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Role of Housing Agencies in the Future Development of Serbia

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With the rise of neoliberal economy in Europe, decent urban housing has become unaffordable for many Europeans in recent decades. This has further produced socio-economic pressure on urban-policy makers across the continent. In post-socialist countries such as Serbia, neoliberal development has generally been merged with post-socialist transformation, making them more vulnerable to the deficiency of affordable housing. Moreover, Serbian housing has also been impacted by a distinct socialist housing model and a turbulent recent history. Therefore, housing planning and policy in Serbia cannot be simply prescribed from international level; it requires thoughtful adjustment to local conditions. It is unclear which institutional body had to be responsible for this complex process. The fall of socialism in the former Yugoslavia was marked by the collapse of old socialist-type housing agencies, known as the Housing Funds. New forms of housing agencies, developed to deal with still unregulated property issues in housing, old housing stock, and fragile housing market, have not achieved a wider significance. The aim of this research is to propose the role and basic organisation of future housing-related agencies in Serbia. It is done through the systematisation and analysis of Serbian housing with particular focus on governance and planning, as a premise for the model of housing agencies.

Keywords: housing, governance, Serbia, post-socialist transition, housing agency, model

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Introduction: New Challenges for Housing in Europe and Serbia

One of the most important features of social welfare in 20th century Europe was high quality and relatively affordable housing (Tomka, 2013). However, the evident rise of socio-spatial inequalities in Europe has been intertwined with negative tendencies in housing sector (Buck et al, 2005). It is an unfavourable consequence of the neoliberal economic model (Jones and Watkins, 2009), which has caused the middle class to shrink. The problem of shortages of affordable housing is so evident throughout Europe that it is becoming the focus of everyday media. For instance, there has been a series of recent articles about gentrification, residential segregation and housing shortages in the main European cities. It is even common to find mass-media articles which cover housing problems in major cities, such as London (Hancox, 2016) or Berlin (Braun, 2015; Kamradt, 2015), or in affluent university towns and tourist destinations, such as Oxford (Osborne, 2014; Foster, 2015).

This topic is also frequently discussed in the institutional sphere. The latest research from major European institutions concerning the necessity of social housing reveals that almost 120 million or approximately 20% of the European population is threatened by poverty and social exclusion through housing problems (Kern, 2013). This is double the rate of the 1990s, when the European Commission estimated that 58 million EU citizens were in such a position (Hadjimichailis & Sadler, 1995).

Socioeconomic inequalities in housing have had different manifestations in space. Gentrification and housing shortage in globally attractive places are just one side of the coin. Quite opposite problems are taking ground in the other places with economic decline, where the existence of neglected and depressed housing estates and neighbourhoods or empty housing units in shrinking cities and communities are becoming a new normality (Pittini et al, 2015). Both problems are more evident in post-socialist Europe, where 82% of cities are shrinking (Mykhnenko & Turok, 2008, Haase et al, 2016). The main challenge in this region is how to manage and reuse insufficiently occupied living space and accompanying infrastructure and services (Wiechmann, 2009).

If housing is becoming an immense issue for all of Europe, it is surely more problematic in the least developed European countries such as Serbia. Housing in contemporary Serbia is very distinctive even comparing with neighbour post-socialist countries. It is a product of the mixed influence of the unique socialist model of social self-government, rapid and partly uncontrolled socialist urbanisation, post-war immigration and then harsh post-socialist transition (Petovar, 2003; Hirt & Petrović, 2010).

Modern housing in Serbia appeared in major cities after the First World War, fuelled by the first waves of industrialisation and urbanisation (Antonić, 2016). This process continued after the Second World War, despite the profound change in economic and political systems. During socialist period, gap between two prevalent housing types crystallised. They are mutually extremes in housing typology: multi-story multi-family buildings and single-family detached houses. These two types left little space for intermediate types such as terraced houses and other medium-density forms of housing, which are relatively rare in Serbia, comprising just five percent of single-family stock in the country (Jovanović Popović et al, 2013).

Currently, the total area of housing stock in Serbia is approximately 290 billion m². It is divided between single-family and multi-family types by the ratio of 60%/40% (by cumulative

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area). Serbian residential buildings are relatively new as over 70% were built after the Second World War (Jovanović Popović et al, 2013). This is particularly the case in urban settlements. The residential buildings built during the post-socialist period (after 1992), are becoming significant in total share - more than 30% of national housing stock by surface. This, newest housing is prevalent in the suburbs, usually in the form of illegal residential development.

