stanova).

frequently flagging unfair and even 'unsocialist' practices in housing allocation.<sup>20</sup> A 1979 headline in *Večernje novosti* declared 'A flat according to diploma':

There is a disproportionately large, even twice greater participation of unproductive workers in the distribution of flats to the detriment of unqualified, semi-qualified and qualified workers. One bedroom and more rarely two bedroom flats are obtained by workers with larger families and lower qualifications while three bedrooms - for the university educated.<sup>21</sup>

Those comparatively few workers who were granted socially owned flats tended to receive substantially smaller ones than clerks or managers.<sup>22</sup> On average those with higher education tended to receive flats over 60m<sup>2</sup> in size, highly qualified workers received 56m<sup>2</sup> while unqualified workers received 47.5 m<sup>2</sup>.<sup>23</sup> According to the Yugoslav Institute of Urban Studies not a single worker family resided in newly built flats of more than 80m<sup>2</sup> in the early 1970s.<sup>24</sup>

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<sup>20</sup> For example see Jelačić, S. 1982. Šire se akcija „Imaš kuću, vrati stan“. *Rad* 44, 5 November, 8-9.

<sup>21</sup> Milovanović, D. 1979. Stan prema diplomi. *Večernje novosti*, 30 May (DCB, 1979-1982, Jugoslavija, Dodela stanova).

<sup>22</sup> Ružičić, S. 1979. Svaki četvrti bez stana. *Politika ekspres*, 26 March, 10; Milovanović, D. 1979. Stan prema diplomi. *Večernje novosti*, 30 May (DCB, 1979-1982, Jugoslavija, Dodela stanova).

<sup>23</sup> Milovanović, D. 1979. Stan prema diplomi. *Večernje novosti*, 30 May (DCB, 1979-1982, Jugoslavija, Dodela stanova).

*Politika ekspres* appealed to enterprises to enforce criteria in allocating flats 'according to one's current situation, one's work experience and duration, and work contributions<sup>25</sup> and not position and educational achievements.<sup>26</sup> Such appeals were omnipresent in the media during the late 1970s and 1980s. Some called for the more rigorous and egalitarian application of self-management principles<sup>27</sup> while others wished to adopt market principles such as economic rents for socially owned housing in the interests of rationality and sustainability. Both arguments purported social equality to be at their core.

Socially owned flats were distributed according to a rank list created by housing commissions at the workplace whereby each applicant received points for various criteria. Officially, applicants on the list were not allowed to possess private property and were awarded points primarily according to social criteria. Those with the highest number of points were then given flats when they became available. In practice, however, places on the rank list for social housing could sometimes be bought, manipulated or in certain organisations elevated through gaining points for 'socio-political activities', membership in the League of Communists, being the child of a fallen WWII fighter or victim of fascism'.<sup>28</sup>

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<sup>24</sup> *Teorija in Praksa* No. 6/7, Ljubljana 1972, 955.

<sup>25</sup> *Stambena situacija, radni staž i radni doprinos*.

<sup>26</sup> *Radno mesto i školska sprema*. Milovanović, D. 1979. Stan prema diplomi. *Večernje novosti*, 30 May (DCB, 1979-1982, Jugoslavija, Dodela stanova).

<sup>27</sup> For example see Jelačić, S. 1982. Šire se akcija „Imaš kuću, vrati stan“. *Rad* 44, 5 November, 8-9.

<sup>28</sup> Lalić, M. 1979. Tužbom na listu. *Večernje novosti*, 18 June (DCB, 1979-1982, Jugoslavija, Dodela stanova).

Narrators who shared their experience of access to housing and labour in 1970s and 1980s Serbia in oral history interviews recalled the ease with which property owners whom they personally knew were able to perform bureaucratic manoeuvres so that they did not formally own a property but kept it in the family (by having it registered under the name of a brother, father, wife<sup>29</sup>) to be (re)inherited or reclaimed at a later date. Not formally being property owners such individuals could apply for socially owned housing and advance up the rank list. Most interlocutors also mentioned that property ownership outside of the municipality the workplace was located in did not usually impact upon one's chances of advancing up the rank list for socially owned housing (even when the home was in a neighbouring municipality) so long as the worker was registered in the municipality as a subtenant or in temporary workers' accommodation [*samački hotel*].

