

# Theoretical and Practical Aspects of Housing Sphere

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**Abstract:** Urgency of the research is conditioned with scientific necessity of the solution of theoretical and practical tasks connected with the development of housing sphere, namely, with housing construction and housing and communal services, the social and economic significance of paper theme choice determination. Housing sphere includes construction, reconstruction and modernization, engineering equipment and installations, elements of social infrastructure, exploitation and repair, housing fund, management. It is directed to the qualitative change of population’s housing conditions. Housing providing, living conditions, organization of public services, level of housing, favorable sanitary conditions and other factors determining housing comfort. Proceeding from economic strategy of the state it has been planned to carry out measures system improving well-being of population. One of such measures is the increase of housing construction forthcoming 8 years (till 2025). Medium level of housing providing increased 1,2 times-from 14,6 to 17,9m<sup>2</sup> of total area per man.

**Keywords:** Housing sphere, metrics.

Table 1  
For the owner of private property and total area of housing per man

Показатели	Years						
	2000	2006	2012	2013	2014	2015	2016
Total area, mln.m <sup>2</sup>	112,4	139	162,2	164,1	166,4	168,9	171,3
Public property, %	11,0	7,0	6,0	6,0	6,0	6,0	5,5
Non-public property, %	89,0	93,0	94,0	94,0	94,0	94,5	94,5
Mixed housing providing in cities and village settlements, %	50,0	52,0	53,0	53,0	53,0	53,0	53,0
Medium housing providing, total area, m <sup>2</sup> per man	14,6	16,5	17,6	17,6	17,7	17,7	17,9

Source: State statistic Committee of Azerbaijan Republic. Construction in Azerbaijan, 2017

The data of table 1 show that owner’s share of private property and total area per man is stable last 10 years. In 2015 15 thousand flats were built in Azerbaijan. Carried out research testifies that every year 30 th. flats are sold in the housing market, that is, it is necessary to build extra 15 th. flats for providing population’s demand. State housing construction plans to sell 3 th. flats annually on the corresponding (reduced) price. Thus, population’s providing deficiency is 12 th. flats.

Data of table 2 testify that Azerbaijan leaves behind Kirghizia, Moldova, Tajikistan but it is behind of other countries of SIS in putting flats into operation.

Table 2  
Putting housing into operation, mln.m<sup>2</sup> of total area in Azerbaijan and other countries of SIS

№		2001	2005	2010	2015
1	Azerbaijan	0,6	1,6	2,0	1,9
2	Armenia	0,2	0,4	0,5	0,2
3	Belarussia	3,0	3,8	6,6	5,1
4	Kazakhstan	1,5	5,0	6,4	8,9
5	Kirghizia	0,4	0,5	0,7	1,1
6	Moldovia	0,3	0,5	0,5	0,3
7	Tajikistan	0,3	0,5	1,0	1,2
8	Uzbekistan	7,1	6,1	8,8	-

Source: State Statistic Committee of Azerbaijan Republic. Construction in Azerbaijan, 2016

Azerbaijan leaves behind Lithuania, Moldavia, Rumania and the Ukraine (tab.3).

Recently changes have been also taken place in the structure of flats building on the property types. If in 2000 state means invested on flats buildings was 27,9%, non state–72,1%, population’s personal means–34,3%, then in 2015 it was correspondingly 14,5%, 85,5% and 43,9% (table 4). Most of the population improved their housing conditions at the expense of their own means.

**Table 3**  
Number of flats put into operation in Azerbaijan and other countries, th.

№	Countries	Years	Number of the flats put into operation		Countries	Years	Number of the flats put into operation	
			flats, th.	10 th. population			flats, th.	10 th. population
1	Azerbaijan	2005	16	19	Moldovia	2005	4	11
		2010	18	20		2010	5	14
		2015	15	17		2015	5	15
2	Russia	2005	515	36	Poland	2005	114	30
		2010	717	50		2010	116	36
		2015	1124	78		2015	118	37
3	Hungary	2005	41	41	Rumania	2005	33	15
		2010	21	21		2010	49	23
		2015	8	9		2015	50	24
4	Armenia	2005	2	5,11	Tajikistan	2005	8	12
		2010	4	5		2010	19	25
		2015	2			2015	15	18
5	Belarussia	2005	43	44	Uzbekistan	2005	55	21
		2010	85	89		2010	75	25
		2015	69	73		2015	84	27
6	Kazakhstan	2005	44	29	Ukraine	2005	76	16
		2010	55	34		2010	77	17
		2015	64	37		2015	102	25
7	Lithuania	2005	6	11	Finland	2005	34	65
		2010	4	14		2010	26	69
		2015	5	75		2015	25	63