A significant problem for housing sector in Serbia is that there is still no coherent housing policy or strategy at the national level (Antonić, 2015). The outcomes of such a state of affairs can be noticed across Serbia: underused and substandard housing in rural areas; devastated multi-family residential buildings in towns and small cities, noticeable pressure on housing in the major cities and illegal housing settlements in their suburbs. This complex spatial polarisation is without doubt a significant problem not only for housing, but also for general spatial development due to the size of housing sector. Ultimately, solutions are required for the future.

The question remains as to what kind of public institution or body should be responsible for any future solution, policy or strategic approach in the housing sector in Serbia (Antonić, 2015). In contrast to other socialist states, the former Yugoslavia had the specificity of strong decentralisation (Hirt & Stanilov, 2014). This led to the development of very powerful local Funds for Solidarity Housing Construction, better known as the Housing Funds. They were presented at national/state and local/municipal level, and they had an important role in urban planning. These Funds had the most notable role in the case of Serbia (Tsenkova, 2005). However, the Housing Funds disappeared with the disintegration of the old socialist system. Their 'descendants' are recently established local housing agencies, which are formed as public enterprises with the competence in housing policy, maintenance and management, with special duties in social and non-profit housing (Parliament of Serbia, 2009). They are developed to combat the transitional conditions, such as still unregulated property issues in housing, old housing stock and fragile housing market (Stanković, 2008). Although local housing agencies were proclaimed to be the important element of the development of the housing sector from its early beginnings (Mojović, 2008), these agencies are still rare, organised independently by local authorities and without stronger financial base. Thus, it is perhaps understandable that they have been less prominent than the previous Housing Funds and are still seeking out a more significant role in the Serbian housing sector.

Hence, the aim of this research is to analyse the possible role and basic organisation of future institutions suitable for the provision of housing governance and planning in Serbia and their hierarchy. To achieve this aim, the context of housing and housing governance in socialist and post-socialist Serbia is examined to identify what are key tasks for future housing development. This set of tasks lead to the creation of the new model of housing-related agencies. It is compared with the structure and role of current housing agencies to point their differentiation. This model includes the hierarchy and competence of new agencies.

Methodology

The methodology for this study is based on a comparison between post-socialist and socialist models of the housing sector and housing governance in the territory of Serbia. Sources from relevant scholars provide a basis for considering important and unique characteristics of these distinct models. Hence, this study is designed as a review paper for the very unique history of modern housing in Serbia. The positive and negative characteristics identified in

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both models are used to create a new proposal: a model for the organisation and hierarchical structure of housing governance in Serbia and an outline of scope of responsibilities ('competences') that are formed in relation to analysed challenges in current housing development. Aside major aim, this organisation model needs to provide connections between housing governance with urban planning.

Basic Characteristics of Housing in Serbia during Socialist Yugoslavia

Serbia was one of the federal republics in the Socialist Federal Republic of Yugoslavia, which was a socialist country during the 'Iron Curtain' period in Europe (1945-1991). In general terms, this part of Europe was less developed before the Second World War (Bodnar, 2001; Hamilton, 2005; Vujović and Petrović, 2005), which fuelled rapid urbanisation in parallel with ideologically supported mass industrialisation and the formation of an urban working class, or proletariat, after the war (Pickvance, 2002).

Socialist Yugoslavia was characterised by typical features of socialist ideology and systems combined with unique localised arrangements. This was transferred to housing, which was very important to the socialist agenda in Yugoslavia, as well as in the other socialist countries. Considered as a fundamental requirement for achieving socialist equality, housing was a focal point in all socialist societies (Pickvance, 1996; Petrović, 2004). The main features of housing models in socialist states were "limited property rights, extensive central planning and politically determined allocation of subsidies" (Hegedüs et al, 1996, p. 101). In the case of Yugoslavia, publicly owned housing with tenant rights in multi-family dwellings formed a template for the entire country (Milić, 2006).

Nevertheless, Yugoslavia was a unique country for the 'socialist world'. Unlike other socialist countries with clear political and economic centralisation, it was decentralised after the reforms of the 1960s, when substantial aspects of government control became delegated to individual republics (Hirt & Stanilov, 2014). This was a key consequence of the introduction of social self-government, which enabled more links with the market economy and a consumer-oriented development model and, thereby, higher living standards (Petrović, 2004).

Still, this system was essentially based on the postulates of a socialist state and economy, which prevented full decentralisation and limited independence of cities and municipalities from republic authorities (Petovar, 2003). Therefore, the former Yugoslavia had similar problems to other socialist countries in its housing sector, specifically, lack of available housing, pseudo social equality and intensive problems with illegality and informality (Petrović, 2004).

It is important to note that this distinct socialist model 'opened doors' to the West early and so general cooperation was more evident. For instance, academic circles were well informed about developments in the West. During this period, research concerned with 'expanded housing' or 'housing programming', dedicated to high quality services, open public spaces and infrastructure, and the development of rural housing was generally common and innovative (Bjelikov, 1978; Bjelikov, 1983).