Many attempts on the part of workers to gain more points to advance up the rank list fell into nebulous categories of legality. They usually tended to resemble *ad hoc* tactics rather than premeditated strategy. For example Nebojša, a skilled worker who built his house with savings gained from working in Germany in the 1960s and 1970s, spoke of a neighbour who brought his mother-in-law to live in their rented home. The presence of another person would enable the neighbour to garner a few more points towards the rank list. 'His mother in law may have been moved primarily because of this goal. But perhaps not, who am I to say he did not have to take her in for other reasons?'<sup>30</sup> When the son of Mina, a semi-skilled worker from Lazarevac, caught laryngitis in the mid-1980s she used a doctor's certificate in an

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<sup>29</sup> In the series of oral history interviews to date women were not usually mentioned as property owners except in the role of spouse or former spouse.

<sup>30</sup> Interview with Nebojša, Novi Beograd, 13 February 2014

attempt to gain a few more points towards the rank list. She recalled how fictitious doctor's certificates were often obtained through bribes in an attempt to advance up the list.<sup>31</sup>

Rank lists tended to favour educational achievement over all other criteria and the practice of providing socially owned flats to skilled university graduates was institutionalised in nearly all enterprises. Points awarded for higher educational achievement often exceeded the total possible number of points for a range of other criteria effectively trumping social needs. For example, in one collective the higher education of an individual carried an equal number of points as those allotted due to large family size (of six members). In another firm under the category of 'working conditions', working in an industrial environment deemed 'dangerous to health' could garner 10 points while the 'director and other managers' would gain 15 points for the same category for their office based work (presumably based on prestige and seniority). University education would count for 40 points in one collective while a situation where each family member lives in less than an average of 5m<sup>2</sup> (e.g. a family of four living in a 20m<sup>2</sup> room or shack) gained only 30 points (Živković et al. 1977: 42). In cases where the number of points tied applicants on the rank list, preference was most commonly given according to the level of educational attainment, length of work contribution or even alphabetically but never according to the difficulty of the applicant's living conditions (ibid. 43). 'Penalty points' were sometimes introduced for those who had 'violated labour discipline'. Such violations however were only recorded on immediate production lines and thus could necessarily only affect manual workers and not the administration, experts or management thus further discriminating against workers in immediate production (ibid).

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<sup>31</sup> Interview with Mina, Lazarevac, 15 February 2014. Interlocutors also mentioned the prevalence of bribing doctors in order to gain documentation to take an early invalid's pension during the 1980s.

The shortage of housing was a severe obstruction to the migration of labour within Yugoslavia (Woodward 1995: 302). Conversely it prompted migration to West European states from the 1960s (Le Normand, this volume). Given the dearth of available socially owned flats, housing was controversially used by company directors as a valuable resource to attract scarce skills (i.e. non-productive employees like skilled managers and technicians and sometimes particularly skilled workers) (Lydall 1984: 231). So called 'cadre flats' [*kadrovske stanovi*] for 'experts who are necessary to the collective' could be doled out by directors 'almost without any procedure'.<sup>32</sup> In the rulebook a special section called 'The fund for resolving the housing situation of essential employees to the company' often existed (Živković et al. 1977: 42). These flats were distributed by the board of management at the discretion of the director. The decision of the director was legally binding and no further process by other levels of management or court could be brought against it (ibid). The rulebook could be ignored, changed and republished in preparation for a new round of flat allocations to the advantage of certain individuals who were in a position to skip the waiting list to get a flat 'contrary to self-management practice and rules'.<sup>33</sup> The distribution of 'cadre flats' depended on localised labour shortages and flats could be instrumentalised as a means to induce desired labour mobility. To illustrate, Nebojša, a metal worker who began his career in the late 1950s, remembers that in the Serbian steel production centre of Smederevo where his family was based he was not able to get a flat but in smaller towns in the South of Serbia

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<sup>32</sup> Lalić, M. 1979. Tužbom na listu. *Večernje novosti*, 18 June (DCB, 1979-1982, Jugoslavija, Dodela stanova).

