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## Housing and Political Grievances in Post-Soviet Eurasia

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Theodore P. Gerber<sup>1</sup>

*University of Wisconsin-Madison*

Jane Zavisca<sup>2</sup>

*University of Arizona*

Due in part to the legacy of the Soviet system, in which the state allocated housing to families and individuals on the basis of non-market principles, and in part to endemic housing shortages in the post-Soviet era, housing concerns are an important potential source of political grievances in post-Soviet states. Data from the Comparative Housing Experiences and Social Stability survey we conducted in Azerbaijan, Kyrgyzstan, Russia, and Ukraine in February-May 2015 confirm our intuition that housing is a particularly potent issue in all four states. People who are unhappy with their housing situation are more critical of the authorities, while individuals who own their homes are more supportive. Although general economic woes and political violence have received far more attention as likely sources of instability in post-Soviet Eurasia, tensions over housing pose long-term challenges that regimes neglect at their peril.

### **Background**

The Soviet system distributed apartments to citizens via a system of waiting lists. Following the Soviet collapse, most post-Soviet regimes privatized the vast majority of housing stock by giving it to incumbent residents, who could usually assume legal ownership of their dwellings after completing some paperwork. In the ensuing economic crises, little new housing stock was constructed, and the banking systems in these countries did not develop mortgage lending (or consumer lending in general) as a standard practice. As a result, post-Soviet countries typically have very tight housing markets and young adults often have to live with their parents well into adulthood because they cannot afford to buy their own apartments. At the same time, the experiences of the Soviet era most likely lead many post-Soviet citizens to expect the

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<sup>1</sup> [Theodore P. Gerber](#) is Professor of Sociology and Director of the Center for Russia, East Europe, and Central Asia at the University of Wisconsin-Madison.

<sup>2</sup> [Jane Zavisca](#) is Associate Professor of Sociology at the University of Arizona.

government to provide them with access to housing to a much greater extent than citizens of developed market societies typically do. The combination of limited opportunities to obtain housing, withdrawal of governments from the housing-provision business, and lingering expectations that the state should provide housing makes housing a potentially potent source of political grievances. However, private ownership has become more widespread over time, and an established body of theory claims that homeownership tends to make people more supportive of the status quo. Ultimately, the relationship between housing and political views is an empirical question, yet we know of no prior research that has examined this relationship in the post-Soviet region.

## Data

Data are from the Comparative Housing Experiences and Social Stability (CHESS) survey, which we conducted to assess how housing issues relate to political grievances, social tensions, ideology, and civic engagement in post-Soviet states. We worked with local teams from each country to develop questionnaires that included common questions for all four, common questions for subsets of countries, and country-specific questions. The surveys cover many aspects of housing, living arrangements, and perceptions of housing, as well as measures of social and political attitudes on major issues. Prior to preparing the questionnaires, we carried out focus groups in all four countries. Our questionnaires were pretested and revised for clarity (and, in some cases, political sensitivity). They were translated into the appropriate local languages and implemented by our partner organizations.

In each country, we have a nationally representative sample of about 2000 18-49 year olds (the ages when people are most likely to experience housing concerns that may lead to destabilizing political action); however, in Azerbaijan our sample is drawn exclusively from urban areas due to challenges facing survey researchers in rural areas. In order to address specific theoretical questions we also have oversamples of 400 respondents in each country, as follows: in Russia, residents of four Muslim-majority republics (Bashkortostan, Dagestan, Kabardino-Balkaria, and Tatarstan); in Ukraine, mortgagers; in Azerbaijan, internally displaced persons (IDPs); and in Kyrgyzstan, residents in regions with a recent history of ethnic violence. We use weights to correct for the over-representation of these subpopulations and to adjust the samples to conform to known population demographic characteristics.<sup>3</sup>

Response rates were 34 percent in Russia, 32 percent in Ukraine, and 67 percent in Azerbaijan and Kyrgyzstan, with most non-responses resulting from inaccessibility of respondents rather than refusals. Fieldwork took place February-May 2015.

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<sup>3</sup> Because we lack independent information on the proportion of mortgagers in Ukraine and they were sampled using a different technique we exclude them from all analyses reported herein.