However, there were also some unique problems. Inherited under-development of urban areas was remarkable: less than 20% of the population in Serbia lived in urban areas after World War II (census in 1948). State structures promoted growth of industrialisation and urbanisation, an approach that has been termed 'urbocentric politics' (Petovar, 2003). As a result, mass migration from the underdeveloped rural countryside to towns and cities

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occurred in the first decades after the war. The response was a mass construction of multi-storey collective housing, where quantity was more prevalent than quality. The Serbian housing expert in housing, Professor Bjelikov (1983) illustratively described the then new mass-housing estates as “monuments for the institution of housing savings” (pp. 2-3). Nevertheless, mass-construction projects were very productive - from 4,700 ‘social’ flats built in Serbia in 1955 to more than 23,500 flats built in 1975 (Plavšić, 1996).

Although the mass-construction projects of multi-family open blocks were common in many socialist cities (Czeczynski, 2008), they were less monotonous or standardised and were more innovative in Serbian and Yugoslav cities. New Belgrade, where most of the urban blocks were specially conceptualised and designed, provides a good illustration (Blagojević, 2007). This specific approach meant that many of the negative consequences with which other post-socialist cities have recently struggled, were largely avoided (Tosics, 2005). In the case of medium-sized cities in Serbia and other Yugoslav republics, both multi-family and single-family housing projects were implemented and often intentionally mixed in urban spaces (Ralević et al, 2014). Ultimately, the prevalence of this type of publicly owned housing was lower in Serbia than in other socialist countries (Petrović, 2004).

Nevertheless, in common with other socialist countries (Hegedüs et al, 1996) even rapid acceleration of this very efficient type of housing was not sufficient to accommodate all the newcomers to Serbian towns and cities. Private initiatives were inevitable in this situation, resulting in both legal and illegal residential settlements with single-family houses as the dominant form of construction *in situ* (Bjelikov, 1978; Petrović, 2004). Legal settlements were usually well connected to urban spaces. In contrast, illegal residential settlements were formed around most of the ‘outer belt’ of cities in Serbia (Petrović, 2004).



Figure 1. Two different types of publicly developed housing in socialist Yugoslavia: multi-family housing in New Belgrade, Serbia (left), and terraced houses in Nova Gorica, Slovenia (right). *Source:* Author's original

Basic Characteristics of Housing in Post-Socialist Serbia

The post-socialist transformation of societies in Central and Eastern Europe is generally characterised by a process of sudden and comprehensive change (Pickvance, 2002; Petrović, 2005). In a similar way, housing also witnessed intensive and usually negative changes, with the focus now on housing privatisation, residential property restitution, and decentralisation of housing policy (Stanilov, 2007). Similar consequences are also observable in housing planning. In general, the system of urban planning in post-socialist spaces has been “weak, passive, reactive, and subordinated to private interests” (Hirt & Stanilov, 2014, p. 41).

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Nevertheless, the transitions in all sectors have had very diverse trajectories throughout the region (Chavance, 2008). The transitional period in Serbia as well as in the other republics of the former Yugoslavia has been harsher and much more turbulent than for the majority of post-socialist countries (Tsenkova, 2005). Post-socialist transformation in Serbia in the 1990s was characterised by the Yugoslav wars, international embargo, the huge impact of refugees and internally displaced persons, and transitional socioeconomic crisis. These obstacles prevented real socio-economic transformation during the first decade of the post-socialist period. Petrović (2004) described it as a 'blocked transformation' of society in the 1990s. The opening up of the country to Europe after 2000 has brought evident progress, but far less than has been expected (Petrović, 2009).

Many elements of the first post-socialist legislative framework of housing, adopted between 1992 and 1995, were used till 2016 although they were designed as temporary measures (Mojović et al., 2009). This legislation had certainly been inadequate for the challenges of such a long and turbulent period. For example, the former Law on Housing (1992-2016), had 15 amendments. Petovar (2003) had concluded over a decade ago that this law was obsolete because of the speed of transitional changes. The relatively new Law on social housing and its accompanying strategy have had almost negligible implementation *in situ* notwithstanding their legal and institutional qualities (Ristić, 2010). A sequence of ambitious laws and other legal acts relating to the legalisation of illegal structures¹ has not achieved full implementation. Therefore, it may be perceived that a clear housing policy has not existed in Serbia since the post-socialist transformation.