<sup>33</sup> Milovanović, D. 1979. Stan prema diplomi. *Večernje novosti*, 30 May (DCB, 1979-1982, Jugoslavija, Dodela stanova).

where there were shortages in his trade he would be offered a flat as part of a work contract to attract his scarce skills.<sup>34</sup>

### **Credit, subletting and the construction of individual houses**

Although socially owned housing was perennially cited as a prominent means of housing it was not the most dominant way for Yugoslavs to resolve their housing situation. Up to 70 per cent of the population lived in privately owned housing, much of it built individually since the 1950s. In the absence of sufficient conditions to house workers in socially owned flats, firms might provide credit for the individual construction of houses in urban peripheries. The construction of such homes was often neither fully legal nor illegal. Contradictory and vague laws, the expense of connecting to public utilities and unobliging municipal officials made sticking to the letter of the law difficult for citizens.<sup>35</sup> On the other hand the shortage of housing and high rental prices saw rogue builders construct homes with the primary goal of renting out the space for a tidy profit. Regardless of the laws, many individual home builders consider their constructions in moral terms, their own funds and physical labour (as well as that of extended kin networks) went into the building process which they contrast to that of individuals who received a flat funded by society as a whole. Yet, in the realm of the individual building of homes, workers encountered varying degrees of opportunity and constraint. This often depended on their workplace and their position within it, similar to the dynamics of socially owned housing allocation rank lists.

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<sup>34</sup> Interview with Nebojša, Novi Beograd, 13 February 2014

<sup>35</sup> Le Normand (2014: 148) rightly maintains that that many builders may not have been aware they were in breach of the law and rather than terming them as 'illegal' or 'wild' she proposed conceiving of the phenomenon as 'rogue construction' in that it was beyond the control of the authorities.

When it came to the distribution of credit for housing purposes via the workplace, candidates who could offer the most financial participation (i.e. richer workers) were favoured. Vušković writes of the distribution of credit for housing purposes in Split during the 1970s:

Highly-skilled workers and those with high professional qualifications received seven times more credit than un-skilled and semi-skilled workers, four times more than those with low professional qualifications and three times more than those with middle professional qualifications (Vušković 1976: 37)

Such loans would ostensibly be for house building or improvements but those in greatest need would not be able to avail themselves of them. Ljiljana, an unskilled worker employed at one of the largest factories in Novi Belgrade from the late 1970s until retiring after 2000, recalled that although she, her husband and two children were living as subtenants (i.e. 'homeless') in a 16m<sup>2</sup> room in a village outside of Belgrade in conditions she describes as being worse than the village in Western Serbia she had left, they were not able to access credit which could be used to start building a home or contribute to a housing collective [*stambena zadruga*] because they lacked sufficient funds for the necessary down-payment [*učesće*].<sup>36</sup> Once a worker could provide a down-payment conditions for obtaining credit were generally very favourable with minimal or sometimes even no interest to be repaid. Solidifying the divide between those who could and could not access credit became more evident when the repayment of credit was made even more advantageous due to the rampant inflation of the 1980s which reached 2,000 per cent annually by the end of the decade (Magid 1991: 42-3).

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<sup>36</sup> Interview with Ljiljana, Novi Beograd, 13 February 2014

Those individuals who took credit during the 1980s saw the real costs of unadjusted repayments shrink massively.