## The Relative Salience of Housing Concerns

The first question on the survey asked respondents which of seven issues concerns them the most (**Table 1**). The responses demonstrate the salience of housing as an issue. In all four countries, they were most likely to say their family’s material situation is their most pressing worry, but housing issues came in second in all but Ukraine. In Russia, more respondents cited housing than health, despite the massive attention that has been paid to Russia’s health care and mortality crises in the last several decades, while housing outpaced “political/military conflict” in Azerbaijan notwithstanding persistent military tensions with Armenia over Nagorno-Karabakh. In Kyrgyzstan, respondents were nearly as likely to cite housing as their family’s material situation. Ukraine is the exception: only 6 percent see housing as the main issue. Not surprisingly, the country’s severe economic woes and the military conflict with Russia swamp all other concerns (accounting for 72 percent of the responses), but health concerns rank slightly higher than housing.

	RU	UK	AZ	KY
Family issues	7%	4%	2%	10%
Health	14%	8%	7%	9%
Housing issues	17%	6%	23%	28%
Your family's material situation	37%	40%	34%	30%
Lack of free time	11%	3%	2%	4%
Lack of education/skills	2%	1%	1%	4%
Political/ military conflict in the country	3%	32%	21%	2%
Other	3%	2%	9%	7%
Hard to say	6%	4%	1%	6%

## Responsibility for Providing Housing

We asked respondents who should bear primary responsibility for helping young families obtain housing: their parents, the government, or themselves (**Table 2**). Opinions are divided on this question in all four countries, with a plurality in Azerbaijan laying responsibility on the government, compared to only 12 percent in Kyrgyzstan. About half the Kyrgyz respondents expect parents to provide housing for their young adult children, and more than one third say it is up to young people themselves to do so. Perhaps many Kyrgyz have given up on the possibility that their government could provide housing and other services, in light of its general lack of capacity, while the perceived strength of Azerbaijan’s government brings with it greater expectations that it will offer housing and other benefits to the population. In both Russia and Ukraine, the most frequent response to this question was “hard to say.” Those who voiced an opinion are about as likely to attribute primary responsibility to the government as to young

families themselves. Overall, these responses show that despite over two decades of post-Soviet experiences during which governments have provided little or no direct housing to young families, sizable proportions of young and middle age adults expect the state to do so. Although in no case is that a majority opinion, the fact that these numbers are as high as they are testifies to the lingering impact of the Soviet housing distribution regime.

	RU	UK	AZ	KG
Their parents	16%	12%	24%	49%
The government	28%	23%	36%	12%
Young families themselves	29%	23%	12%	36%
Hard to say	33%	46%	6%	14%

### **Housing Satisfaction and Homeownership**

The CHES survey contains a rich set of measures of the quality and quantity of respondents' current housing. Here we focus on the effects of subjective satisfaction with housing (which can be interpreted as a proxy for those objective aspects of housing quality and quantity that matter most for respondents) and tenure (homeownership). Perhaps surprisingly, dissatisfaction with housing is more widespread in Russia and Azerbaijan than in Ukraine and Kyrgyzstan (**Table 3**). This could be due to the better overall material situation in the two more authoritarian countries, which could have the effect of increasing people's expectations for housing. At any rate, about one third of our Azerbaijani respondents and one quarter of our Russian respondents are dissatisfied with their current housing, as compared to 16 percent of respondents in Ukraine and Kyrgyzstan.

	RU	UK	AZ	KG
Completely dissatisfied	7%	4%	12%	3%
Somewhat dissatisfied	16%	12%	23%	13%
Neutral	14%	17%	16%	11%
Somewhat satisfied	32%	37%	31%	37%
Completely satisfied	31%	28%	18%	36%
Missing	1%	1%	0%	0%

In contrast to many housing studies, our data permit us to identify whether the respondent is personally a titled owner of his or her dwelling. Individual ownership is most common in Russia (47 percent) and Ukraine (43 percent), less so in Kyrgyzstan (27

percent), and only 12 percent of our Azerbaijani sample are legally titled homeowners. The latter figure is potentially misleading, because in Azerbaijan only one person can register as the owner of a dwelling without undertaking a cumbersome legal procedure. Thus, it is likely that individual legal ownership in Azerbaijan is a less accurate measure of implicit ownership rights than it is in the other three countries. In any case, although individual homeownership has clearly become fairly widespread in Russia and Ukraine, even there it remains the case that fewer than half of young and middle-age adults personally own the dwellings where they reside.