The problems in legislation have been acutely reflected in practice. Four main subtopics in Serbian housing are identified as crucial for the further development of this field (UN Habitat, 2006):

1. Development of affordable/social housing;
2. Regulation and upgrading of informal settlements;
3. Inclusion of Roma population through housing; and
4. Management and maintenance of multi-unit housing building.

The challenges for housing in urban areas

The first shock for housing in Serbia was the rapid and widespread privatisation of previously publicly owned housing stock after the adoption of the Law on Housing in 1992. Generally, this phenomenon was widespread across transitional countries in the early 1990s, due to strong support by neoliberal international institutions, most notably the World Bank (Pichler-Milanović, 1999). Their recommendation was adopted intensively in some of the Baltic, Balkan, and Caucasian countries (Hirt & Stanilov, 2009). Serbia has become one of the extremes: the percentage of publicly owned housing shrank to 2.1% of the entire housing stock in 2005 (Tsenkova, 2008), which sharply reduced housing affordability. The related issue of residential property restitution, which was not covered by the law, has not yet been resolved. In addition, the provision of social housing measures has been very weak, leading to a drastically restricted availability of housing in major cities (Hirt & Stanilov, 2014).

¹ There have been at least eight such acts since the beginning of post-socialist transition: 1993, 1997, 2001, 2003, 2005, 2009, 2014, and 2015.

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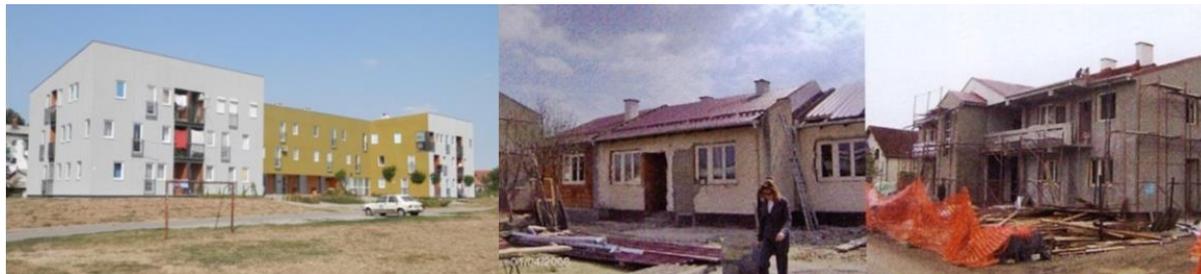


Figure 2. Two good albeit rare examples of social housing actions in post-socialist Serbia: new social housing building for the refugee population in Sremska Mitrovica (*Source:* Author's original) and alternative housing projects: the upgrading of the existing housing stock in Čačak (*Source:* L. Ramirez, Đ. Mojović, B. Galassi, R. Čolić and Z. Vuksanović Macura (Eds.) SIRP Book. Belgrade: UN Habitat).

An additional pressure on the housing sector came from the refugee population during the Yugoslav wars in the 1990s, which led to the acceleration of illegal residential construction. Over the last two decades, there have been two significant developments: growth of illegal construction in the inner urban areas and illegal multi-family construction for the private market. However, the most severe cases have been the Roma settlements which share many characteristics with the kinds of informal settlements present across the Third World² (Vuksanović-Macura & Mojović, 2008). Hence, the problem with illegal/informal housing has become so immense that it cannot be 'bypassed' in the agenda for future Serbian development (Antonić & Mitrović, 2013).

A further significant issue in Serbia is the management and maintenance of multi-family buildings ('condominiums'). This kind of building accounts for approximately 30% of total housing stock in Serbia (Petovar & Mojović, 2006). The process of housing privatisation has caused a range of problems regarding management and maintenance of joint-ownership spaces such as communication corridors, roofs and facades of condominiums. Appropriate legislative acts have not resolved these issues. Moreover, implementation of legislation has also been weak and incomplete. Therefore, the state of the existing housing stock depends almost solely on their individual owners (Mojović & Žerjav, 2011). In most cases, this has not been a sufficient solution to ensure the maintenance of buildings in good condition. However, this confused housing situation has produced some positive effects; specifically, it has prevented residential segregation, spatial fragmentation and gentrification, which has been a typical feature of those post-socialist countries with a better economic performance (Stanilov, 2007).