Source: State Statistic Committee of Azerbaijan Republic. Construction in Azerbaijan, 2016

**Table 4**  
Distribution of means on flats building on the property types (in %)

№	Years	Total, %	Including, share from them				
			State means	Non-state means	Private	Including population’s personal means	Foreign
1	2000	100,0	27,9	72,1	64,5	34,3	2,3
2	2005	100,0	10,5	89,5	88,7	17,4	0,8
3	2010	100,0	37,5	62,5	56,8	28,5	5,7
4	2015	100,0	14,5	85,5	85,4	48,9	0,1

Source: State Statistic Committee of Azerbaijan Republic. Construction in Azerbaijan, 2016

The main ways of improvement of population’s housing: at the expense of:

- state, social hire and personal means with credit;
- repair and reconstruction of living fund, realization of state programs stimulating crediting of housing construction, development of housing market and etc.

In 2016 State Agency on housing construction was created. Its function is to complete reconstruction of the city, development and improvement of their social infrastructure till 2025. After 2025 it was determined to create housing sectors in each region of the country, the task of which providing of population with high quality housing and socio-cultural object.

Till 2020 it is planned to have 10 thousand new working places in the construction sector of the country which will

consume 900 mln. manat investment both at the expense of state and attracting private construction companies (strategic road map, 2016).

Growth of living construction and increase of volume of reconstruction, modernization and capital repairs of housing fund require improvement of housing and land policy. Economy and more intensive use of territories in the construction of cities is the important reserve of efficiency increase of capital investments into construction, engineering and organization of public services. It is carried out on the basis of increase of construction density, improvement of architecture planning method and other directions of scientific technical progress.

Control on the land use efficiency in the cities of the Republic is realized by administrative, market and mixed methods. Administrative ones regulate main rules of land use in the interests of state and are directed to the banning of bad-management when using land areas and ecology pollution. Market methods determine tax sum into the budget for use of land areas, payments for land withdrawn under new construction, and also payment of privileges for effective use of lands. Mixed methods characterize combination of administrative and market mechanisms. They are directed to the material-technical and financial providing of programs on the protection of ecology environment and improvement of urban land use.

The main goal of the research is detail grounding, work and improvement of theoretical and practical approaches to the development of housing sphere considering national, local and regional peculiarities of housing and efficiency of land use. The followings belong to the main tasks of the research:

- theoretical and practical problems of housing sphere of regions;
- formulation of conceptions as the basis of market estate objects;
- assessment of land estate objects in the cities of the Republic and urban land use;
- assessment of land cost and land policy;
- registering of national features in solving housing problem in the regions.

Approaches to the development of housing sphere in realization of state housing policy, namely in the problems of formation of mechanism of land use and reforming of housing utilities economy and housing market have been studied and formulated; national and regional housing features in the Republic, uploading problems on the terminology conceptions of housing estate, constructional land use, estate market and etc. have been offered.

The research is directed to the solution of theoretical problems, methodological and practical problems on the determination of housing estate objects.

The first approach is based on the study of various opinions of analytics-experts about market cost of the object. The positive side of the approach is quite high trustworthiness at information shortage, but its disadvantage is the expensive cost.

In the second approach cost of the object is determined by the help of modern methods of mathematical analysis and statistic system of information processing of and big number of analogous objects.

The second approach is mainly used in the practice of abroad, as statistic methods allow to get more reliable results comparing with expert assessment.

However, complex approach based on the combination of both abovementioned methods is the optimal in determining the cost of land tenure and objects of urban construction. Complex approach to the determination of the cost of estate objects will allow to determine and economically to substantiate standards of land use, to fix optimal quantity of land payments, to exclude contradictions between citizens and land or house owners. Sometimes commercial interests of some regions come in defiance with macroeconomical requirements of central state bodies because of insufficient regulation of land use. In many countries legal regulation of land use acts as the basis of regional economic politics (Timonina, 1992), (Kirillov, 2005).

Striving of house owners to increase their income and minimize specific weight of exploitation expenditures on each flat resulted in the construction of so-called houses with a big quantity of small flats and rooms rented in them. It influenced on the dimensions, area and view of the houses, increase of the floors and density of the construction or urban land areas. Landowners, desiring to increase quantity of land areas, get more income, divided their lands into small sections and sold to the builders. It resulted in chaotic construction of the cities with narrow streets, turnings, dead ends.

Works of the foreign scientists on the problems of the interaction the society and nature, information about the availability and structure of the lands in comparison with the capacity of production, and also economico-mathematical models and methods, analysis of the resources on statistics and dynamics revealing direct and return relations deserve attention.