Those who already had suitable (usually socially owned) housing and sufficient funds to make a down-payment to secure credit might use the funds for home improvements, an extension or to build a holiday home [*vikendica*]. Ironically the 1970s and 1980s witnessed the blooming of second homes along the coast and inland beauty spots despite the acute housing shortage in the cities. The period between 1971 to 1981 saw more than a fivefold increase which doubled to reach over half a million holiday homes by 1986 (Taylor 2010: 172). Securing socially owned housing was usually a prerequisite for building a *vikendica* as the subsidised rent freed up income for visible if not quite conspicuous consumption (cf. Duda, this volume).

For workers who were not able to access housing through their workplace (in the form of socially owned flats distributed according to the rank lists and rulebooks or credit to build independently) options were constrained to subletting, self-building from their wages, or squatting available spaces (usually attics and basements in residential buildings which might be converted into a flat and subsequently legalised).

Private renting or sub-letting was nearly entirely unregulated in socialist Yugoslavia creating a situation of exploitation for the many that rented (Petrović 2005: 175). According to a 1986 study, as many as 31 per cent of workers in Belgrade lived as subtenants (while another 10 per cent shared a home with another family and 12 per cent were in other circumstances, usually living with their parents) (Vujović 1987: 88). As Simić (1973: 95) observed in an ethnographic account of late 1960s Belgrade, the unskilled worker was 'most likely to pay the highest rent for the least desirable housing.' By the 1980s subtenants tended to pay between 5 and 12 times more in rent than those in socially owned housing (Vujović

1987: 91, Lydall 1984: 232). The volatile nature of renting left both parties feeling insecure – overcharged tenants might run up large bills and disappear leaving the landlord to foot the bill and without the option of legal recourse.<sup>37</sup>

The building of individual family homes on the peripheries of Belgrade and other cities was a common and often tacitly accepted means for workers to deal with the severe housing shortage – ‘At a time when 350,000 families and single persons are waiting for a flat, razing illegally built houses causes revolt – by those for whom dynamite blows long years of savings into the air as well as those who are waiting for a solution to their housing problem’.<sup>38</sup> A rumour abounds that Tito himself supportively commented on Belgrade’s largest informal settlement, Kaluđerica.<sup>39</sup> From the adjacent highway Tito allegedly stated that the ‘will of the people deserved some respect’ and their homes should not be razed (Džokić, Neelen and Milikić 2012: 51). During the 1970s and 1980s larger Yugoslav cities like Belgrade and Sarajevo experienced a ‘radical spatial and urban transformation’ with rogue building of neighbourhoods on the city fringes and in surrounding villages (Tanić 1989: 147). This process continued to expand throughout the 1990s when economic migrants were joined by refugees from war-affected areas of (former) Yugoslavia and settled in urban centres.

Rogue construction was understood by some Yugoslav sociologists in Marxist terms as ‘empirical proof of the existence of the exploited and the exploiter’.

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<sup>37</sup> Interview with Miroslav, Lazarevac, 15 February 2014.

<sup>38</sup> Nedeljković, D. 1979. Kućni broj za dinamit. *Mladost*, 26 October (DCB, Jugoslavija, Građevinarstvo, Stambena izgradnja, Bespravna gradnja).

<sup>39</sup> See Saveljić (1989) for a study on the settlement of Kaluđerica.

Illegal building is the self-initiative of a 'second class' citizen to resolve their housing problem with their personal resources because from society they did not get a flat and have no chance to get one, despite that through their own resources they financed housing which society gave to its 'first class' citizens (Živković 1968, cited in Bobić and Vujović 1985: 30).

Although builders of individual houses came from all walks of life the average rogue builder in Belgrade was usually claimed to be an unskilled migrant from Central or Southern Serbia, Kosovo or Macedonia who was unable to rectify housing through their employer (Bobić and Vujović 1985: 24). Half-hearted attempts to bulldoze such settlements did not prevent their mushrooming in the peripheries of Belgrade. Indeed the continued legalisation of such structures functions as a source of revenue for the authorities in post-socialist Yugoslav states.