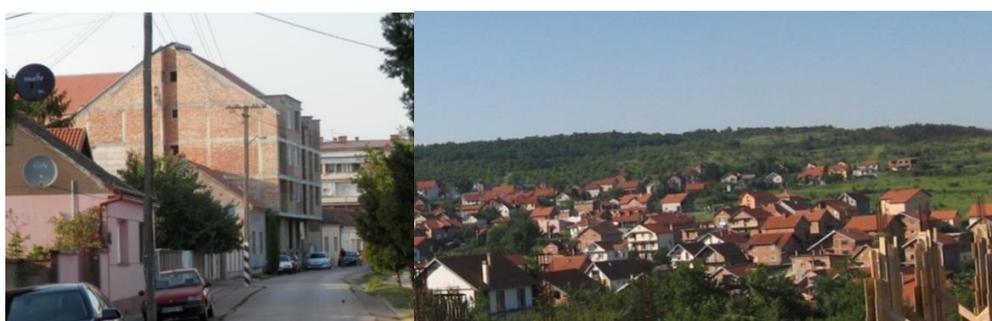


Figure 2. The negative consequences of the post-socialist transformation of housing in Serbia: new multi-family building on overbuilt plots in Sremska Mitrovica (*Source:* Author's

² Bad construction and materials, the lack of basic amenities and infrastructure, etc.

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original) and illegal residential settlements in Belgrade suburbia (Source: Biserka Mitrović).

The challenges for housing in rural areas

The issue of rural housing has also been an 'acute' problem across post-socialist space, but does not seem to have generated much attention at any level (institutional, academic, in practice, etc.) within Serbia. The problem can be extended to general social exclusion of rural areas and its population (Cvejić et al, 2010). The systematic neglect of rural areas during the socialist period (Petovar, 2003) has brought consequences for the entire country, including massive depopulation, noticeable shrinkage of basic economy (agriculture and forestry) and huge spatial, demographic and economic imbalances in the country. The last national population census in 2011 clearly demonstrates this problem: almost 20% of houses in Serbian villages are empty or only used seasonally (SORS, 2013). In addition, the rural population is generally poorer than the urban population (Mitrović, 2015). Furthermore, socially appropriate space of 30 m² per person in villages, presented by the last census from 2011 (SORS, 2013) is favourable only at first glance. Given the problems with services and infrastructure, rural people tend to actively occupy a much smaller space. The challenge of heating the home provides a good illustration as, in order to cut heating costs, many villagers live in just one or two rooms during the relatively long winter.

In terms of the current situation, there are few institutionally provided solutions or programmes for rural housing improvement. For example, there is only one programme detailed in the Law on Social Housing that is dedicated to the improvement of living conditions in villages and suburbia, a programme which provides support for construction materials and technical assistance (Vuksanović-Macura & Mojović, 2008). In addition, this housing programme is described as 'alternative', which indirectly illustrates its 'status' (Ralević et al., 2013). Conversely, it does have better implementation and acceptance among the population compared with other programmes, due to the relatively simple process involved and strong connections with local resources.³

Basic Characteristics of Housing Governance in Modern Serbia

Before describing the housing-related governance in Serbia, it is necessary to briefly explain the current administrative-territorial organisation. Firstly, the organisation of housing governance in Serbia has not changed significantly for decades (Milosavljević, 2005), which does simplify the process of comparison between socialist and post-socialist models. Secondly, only two levels of administration are active in practice; at national and local level. The level of local administrative units fully corresponds to local administrative units (LAU) in NUTS system. There is a distinction between cities and 'classic' municipalities mainly by difference of terminology (Parliament of Serbia, 2007) and they possess wide jurisdiction and significant power (Vasiljević, 2007). NUTS3 level (districts) and NUTS2 level (regions) are formed only for statistical purposes and do not have any administrative significance (Milosavljević, 2009). The exception is the northern Serbian province of Vojvodina which has had profound and long-lasting autonomy.

History of housing governance in Serbia during socialist Yugoslavia

The Yugoslav housing model was unique in socialist space due to its decentralisation. The housing policy was decentralised in the early 1950s. The next step was the transfer of housing provision governance from state organs to specific housing institutions in 1965

³ For example: the possibility of realisation through phases, still preserved self-build construction skills in rural and suburban housing, in combination with resources from the local environment (wood).

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(Petrović, 2004). This decision meant that state-owned construction companies obtained the right to freely form prices for new housing. However, all state-owned companies and institutions had an obligation to contribute 4% of their net income to housing investments. Additionally, Yugoslav banks offered credit with very affordable interest rates of three percent annually and without a mortgage (Petrović, 2004). In accordance with this, a housing 'market' with state-controlled supply and demand was created.

A new programme Funds for Solidarity Housing Construction ('Housing Fund') was established in 1974. It was formed at municipal level to enable better control over the distribution of new housing units (Petrović, 2004). Formally, Housing Funds were organised as cooperatives for housing construction (Milić, 2006). Informally, their establishment was linked with the problem of (inadequate) control and (in)efficiency of the state housing provision sector, which indirectly had triggered the dominance of state structures in socialist Yugoslavia (Mandić, 1990). The impact of the funds was usually evident in new residential buildings in urban centres, in accordance with 'urbocentric' politics (Petovar, 2003).

