Transition from socialism to capitalism in Eastern and Central Europe has been characterized as the most courageous experiment with neo-liberal ideas in the contemporary world. Neo-liberalism as the process, it has been argued, had to be domesticated not only by political elites, but also by individuals, families and communities (Creed, 1998). Having a closer look at post-socialist home life the term “normal” stands for a life standard which is extraordinary in the local context and is likened to an “average level of West” and is being realized in the sphere of housing development and body care (Fehérváry 2002). A private house in a suburb is perceived as signifying the middle-class consumption standard in the West, and also in postsocialist societies middle-income strata are aspiring to affirm their status by Western consumer symbols.

In the course of last decade, a considerable number of middle-class-in-the-making families in Latvia made decisions to apply for mortgages in order to acquire a ‘house of their dreams” in a suburb. The paper intends to examine how the families have managed to fulfil their hopes for a “normal life” in a comfortable suburban house.

In Latvia it is, first of all, Pierīga, the suburban zone surrounding the capital city of Riga that corresponds to the concept of suburb as developed in the classical theories of urban space. An active property development in Pierīga began at the turn of the new millennium when the real estate market was booming. Most municipalities envisaged an unprecedented rise in number of real property and hurried to plan the development of their territories accordingly. The outcome was dozens of widely scattered real property clusters, built with no overarching communal development plan and with none or underdeveloped infrastructure. A folk term for such type of settlement was soon coined, pļavu ciemi (“the meadow villages”). A private house in a post-socialist suburb like Pierīga at times reminds a heterotopia – a space contrasting to the surrounding area. This process is not an illusion but a compensation (Foucault 1986), that has been made possible by Latvians’ capacity, developed in socialist times, to disregard (to a certain degree) the surrounding social world.

The paper is based on study that seeks to integrate quantitative and qualitative methods. A recent population survey (SKDS, 2009) reveals that suburb is a desirable living place, even though suburb residents lack a sense of affiliation with it. The survey data suggest that, while being only partly satisfied with the infrastructure and the development of their territory, the suburbanites seldom interact with the local government and are unwilling to take part in the activities of the local community. Semi-structured interviews with owners of new private houses in Pierīga, in turn, reveal that having purchased a suburban family house, few owners have fulfilled their aspirations for a “normal life”. A heavy burden of debt weighs upon all interviewees. In such a situation, families have had to modify their life-style and habits Anxiety about their long-term capability to deal with mortgages accompanies all interviewed families. The interviewees’ narratives highlight the neo-liberal developments in the private sphere, the family life, as well as the public sphere, the suburban social environment.

**Keywords**: suburb, post-socialist society, consumption, private house, heterotopia.

**Introduction**

Notions “status” and „consumption” are usually related to expensive brand-name goods and luxury items. Normally, they are not associated with a house as a place of residence, if only when speaking about homes of celebrities. On the other hand, owners frequently exert a lot of effort trying to make their houses admirable although people tend to deny status consumption in their life, their behaviour often proves the opposite. Consumption of social status is the most common type of consumption based on Western culture, where proof of the status is demanded in a variety of ways (Giles 2007). The concept of status consumption was introduced by Veblen when he published *The Theory of the Leisure Class: An Economic Study of Institutions* in 1899. The book explored the spending patterns of the rich and nouveaux riches in North America of the late 19th century. Veblen’s theory became popular but its focus on a rational, fully informed consumer as the central actor in the “game” of status competition was later criticized. It has also been also questioned whether it could be meaningfully applied to understand the contemporary consumer society (Schor 2007). The core of Veblen’s approach is a hierarchical social structure driven by competition between status-seeking individuals who claim a position in the hierarchy by publicly displaying their wealth. Their consumption has a clear social orientation insofar as to secure their position in the hierarchy,
individuals draw on a set of widely recognized status symbols. Most of the research that Veblen’s theory inspired was heavily materialist and focused on purchasing patterns rather than qualitative data on consumers’ intentions or their interpretations of status items (ibid.: 19). The post-modern trends in consumer behaviour, however, require that the latter be taken into account.