However, they have a number serious shortages, the main are the followings:

- the world is considered as unique system of development without considering qualitative new opportunities of market economy and without deviling countries to the developed and developing ones;

- insufficient registering of achievements of scientific-technical progress and social sphere in the development of productive forces of the scientific-technical progress and social sphere in the development of productive forces of the community which can be significant in the establishing of interrelation between community and nature;
- unreality of the suggestions on the artificial slowdown of the production, reducing of population's quantity, refuse of one the countries from the land use at the expense of others, "poor countries".

With the development of foreign countries and growth of production limitation of lands and other natural resources becomes evident. Reduce of free territories resulted to the sharp increase of the land cost. Land cost in the biggest cities of the USA, Japon and number of other countries is very high. In Japon the land is 10 times more expensive than in Europe. In these conditions for economy of the territories city construction measures-increasing density and floors, use of underground space for placing services enterprises, engineering installations and etc are used.

In the market conditions state housing policy has two interacted channels (Aaron). These are stimulates of housing offers and offers on housing demand satisfaction. In table 5 the main directions of housing policy have been given.

Table 5  
Directions of housing policy

Stimuli of housing offers	Stimuli of housing demand
1. Holding of competitions and tenders on housing construction offers	1. Realization of state program on providing population with new housing at the expense of state budget
2. Stimulation of restructurization objects of the housing construction and market reforms	2. Housing cost considering the level of comfort quality; construction place
3. Preferable credits and subsidizing	3. Development and realization of regional investment projects
4. Tax privileges	4. Expanding of share of mortgage crediting of housing construction
5. Analysis of public opinion, regulating of consultative and corporative SERVICE	5. Creating of market infrastructure of housing, use of land and public communications

It is necessary to mention that without the growth of housing construction the liquidation of bureaucratic administrative barriers in construction market it is impossible to make housing available for each family. It is necessary to liquidate corruption while allotting land sectors and getting permissions for housing construction, to create favourable atmosphere for competition and investors attraction. Only complex and justified approach to the solution of social, economic, legislative, economic and administrative character will promote improvement of situation and realization of housing program.

Solution of housing problem is connected with the improvement of cultural and every day services of the population. Thorough registration of social and everyday demands introduce serious amends to the old concept about housing reflecting only traditional flat (dwelling house). In the conditions of social improvement taking place in the life of society, the harmonic combination of a new type flat (dwelling house) with a wide net of public service enterprises enters into the housing concept.

At all stages of the development of the modern life personal flat suffering from radical qualitative changes still remains main component of complex concept about modern life. It doesn't entreat value of public sector in the formation of modern life, which doesn't exclude keeping of important material and spiritual functions. That's why, one mustn't be limited with one-sided development of public sector. It is necessary simultaneously to improve housing serving to the personal and intimate demands of the family.

Thus, together with the creation of perspective and transitional housing types it is necessary to develop complex of measures connected with reconstruction of the built houses considering their consequent rational use. Problems of national features of modern housing of Azerbaijan are not independent, they are organic part of a big problem on the creative direction of world housing. That's why, problems of national modern housing can be scientifically enlightened only on condition of their considering from the position of world housing entirely. Strengthening of economic and cultural relations among various peoples at all stages of their historical development created favorable condition for further improvement and enrichment of their housing. In the history of world housing there are examples where housing of some peoples developing "private" original traditions, at the same time overcame national barriers, borrowed housing achievements of other peoples. And on the contrary, limiting of the housing only in the frames of

original traditions shows its conservatism as such housing reflects national ideology of ruling top of the society carrying out the line of national ideology blocking the way to the penetration of national housing of advanced, progressive housing tradition of other peoples. It is the index of stagnation in the housing development and testifies its whole isolation from world housing experience.

The process of housing borrowing heir of other nations and mutual exchange of housing achievement take place in various historical conditions differently. When conquering one country by the other one forcible planting of culture and also conquers' housing architecture usually take place, as it was observed at various periods of Azerbaijan people's history when it was forced to take the language and culture of Arabian and Persian countries. Forced methods of assimilation caused a wave of indignation of masses.

### CONCLUSION

1. Development of housing sphere requires solution of the following tasks:

- increase of housing, being non-governmental, but private or collective property; improvement of housing market and also preserving of government supply of weakly protected groups of population and families with 1m<sup>3</sup> of total housing territory;
- more effective use of land in various stages of urban construction;
- determination of main principles of formation of economic mechanism of rational land use in the cities;

2. Solution of housing problem in a modern stage is carried out not only by the construction of housing, but also by the reconstruction, reorganization, modernization and capital repair of housing fund of the old building and bringing it to the level of standards and improvement of modern housing. Such approach to the solution of housing problems is legitimate because providing of population with improved housing existing housing fund offering reconstruction and modernization carries out social functions as new housing construction.

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