However, other important stakeholders were active in housing construction in the former Yugoslavia. Some very powerful state entities had a huge influence on housing construction through their construction companies. Perhaps, the best example is the Yugoslav People's Army, which built a lot of high quality, spacious flats across the country, although most notably these flats were in the best locations in the capitals of the Yugoslav republics (Petovar, 2003). Individual private initiative was also an important factor in housing construction. As an illustration, the share of state-owned housing units was the highest in Belgrade (53% of the total number in 1991). It was followed by republic capitals with approximately 40-45% of share (Plavšić, 1996). With the exception of the main cities, private investors were prevalent in this sector. Their role grew particularly during the last decade of socialist Yugoslavia, concurrent with the fading of the state and the start of the crisis of Housing Funds (Petrović, 2004).

Table 1: The model of housing governance in socialist Serbia/Yugoslavia in the last phase of socialism (1972-1991)

	HOUSING GOVERNANCE	HOUSING MANAGEMENT AND MAINTENANCE
State Level	<ul style="list-style-type: none"> - Multi-family housing: the most important state organisation (for example, Yugoslav People's Army) - Single-family housing (legal): Support from banking sector 	
Republic Level	<ul style="list-style-type: none"> - Housing standards and norms - Single-family housing (legal): Support from banking sector 	<ul style="list-style-type: none"> - Republic secretariats for housing affairs (<i>minor role</i>)
Municipal Level	<ul style="list-style-type: none"> - Housing standards and norms - Multi-family housing: Funds for Solidarity Housing Construction - Single-family housing (both legal and illegal): Private initiative - Multi-family housing maintenance and management 	<ul style="list-style-type: none"> - Funds for solidarity housing construction ('Housing funds') - City housing companies

In socialist Yugoslavia, the management and maintenance of existing housing stock was led and controlled separately. It is important to reiterate that the overall share of relatively new flats was high due to very active housing construction and the relatively small number of flats inherited from the presocialist period (Jovanović Popović et al, 2013). Thus, housing

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maintenance was not a major issue. Nevertheless, it was under the jurisdiction of city housing companies. The word 'city' in the description of these companies was very indicative, that is, although these companies were organised at municipal level, they often used the term 'city' because almost all flats were located in the city or the town, which was the seat of the related municipality. Tenants paid a relatively small amount out of their incomes on a monthly basis towards maintenance of the collective building.

History of housing governance in post-socialist Serbia

The problem of housing governance in post-socialist Serbia relates to both the construction of new housing and to the maintenance and use of existing housing stock. Similar patterns have occurred in the other post-socialist countries (Tsenkova, 2008; Hirt & Stanilov, 2014).

The distinctiveness of the situation in the housing sector in the Federal Republic of Yugoslavia (1992-2003) was the 'cohabitation' of old/socialist and new/post-socialist elements of housing during 'blocked transition' in the 1990s (Petrović, 2004). For instance, the Housing Funds survived the first part of the transition, still existing until 2000 (Rogan, 2014). However, this 'dual' period is usually considered as the most problematic in the recent history of Serbian housing, due to the evident withdrawal of the state from the housing sector and the resultant widespread practice of illegal residential construction and reconstruction (Petovar, 2003; Tsenkova, 2008; Mojović et al, 2009). In fact, the inattention of the state to the conspicuous activities taking place in illegal housing can be explained as its taciturn consent to illegal practice in this sector to preserve elemental social stability in these turbulent times (Antonić and Mitrović, 2013).

Since 2000, there have been reforms to and an overall improvement in the housing sector. The strengthening of governance was followed by improvements in other segments of housing. UN Habitat played a particularly important role, initiating a special programme for the refugees in Serbia in 2002, which was implemented during the period 2005-2008 (Ramirez et al, 2008). This program was a 'driving force' in improvements and led to the introduction of pilot projects in all aspects of housing (institutional, legislative, social, financial, professional, practical, etc.). Nevertheless, the housing sector still has many problems and confusions.

In the case of housing construction in Serbia, private investors have taken the initiative from approaches of the early 1990s. Housing construction has been a very attractive business for these investors, proving to be one of the most profitable activities in the Serbian economy since the introduction of capitalism (Mojović & Žerjav, 2011). Aspiring to increase profits, almost all private investors tend to maximise building capacities. Within the context of obsolete housing legislation and weak state and public bodies, many illegal and semi-legal activities have occurred in relation to the capacities of building plots and quality of new housing stock.