A significant level of status consumption is characteristic not only to rich countries: it exists everywhere as long as usefulness of a product is measured by social advantage to obtain it. Desires, possibly, develop from state activities, regulating consumption or allocation of resources, or from norms of specific communities, or maybe poverty has delayed the access to symbolic or cultural capital (Giles 2007). A suburban house with a green lawn was a forbidden fruit in socialism, becoming a desirable object in post-socialism. Before the global credit crisis hit Latvia a strong desire for a private house could be observed there, in particular among the urban population. partly a reaction to cramped domestic spaces of the Soviet period. Such a disposition ensured a rapid expansion of Riga suburbs – Pierīga- in last decade. It was facilitated by easily accessible mortgages that most banks in Latvia advertised. A new house in a suburban development area became a symbol of improved social status. Moving into it and establishing affiliation to residential community the new owners entertained hope for upward mobility. Demonstrating consumption goods, middle class status is consumed. A house is an enormous consumption of values for a family, and it usually is the environment that keeps a family together. In Pierīga, from 2000 on, with the help of mortgage a great number of families acquired their dream houses. Unfortunately, at present around 10 per cent of the new houses are occupied, being either at the stage of unfinished construction or a property of banks due to inability of their owners to pay back the mortgage. The economic situation of households has significantly worsened everywhere in Latvia, including Pierīga, thus the burden of mortgages has resulted in serious financial and social problems for many new house owners.

The aim of this study is to examine how far representatives of middle-income strata in the post-socialist suburb Pierīga have succeeded in bringing to life their dream of a new private house, and what their success or lack of it can tell us about the new suburbanites’ readiness to accommodate to the particular neo-liberal regime that reigns in contemporary Latvia.

The main objectives of the study:

• To analyse effects of neo-liberalism on social environment in a post-socialist society.
• To characterize social development of post-socialist cities and suburbs.
• To discuss a theoretical idea on status consumption as embodied by a private house.
• In the framework of theoretical conclusions and data of empirical study to analyse family strategies in the process of consuming the post-socialist dream of a private house in suburbs.

The study is based on both quantitative and qualitative research methods. The latter include recourse to a visual material acquired in the field study. The quantitative study consisted of a survey of Pierīga inhabitants in 2009 with the aim to identify their general attitude towards the life in suburbs and towards the local government, their satisfaction with services, the ecological situation and the development of their region. The qualitative study includes semi-structured interviews with owners of new private houses of Pierīga. The interviews frequently turned into life stories or sincere reflections on the meaning of home, family relationships, financial problems and anxiety about future. The theoretical part of the study examines research that has been conducted on post-socialist cities and suburbs. To highlight the links between consumption of a “dream about the house” and state economy and policy, it explores the ways in which neo-liberal ideas and practices have impacted post-socialist societies.

**Shortly on relations between neo-liberalism and post-socialism**

With collapse of socialism in Eastern and Central Europe major part of discussions on post-socialism focussed on power and neo-liberalism. For instance, implosion of the state capacity to govern politico-economic life was emphasized, and anxiety was expressed in too much interference of the state apparatuses with reshaping of post-socialist policies may result in taking the road to “feudalism” (Hayek 1994). Thus, neo-liberalism came to the foreground as “a rescue policy”.

Classic liberals claimed that the free market is a wonderful mechanism that coordinates individual’s egoistic priorities with public interests, and any interference in this process will be a hindrance. From this one can conclude that a private property is inviolable and that the *laissez-faire* principle – as little as possible intervention in the natural course of things – should be supported (Brīvers 2011). Nevertheless, classical liberals recognised that such an approach is effective under certain conditions only, namely, under absolute competition, symmetric information, and equivalent “start positions”, which correspond to the initial stage of capitalism. Neither absolute competition nor symmetry of information between the buyer and the seller is anymore typical of the contemporary marketplace, moreover, the “sales approach”, being based on marketing technologies (ibid.), has significantly changed consumer behaviour. Neo-liberalism as it is understood today, has very little to do with the classical liberalism. Neo-liberalism as a direction of economic reasoning rose in the 1930s-1940s, forming two subtypes: the Freiburg school, or a socially responsible market economy approach and neo-conservatism, or the monetarist (Chicago school) approach (Zelmenis 2011).