### **Housing and Support for Government**

We use three measures of support for the government: two questions with five responses (ranging from 1="strongly disagree" to 5="strongly agree") measuring whether respondents agree, respectively, that the country is headed in the right direction (a standard indicator of support for the incumbent government in many countries) and that the government serves the needs of population, and a scale constructed by averaging responses to questions measuring trust in four government institutions: the president, the parliament, the courts, and the police (**Table 4**). Preliminary analyses showed that these four specific "trust" questions scale together well. Average levels of support for the government are fairly similar in Azerbaijan and Russia, where values mostly over three (the neutral response) indicate that the general tendency is to support the government. The Kyrgyz respondents are less supportive of their government, while the Ukrainian respondents are clearly the least supportive of all. It is also noteworthy that in all four countries respondents are less likely to concur that the government responds to the needs of the population than they are to agree that the country is headed in the right direction.

The bottom two rows for each country in Table 4 show the coefficients from ordinary least squares regressions (a statistical technique showing how a set of independent variables are associated with a dependent variable) of the dependent variable in the column on the two respective measures of housing. These estimates are from models that also control for age, gender, education, income, and (aside from Azerbaijan) urban residence. For simplicity, we combine "completely dissatisfied" and "somewhat dissatisfied" responses to the subjective housing satisfaction question into a single variable denoting dissatisfaction with housing. Alternative ways of coding housing satisfaction and different approaches to estimating the models (e.g., using ordinal probit regression) yielded the same results. These coefficients are equivalent to the average differences on the dependent variable for individuals who share the same age, sex, education, family income, and urban residence but who differ with regard to satisfaction with housing and ownership, respectively.

In all four countries, dissatisfaction with housing has statistically significant negative associations with all three measures of support for the authorities. The effects tend to be

in the neighborhood of one-third of a standard deviation; at a minimum they are about one fifth, and in some cases they exceed one half. Thus, in the CHES data dissatisfaction with housing is clearly associated with lower support for the authorities to a substantively meaningful, not just statistically significant degree.

**Table 4. Measures of support for government**  
*Note: each variable was scaled from 1 to 5, with higher values denoting more support for government.*

	Agree country is headed in the right direction?	Agree government responds to people's needs?	Scale of trust in president, parliament, courts, and police.
<b>Russia</b>			
<i>Mean</i>	3.45	2.93	3.34
<i>SD</i>	1.01	1.08	0.88
<i>N</i>	2297	2290	2401
<i>Dissatisfied with home</i>	<b>-0.20</b>	<b>-0.47</b>	<b>-0.32</b>
<i>Owner of home</i>	<b>0.15</b>	<b>0.29</b>	<b>0.13</b>
<b>Ukraine</b>			
<i>Mean</i>	2.55	1.95	2.25
<i>SD</i>	1.23	0.97	0.86
<i>N</i>	1827	1885	2000
<i>Dissatisfied with home</i>	<b>-0.47</b>	<b>-0.24</b>	<b>-0.32</b>
<i>Owner of home</i>	<b>0.21</b>	<b>0.18</b>	<b>non-significant</b>
<b>Azerbaijan</b>			
<i>Mean</i>	3.27	2.91	3.75
<i>SD</i>	1.14	1.13	0.97
<i>N</i>	2264	2328	2410
<i>Dissatisfied with home</i>	<b>-0.32</b>	<b>-0.38</b>	<b>-0.18</b>
<i>Owner of home</i>	<b>non-significant</b>	<b>non-significant</b>	<b>non-significant</b>
<b>Kyrgyzstan</b>			
<i>Mean</i>	3.30	2.63	2.91
<i>SD</i>	1.13	1.16	1.03
<i>N</i>	2180	2215	2400
<i>Dissatisfied with home</i>	<b>-0.65</b>	<b>-0.55</b>	<b>-0.33</b>
<i>Owner of home</i>	<b>0.15</b>	<b>0.19</b>	<b>0.18</b>

