

Social and Political Causes of Ownership Transformations in Polish Housing after 1989.

Poles point to housing problems as one of the greatest difficulties they face. At the same time, the public housing stock has shrunk by at least 2.6 million dwellings since 1989. In this situation, investigating the reasons for the legal changes that made it possible to privatize all these housing units after 1989 becomes expedient.

The Principal Investigator's previous research in the book *Socialism under Construction: Law and Ideology in Housing, Construction and Spatial Planning in Poland 1944-1989* (Warsaw: Wydawnictwo Naukowe Scholar 2024) brought out that Polish housing at the dawn of the political transformation was shaped according to the ideology of state socialism prevailing in People's Poland.

The vast majority of housing was controlled by the state. Some (mainly pre-war buildings and those built by the end of the 1950s by the Department of Workers' Estates) directly, others through state-owned workplaces (company housing) and housing cooperatives, which were not bottom-up, independent initiatives, but huge, bureaucratic molochs controlled by the state.

With the transformation from a centrally planned economy to a free market economy, the housing sector also had to undergo reforms. Initial research identified three areas where changes had a common denominator, which was privatization. The first was municipal housing, which could be bought back for many years at discounts often amounting to 70-90%, even though the queues of those waiting for allocations of such housing grew. The second area was company housing, which bankrupt state-owned companies wanted to get rid of. However, municipalities did not want to take over buildings requiring large investments. Consequently, here, too, the possibility of buying back apartments with large discounts was introduced. The third area is cooperative housing. The transformation of cooperative ownership of cooperative ownership dwellings into full ownership was not controversial, but the buyout "for a zloty" of tenant dwellings aroused opposition from cooperatives and some organizations and political forces.

All these reforms were made possible by legal changes. The project provides several hypotheses that can be used to explain these changes:

- H1: Neoliberal ideology.** Decision-makers' support for neoliberalism being at the height of popularity worldwide in the 1980s and 1990s, and assuming that the state should limit its activities because private actors operating in the free market are more efficient. Housing should be the private property of the people, not a tool of active state housing policy, so it should be possible to buy housing from the public stock - such as the *Right to Buy* program in the UK of Margaret Thatcher's time.
- H2: Republican ideology.** The conviction of decision-makers that the society of a democratic Poland should be based on a middle class that builds its stability and sense of security on private property, among other things. Therefore, the state should enable as much of the population as possible to obtain full mortgage ownership of housing because in the case of the middle class, residential property is their major asset.
- H3: Economic reasons.** The conviction of decision-makers and the experts advising them that there was a need for extensive privatization coming out of the poor condition of the housing stock and the absence of public funds for ongoing maintenance and necessary investment.
- H4: The social trauma of communism.** Far-reaching restrictions on the possibility of private ownership (especially full mortgage ownership of real estate) were among the features of the communist system in Poland before 1989 that were perceived by the public as the most damaging. The embrace of private ownership of housing was intended as a symbolic break with the legacy of the past political and economic system.
- H5: Structural and systemic reasons.** The conviction of decision-makers and the experts advising them that the public housing stock in communist Poland before 1989 belonged to entities whose nature was incompatible with a liberal democracy state with a free market economy (e.g., centralized state administration, state-owned enterprises). They had to be liquidated, and in a young democracy struggling with economic difficulties, the newly established institutions were still too weak to take over this resource. Therefore, its privatization took place.

Verification of the aforementioned hypotheses will determine which of these factors was dominant, and which played a secondary or marginal role.