Nowadays, it is monetarism that is meant by the notion of neo-liberalism. While contemporary liberals call for as little as possible interference of the state in economic processes, they require very strict interference in economy, as long as interests of international finance capital are concerned (Brīvers 2011). Thus, according to Zelmenis (2011) among adepts of neo-liberalism are proponents of economic globalisation and transnational industrial and financial corporations, whose interests are disturbed by national governments’ regulation of economy. The neo-liberal policies of the 1990s pulled Latvia out of communism and rapidly transformed it into a different society – an unequal and antagonistic one (Kokins 2010). Meanwhile, more independent monetary policies of some Central European countries encouraged foreign investors to turn not only to speculative investments, but mainly to production projects generating the flow of money.
According to Creed (2008), in their efforts to catch up with advanced economic systems, post-socialist countries based their policies on four pillars – privatisation, stabilisation, liberalisation and internationalisation. Political transformation occurred rapidly and in such a “transition culture” little space was left for discussions or alternatives (Kennedy 2002). Neo-liberalism is also characterised by geographical differences and complicated local processes. Not only political elite and the local governments had to find possibility to get on with neo-liberalism, but also people, communities and families in their daily life (Creed 1998). Neo-liberalism in post-socialist societies has its own specifics: it supports entrepreneurship and idealises the notion of family. Both these features can be identified among the major forces that during the last decade have shaped the development of new residential areas around the capital of Latvia. Entrepreneurship has clearly subdued any efforts to elaborate long-term policy guidelines for urban development, whereas idealization of nuclear family has determined the predominant settlement pattern, namely, clusters of detached family houses set in relatively huge expanses of private land, with almost no public space for any communal activities.

**Theoretical aspects of studies on post-socialist cities**

Researchers have advanced several models of development of post-socialist cities. The city model which still maintains rural – urban dichotomy, hindering the development of the middle-class and promoting growth of proletariat, is old fashioned and distorts city development. An alternative is the urban regime concept that has been analyzed in the framework of the regulation theory that differentiates various regimes of capital depending on the extent to which the state facilitates capital accumulation, while absorbing the social costs of the transition (Petrovic 2005). Urban regime is also defined as informal, but relatively stable co-operation between the public and the private actors in governing the city. The regulation theory includes the concept of urban entrepreneurship, that envisages specific active strategies of the local government aimed at ensuring competitive advantages within the increasingly unpredictable global economy (Franz 2000). “Such a framework raises questions about the unique aspects of post-socialist urban regimes, such as the socialist legacy of the concentration of power, no public-private partnership and underdeveloped civil rights and civil society actors” (Petrovic 2005: 4). Basically, research of post-socialist cities is aimed at power structures in urban politics and, thus, applying Bourdieu’s theory, the main actors in such research are divided into those who provide and those who receive services. Strategies of both groups are generated through a specific *habitus* (Bourdieu 1990), which is referred to interaction between structural restrictions and creative strategies (Petrovic 2005). Referring to Bourdieu, Mina Petrovic writes that in analysis of a number of studies of types of capital and their multiplication in post-socialist cities, great attention is paid to illegal activities, inherited from socialism. In the post-socialist period these activities become strategies with the aim to decrease risks from free market forces. Self-built, mainly illegal housing constructions and illegal usage of public spaces for informal trade are the most commonly analysed strategies. Due to the complexity of the urban system it is not possible to copy Western city models in the development of post-socialist cities, since post-socialist cities lack not only institutional, but also cultural infrastructure, which lies at the basis of Western cities. The real effect, overtaking models, could greatly differ from Western reality, considers M. Petrovic.

Cities have been the main scenes for post-socialist transformation, reflecting market mechanism in distribution of real property, as well as privatisation of housing and land. The process is taking place particularly sharply in suburbs. In many places, the local political regime collaborating with investors under the pretext of entrepreneurship develop new income schemes for finance mobilisation and maintenance (Petrovic, 2005). Having looked at the processes affecting the major cities in the territory of the former Yugoslavia, Petrovic concludes that interaction of socialistic legacy, private capital investments and local policies has facilitated commercial suburbanization rather than residential development. In Pieriga, the commercial trend in suburbanization affected precisely the development of residential areas. The prices of land were often artificially boosted, as developers, driven solely by prospects of quick and easy profit, lobbied deputies of municipal councils into voting for transformation of the status of woodland areas, arable land and even marshland into sites suitable for residential neighbourhoods. At present, the local governments are coping with the consequences of those decisions as they are expected to guarantee a minimum of communal infrastructure to the new residential clusters outside the historical settlements.

**Suburb**

Cities in socialism essentially differ from Western cities. Particularly striking difference was non-existing suburban periphery. Instead of wide suburban territory, typical for Western cities, the socialist cities were enclosed by urban environment, marked with industrial towers and coverage of multi-flat houses, planned and constructed by the state. Behind these territories there were fields with modest villages (Hirt 2007). Since 1989 suburbs with low density of population have been the most surprising post-socialist contribution to cities, and it is more serious than districts with high density of population, which is the true socialist legacy. A number of researchers call this post-socialist process “suburbanization”, emphasizing its similarity to urban de-concentration, typical for Western cities. Many of the authors demonstrate this similarity by data on the development of suburb population and housing. Suburbanization is defined by Sonia Hirt (2007) (referring to Muller (1981), Jackson (1985), Fishman (1987)) as a de-centralisation process that affects population density and is mainly driven by middle-class families seeking a higher life quality in urban periphery.