Older housing stock in Serbia has not been in focus of policy-making initiatives, which consequently has led to the de-motivation of private investors and dwellers. Despite being mostly under private ownership, it is usually in a poor state (Petovar & Mojović, 2006). The relevant official public bodies have had insufficient resources for refurbishment and modernisation. Incredibly, private initiative has also been a dominant factor here in perhaps the most questionable of ways; the most common method of refurbishing and modernising socialist blocks of flats has involved the addition of storeys with new flats for the private market on top of host buildings (Vranic et al, 2015).

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Figure 3. Examples of top-located extensions of socialist buildings in Serbia. (Source: Author's original)

Current state of housing governance in Serbia

The governance of housing in contemporary Serbia is mainly organised at state and local/municipal level. At the state level, there are several bodies responsible for different aspects/segments of housing. There is a small section in the Ministry of Construction, Transport and Infrastructure for housing legislation. Its main responsibility is the creation and coordination of legislative and strategic acts in the housing sector. Additionally, the National Mortgage Insurance Corporation was founded in 2004. The work of this financial institution has been evaluated positively by experts (Mojović et al, 2009).

The most controversial professional opinions have been connected to the National Housing Agency, which was established by the Law on Social Housing in 2009. The law defined that the agency is responsible for the organisation, financial and professional management, implementation, control and monitoring of social housing programmes (Parliament of Serbia, 2009). Therefore, even though it is a national institution, it is not concerned with the dominant 'market mediated' housing sector. This is certainly a failing in the governmental and institutional approach. In the opinion of some housing experts, the agency has not been able to cope with its basic responsibilities (Mojović, 2015). There is an ongoing debate amongst professionals about the usefulness of this kind of agency.

Local level housing governance usually depends on the size of the local administrative unit. Major cities and municipalities⁴ have local housing agencies which are formed as independent institutions. They can be established freely by local authorities. Local housing agencies are relatively new organisations, although they have some roots in the older Housing Funds. The first agency was established in the City of Kragujevac (Stanković, 2008). Their responsibilities include the creation, implementation, and monitoring of local housing policy, with special interest in non-profit/social housing programmes (Mojović et al, 2009). Smaller cities and municipalities have no separate institutions for housing governance. They are usually incorporated in relevant official secretariats or agencies for land development. In the case of the smallest Serbian municipalities, the entire housing governance is often situated in one office, which illustrates the limitations of local level housing governance, although it has a broad scope of responsibility.

⁴ There are around 15-16 local housing agencies accounting for less than 10% of all the local administrative units in Serbia.

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Forming a Model for Housing Governance in Serbia

Considering the aforementioned data, several tasks for the proposed model of the hierarchy and the scope ('competences') of housing governance in Serbia may be identified:

1. State/national level should be better interconnected and more powerful in relation to other national bodies and organisations. Ministries are particularly decisive for these purposes;
2. Upper levels (state and perhaps regional) should have a more creative and proactive role;
3. Intermediate levels (regional or district) should provide a necessary link between the local and national level. It is especially important to support the smallest and usually more rural municipalities which tend to have limited capacities and more housing problems in their rural parts;
4. Minimum standards for the organisation of housing governance in smaller municipalities are necessary;
5. All levels should be more concerned with housing management and the correlated renewal/refurbishment of existing housing instead of primarily the construction of new housing. Moreover, they should refocus from *in situ* construction to the creation of a good environment for it. The role and competence of the old Housing Funds in socialist Serbia can be taken into consideration to enable these qualitative transitions.