This contemporary legalisation leaves some individuals feeling exploited. Miroslav, a retired miner from Serbia who did not receive socially owned housing (despite contributing to the obligatory housing fund like all social sector employees) believes that legalisation represents yet another burden on workers and pensioners who paid into the housing fund during socialism but received nothing in return. They simultaneously financed the construction of their home (largely according to market prices) and now must pay additional costs to legalise this in post-socialist Serbia.<sup>40</sup> He juxtaposes this against individuals who received socially owned flats (paid for by all workers), paid symbolic rent for them and bought them for extremely low prices during the privatisation of socially owned housing in

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<sup>40</sup> Interview with Miroslav, Lazarevac, 15 February 2014

the early 1990s.<sup>41</sup> Other narrators considered it unfair that postsocialist governments have been willing to engage in the restitution of property to the descendants of the pre-WWII bourgeoisie while ignoring the involuntary contributions of working Yugoslavs during socialism towards housing funds which never bore fruit. Thus, while the experience of (non-) access to subsidised socially owned housing is embedded in socialist Yugoslavia, individuals frequently link it to both the pre-socialist and post-socialist eras, that is to the trajectory of pre-communist ownership and on-going post-socialist restitution process, as well as the privatisation of socially owned flats from the 1990s and the contemporary legalisation of illegally constructed buildings.

### **Housing and public discontent**

Dissatisfaction with housing allocation procedures represented one of the most contested issues in Yugoslav working collectives. Disputes made their way onto newspaper headlines and through various institutional fora from the atomised self-managing workplace through the trade union right up to the courts and even parliament. A study 'Remembering Life and Work in Yugoslav Socialism' (Marković 2012: 46) revealed that 'almost all informants' were unhappy with housing policies (and politics) in their firm and in society generally. Informants stated that scarcity was not the only source of dissatisfaction; there was also the unjust means of allocation. A commonly stated complaint was that 'only directors got flats' (ibid). Dissatisfaction with housing policy and incessant disputes resulted in frequent formal complaints and legal proceedings against the relevant authorities inside and outside of the

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<sup>41</sup> Prices usually ranged between a few hundred and a few thousand Deutsch Marks in Serbia.

Oral history narrators recall that the first wave of individuals who bought socially owned homes in the early 1990s paid significantly more than those that waited for subsequent waves of privatization.

workplace. According to the Alliance of Trade Unions of Serbia, of the 197,328 appeals for resolving one's housing situation in Serbia in the mid-1980s, the largest number came from workers from direct production, especially the low accumulative branches in the largest industrial centres of Serbia. Most often they were young workers and their families but there were also some 7,000 retired workers who had not managed to resolve their housing status during their working lives.<sup>42</sup>

Branko Pešić, Vice President of the Serbian Presidency in 1979, asserted that 'from year to year ever more appeals, petitions and complaints of working people and citizens arrive at the address of the Serbian parliament ... it is not rare that citizens themselves come in person to complain about their unfulfilled rights... most often these relate to unresolved issues of a residential-communal nature.'<sup>43</sup> The most frequently recurring problem was the violation of self-management principles in the distribution of flats in working organizations leading to legal cases being pursued in the district courts of associated labour.<sup>44</sup> In Serbia it was alleged that 40 per cent of petitions to courts relate to housing issues<sup>45</sup> which frequently made their

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<sup>42</sup> Petrić, M. 1986. Velika očekivanja, mršav učinak. *Politika*, 9 February (DCB, 1986, Jugoslavija, Građevinarstvo, Dodela stanova, Akcija 'imaš kuću – vrati stan').

<sup>43</sup> Torov, M. 1979. Najviše žalbi zbog stanova. *Borba*, 30 March (DCB, 1979-1982, Jugoslavija, Dodela stanova).

<sup>44</sup> Torov, M. 1979. Najviše žalbi zbog stanova. *Borba*, 30 March (DCB, 1979-1982, Jugoslavija, Dodela stanova).