Suburbs are being studied everywhere in the world, and different models of the development of 20th century suburbs have been advanced. An evident difference exists between the models relevant to typically Western capitalism and non-Western capitalism. In the countries of developed capitalism, suburb development models were created by higher and middle-class *suburbanisation* (Hirt 2007), but in the developing countries prevailed processes involving rural-urban migration or rural urbanisation, when poor population moved from near outskirts to urban centres. Possibly, the most characteristic feature of suburbs in the West has been
their link to urban decentralisation. This flow was directed by Western suburbanites’ desire to escape urban chaos and achieve a higher quality of life and a life-style that would be more suitable for the family, in a green territory – in a more private and socially more refined environment (Fishman 1987). Nothing of the above mentioned has been observed in any clear form in socialism. Of course, an essential development of suburbs took place, but it occurred through high birth rate and low mortality rate in cities, as well as through gradual “country-city” migration. In contrast to the developing countries, in socialism urban immigration was state sanctioned and directed to housing districts, constructed by the state (Hirt 2007). There are, however, two more candidates for the category “socialist suburb”: in the first place, popular territories of summer cottages (territories of summer houses in socialist suburbs known by different names: in Russia – datchas, in Bulgaria – villas, in Latvia – vasarnīcas (summer cottages) and dārziņi (horticultural cooperatives with garden houses) and, secondly, villages surrounding big cities. Neither of these candidates corresponded to the suburb prototype. The zone of datcha/villa attracted the socialist elite, but was not a permanent dwelling place and thus did not cause urban depopulation. Villages were dependent on jobs in the city, but that did not cause urban drain as they were rather poor.

Suburbs in the U.S. and, to a smaller extent, in Western Europe became increasingly independent of cities. From this point of view they did not anymore correspond to the original notion “suburb” (Fishman 1987). In the developed Western environment the state plays a certain role. After World War II, expansion of cities in Western Europe became a widespread practice, and state institutions actively participated in both planning and construction of housing (Hall 2002). Western politicians, especially in the U.S., encouraged the upper class and the middle class to move to suburbs with low density of population, whereas in socialist countries, migrants who had come from the countryside were distributed in cities with high density of population (in the Soviet Union, including Soviet Latvia, also migrants from other Soviet republics were provided housing in urban centres). The policy was in concordance with the communist ideology that promoted expansion of the urban proletariat (Hirt 2007). After the collapse of the socialist rule, cities were expected to develop their suburbs similar to the cities in the West. Such development depended on availability of private land in suburbs, a sector of real property generating income, a new pattern of social stratification, and an increase in number of cars. At the same time, in many places no significant state or municipal capital investments in suburban infrastructure were made (e.g., there is lack of drive-ways, centralised water pipes and sewage systems). In these conditions, an alternative pattern of social stratification, and an increase in number of cars. At the same time, in many places no significant state or municipal capital investments in suburban infrastructure were made (e.g., there is lack of drive-ways, centralised water pipes and sewage systems). In these conditions, an alternative type of suburb development has been forming (ibid.). While in the West suburbanization has been mostly associated with well-off families leaving cities in pursuit of a higher quality of life, in post-socialist conditions “urban ruralisation” could be observed in many places. This is a “survival strategy” for those poor families, who leave cities for suburban area in order to have the land and produce food for themselves, concludes Hirt (referring to Smith (2000), Seeth (1998), Clarke(2000)). In Russia it is called “economy of food pot” or “garden economy”.

Thereby there exist at least three scenarios of suburban development (Hirt 2007): firstly, Western type suburbanization, secondly, urban ruralisation (inclusion of rural environment in the city) as survival strategy, and, thirdly, rural urbanisation (inclusion of city elements in rural environment), characteristic to the developing countries. These scenarios do not exclude each other, but are different in historical development, structure of social issues, political and economical actors’ motivation, which all affect suburbanisation processes.

**Suburb as a living space, difficult to define**

Contributors to the study “Adaptable Suburbs”, in a recent publication (Vaughan etc. 2009) have come to interesting conclusions, which enable us to look at suburban environment from a non-traditional point of view. The authors of the publication consider that in a theoretical sense the suburban space manifests itself in a possibility to undermine the historically geographical story on the relative significance of cities and periphery (ibid.). Suburbs have been much studied, but the subject seems to be always vague. For some researchers suburb is a geographical space, for others – a cultural form or a sentiment (Hinchcliffe 2005). Environment created by a suburb conceptually approaches the category of a residual environment.