Homeownership appears to increase support for the authorities in Russia, Kyrgyzstan, and Ukraine: homeowners have predicted values on the dependent variables ranging from 15 percent to 20 percent higher than non-homeowners who have the same age, sex, education, family income, urban residence, and housing satisfaction. This finding is consistent with the theory that homeowners have a greater stake in the status quo than non-owners; by encouraging homeownership, therefore, governments can help

strengthen their support in the population. Azerbaijan is the exception: in no case does individual homeownership have a statistically significant effect there. However, this is most likely due to the idiosyncratic laws there that tend to limit legal titling of homes to a single member of the household. Thus, individual legal ownership is probably not the best measure of property rights over housing in the Azerbaijani case.

## **Conclusions**

The associations evident from our analysis do not prove that housing satisfaction or homeownership have causal effects on support for the government. It is, for example, quite possible that some unobserved variables such as latent personality characteristics mutually affect satisfaction with housing and support for the government: people who are prone to negative feelings may be less satisfied with their homes and also more critical of government. As a robustness check, we included a measure of overall life satisfaction (which was asked at a much later point in the survey than the question about satisfaction with housing) in our statistical models, and in a few cases that variable renders the “effect” of housing dissatisfaction or ownership non-significant. But for the majority of questions, our original inferences regarding these variables remain intact. In any case, overall life satisfaction could well be itself a function of housing conditions and housing satisfaction.

More thorough analysis is necessary before we can be confident that housing issues are a causal factor that can either increase or decrease support for governments in Eurasia. But these initial findings provide consistent and compelling evidence that dissatisfaction with housing is associated with more critical orientations toward the government, while homeownership is linked with more positive views. In fact, the other variables we included in our analysis tend not to have any statistically significant effects, implying that housing is more strongly related to support for the government than variables such as income and education. If the evidence were not so consistent and the effects not so substantial in magnitude, we might have grounds for skepticism of housing’s potential as a political issue in these countries. But in fact our data confirm our original intuition that housing lurks as a potential source of dissatisfaction with the government in all four countries.

Considering all the results together, housing seems to have the greatest potential to produce support or criticism of the government in Azerbaijan and the least in Ukraine. But even in Ukraine, despite the ongoing war and spiraling economic crisis, housing dissatisfaction and homeownership are related to views of the government. In the event that the economy stabilizes and the military conflict with Russia ends, Ukrainian authorities can expect to have to deal with housing dissatisfaction among other issues that currently are of a second order. Moreover, the destruction of housing in the course of the fighting and the associated surge of IDPs in Ukraine will only exacerbate housing shortages.

In Azerbaijan, frustrations over housing and the expectation that the government should provide it to young families could well drive simmering discontent with the authorities. Recent protest and public debate over the level of compensation the government has offered residents evicted from apartments that were seized by the government and torn down to make way for stadiums, shopping malls, monuments, and parks testify to the potential of housing to undermine support for the regime.

In Russia housing also has been related to small scale protests—for example, eminent domain controversies and movements by victims of real estate swindles who seek redress from the state. The relatively large proportion of the Russian population that owns their dwellings mitigates the potential reach of the issue, but the Russian authorities would nonetheless do well to enact policies to provide more opportunities to purchase homes, as a number of recent policies has sought to do.

In Kyrgyzstan, housing-relating grievances have also figured in protests and public debates—for example, over the legitimacy of squatter settlements in the outskirts of Bishkek and in the disputes over land allocations in rural areas of the south (since land is often desired by village dwellers in order to build housing for their children).

Our quantitative data indicate that these are not isolated or random phenomena. Instead, they reflect that housing concerns are a potentially important but generally overlooked source of attitudes toward current governments throughout post-Soviet Eurasia. In the medium- to long-term, these governments should craft policies to further the spread of homeownership and to address their populations' demands for satisfactory housing in order to limit the potential that housing-based political grievances coalesce into sustained anti-regime movements.

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