<sup>45</sup> Kuburović, M. 1983. Ko zaslužuje aplauz. *Politika*, 23 January (DCB, 1983, Jugoslavija, Građevinarstvo, stambeno problematika, Dodela stanova, Akcija „imaš kuću – vrati stan').

way to the constitutional court of Serbia.<sup>46</sup> Hayden's ethnographic study of social courts<sup>47</sup> in 1980s Belgrade reveals that the largest category of cases, 28.4 per cent in 1982, related to housing allocation. Such cases were the longest in duration and the courts' most experienced personnel were assigned to them (Hayden 1990: 97-101).

## **Conclusion**

This chapter has sought to demonstrate that housing is a field where the gap between proscribed and actually experienced socialism can be productively explored. Housing provision was intimately linked to the Yugoslav workplace which was tasked with providing housing to workers with the turn to self-management and market socialism. This *ad hoc* provision was insufficient in the view of many Yugoslavs and was a frequent source of ire and public discussion. Rather than providing the Yugoslav working class with a subsidised flat, workplaces primarily engaged in the distribution of socially owned flats as a means to attract skilled labour and reward certain categories of workers, namely management and highly qualified workers. Such practices were formalised by procedures which prioritised educational attainment during flat allocation in workplaces. As a result socially owned housing was not provided to most rank and file workers. They were required to access housing using their own resources in a context characterised by inflated prices for rental accommodation and a tendency towards independent home construction. This system of housing created new social inequalities as one privileged part of the population, the highly

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<sup>46</sup> Lalić, M. 1979. Tužbom na listu. *Večernje novosti*, 18 June (DCB, 1979-1982, Jugoslavija, Dodela stanova).

<sup>47</sup> These courts of associated labour came into existence in Yugoslavia with the 1974 constitution which, rather than impose sanctions, attempted to assist disputants in a mediatory way 'though their internal moral authority' (Hayden 1990: 16).

skilled and educated who already enjoyed higher salaries, was able to enjoy massively subsidised socially owned housing which conferred the benefits of owning a flat without any risk (or even the cost of basic maintenance). The majority of Yugoslav workers in production could not access this prized stock of flats. Even though these workers tended to have significantly smaller incomes, they needed to pay far higher prices to access accommodation (be this a rented flat or independently built family home). For workers who did access socially owned housing there was a direct correlation between the size, quality and location of flats and their employment status with unskilled and semi-skilled workers receiving smaller flats with less facilities in more peripheral locations, often segregated by educational attainment. The supposed redistributive characteristics of socially owned housing were thus inverted to the detriment of blue-collar workers.

Ingrained inequalities like those in housing provision were problematic in a state which attempted to garner a certain amount of legitimacy through a commitment to social equality and endowing the working class with an enormous degree of symbolic capital (see Pešić 1988). As a result of these inequalities, housing can inform about a range of socio-political phenomena in 1980s Yugoslavia including the abuse of power and prestige on the part of elites, ambiguous attitudes towards the institutions of self-management, working class discontent, the development of an increasingly discrete working class culture diverging from proscribed Yugoslav norms, and glaring deficiencies in Yugoslav mechanisms of social redistribution.

Although post-1965 market socialism and self-management inspired decentralisation created conditions for socially owned housing to be distributed primarily as an employee benefit (according to merit rather than social need) this remained contentious in Yugoslav public life. The lively Yugoslav press and certain segments of worker and self-management

organisations (in particular the ranks from the trades union) called for reforms in housing policy in egalitarian and socialist terms as a corrective to the meritocratic allocation of socially owned housing. Attempts to do so either by law or *ad hoc* campaigns like the mid-1980s trade union attempt to free up socially owned housing under the slogan 'You have a house, return the flat' (see Archer 2015) largely failed, possibly because a critical mass of workers who had an interest in instigating change were alienated from the formal institutions of self-management that operated in their name.

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