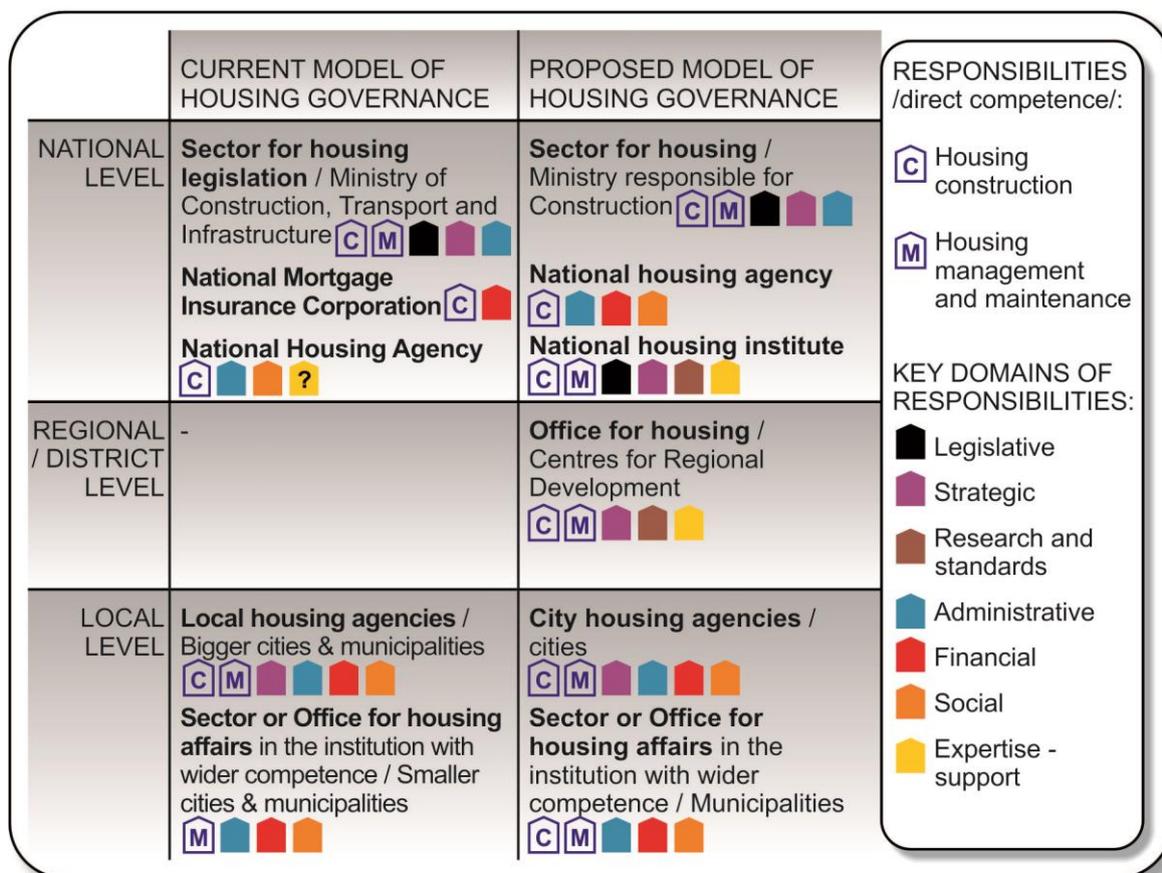


Figure 5: Comparison of the current and proposed model for the organisational hierarchy of housing governance in Serbia, with competences explained at all levels.

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The proposed model is also important for urban and spatial planning in Serbia, because it offers a similar organisational hierarchy to planning documents.⁵ In this way, substantive cooperation, integration and comparison can be easily introduced. Moreover, the focus on a proactive and more analytical approach to the organisation of housing governance can be particularly valuable for improved mutual development.

Conclusion

This research has discussed the unique experience of housing governance in socialist and post-socialist Serbia, with special focus on the most significant organisations involved: socialist Housing Funds and post-socialist housing agencies.

Despite the disadvantages identified, the distinctive socialist model of housing in the former Yugoslavia with the use Housing Funds enabled mass construction of relatively high-quality flats and neighbourhoods. This model has had a huge impact on the current state of housing in Serbia and should be considered in any future organisation of housing governance. The relationship between public control and the market should be examined in particular.

In addition, the main disadvantages of the previous model, such as active illegal residential construction and weak housing management and maintenance, have continued through the period of post-socialist transformation. It seems that international best practice can be useful for both procedures and solutions. The positively-viewed activities of UN Habitat in Serbia, with new housing programmes and pilot projects and the building of institutional frameworks, can offer a promising template for addressing these problems. It is also possible that the expected integration of Serbia into the European Union system will enable similar kinds of efficient 'external support' in the housing sector.

The problems caused by transitional challenges in housing are evident. The relative regency of housing governance bodies at both national and local level and their interrelations affects their competency in that they are without 'strong roots'. Therefore, it is important to react promptly with new creative and proactive approaches.

The findings of this study indicate that a comprehensive and coherent housing policy and strategy are a priority. However, both elements should only be seen as elements of a wider framework. Subordinate legislative acts are also required, especially those related to standardisation and improvement in spatial, urban, and architectural respects. Furthermore, governing bodies should also produce some 'soft' actions and documents, such as best practice and guidance documents, to make the entire system of housing governance both efficient and better understood among Serbian citizens.

Finally, improvements in housing governance cannot be treated independently, that is, in isolation from other sectors of spatial development such as urban and spatial planning. Connections between housing and urban and spatial planning can be established through subordinate acts that will scrutinise urban aspect of housing at both macro and micro levels, that is, at the level of settlements and their networks as well as at the level of neighbourhoods and urban blocks. Such attempts have not been evident in recent Serbian practice.

⁵ Spatial plans exist at national, regional and local/municipal level. Urban plans exist at urban/settlement level. With the exception of regional plans, all listed plans figure significantly in current territorial development in Serbia.

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