Complete conceptualization of urban area is hindered by assumptions, dominant in historical and geographical publications (Vaughan etc.2009). The first assumption: suburb is a simple geographical concept that poses no theoretical problems. Other assumption is based on the notion of suburb as a linear urbanization, or a suburbanization process. Such a perception of a suburb disregards its rights to form its transformation history. The third assumption: the multi-layer culture of urban environment has been sufficiently described. Fourthly, suburban sphere is perceived as powerful geographical imagination, a project of “otherness”, beyond the main direction of social development, a place, where vague social future is positioned. The residual space in the environment created by a suburb looks illusory in comparison to geographical analysis (Vaughan etc. 2009). Too often suburbs are accepted as mono-dimensional in comparison to cities. In Western thinking, the tradition is to analyse city from the rural point of view, whereby suburb appears as a negation, whereas in North America suburb can be understood both as a community identity and as a specific district with its local government (ibid). A widely accepted definition that describes the basic qualities of traditional suburban settlements, considers suburb a decentral part of a city, with which it is inseparably connected both economically and socially. However, majority of contemporary studies of suburbs clearly reject the attempts to create an authoritative definition. In a classical study conducted in 1977 on the London suburb Camberwell, H.J.Dyos noted that a modern suburb undoubtedly is less a geographical manifestation than a way of reasoning or a type of social or economic behaviour (Vaughan etc. 2009).

Interviews as well as casual conversations with residents of Pierīga suggest that they do not associate their living area with the notion of suburb, nor does the word Pierīga figure in their everyday vocabulary. Most often people speak of their respective novads (Latvian term denoting the main administrative territorial unit in Latvia). Such a usage can be
explained by the fact that novadi in Pieriņa are vastly different in terms of number of population, its ethnic composition as well as in terms of the average income level. The closer the administrative unit is to the capital city (as Garkalne, Ādaži, Stopiņi), the more attractive it has been to the upper-middle class and really wealthy upper class people. In previous years the local governments of the diverse novadi in Pieriņa were competing with each other in their efforts to attract as many new investors as possible and no unified plan for the development of the whole territory around Riga was ever considered.

**Strategies of individual consumers – insufficiently studied**

Many habits, and probably all daily life activities, both demand and engender consumption. In fact, those are deep-seated habits rather than personal decisions that explain the nature and the process of consumption (Warde 2005). The term “consumption”, used nowadays, is a syncratic concept (a combination of two almost hostile, notions), that reveals duplicity between two contrasting senses associated respectively with purchasing and consumption, which are both inscribed in daily language and researchers’ analyses (ibid.). Consumption, that comprises hope, purchase, goods or services, is driven by social status or refined cultural qualities.

Although stemming from diverse theoretical inheritance, the most significant theoretical studies on consumption are based on a strictly social understanding of consumption, that highlights issues on classes, social status, inequality and social symbolism. These are studies, conducted by Goffman on the development of status objects, Barthes’ studies of semiotic qualities, Bourdieu’s assessments on taste as an index of social class and distinction (Woodward 2003). Until recently, most studies have been relying on the paradigm that postulates consumption either as socially and personally “bad” (a paradigm that can be traced from Marx through Marcuse, Horkheimer, and Adorno) or as a liberalised “good” (in interpretations by Benjamin, Shields and other theoreticians of culture studies). Consumption cannot decrease wants for those are practices and activities, rather than individual desires, that generate wants. Practices, in turn, are steered by conventions and standards (Warde 2005: 137). Bourdieu focussed on internal differentiation of practices. His theory of habitus, however, centred mostly on the effects of general and transposable dispositions rather than on the organization of practices. Practices, in his view, are socially differentiated along the lines of class structured classifications and perceptions (ibid.:138-139). Empirical evidence indicates clear differences between groups of people with regard to the values to which they aspire (ibid.). “Why do people do what they do?”, and ‘how do they do those things in the way that they do?’ are perhaps the key sociological questions concerning practices, the answers to which will necessarily be historical and institutional” (ibid.: 140). According to Warde, these answers highlight the social construction of practices, the role of collective learning in acquiring competence, and the extent to which criteria of justifiable conduct depend on access to power.

Lately sociological research on consumption has increasingly focused on manifestations of freedom, expressivity and identity. Relatively little attention in empirical studies, however, has been paid to strategies and experiences of individual consumers within particular consumption domains (Woodward 2003). Across the post-socialist territories too, there have been few studies that reveal how cultural experiences, habits, strategies and aspirations shape the behaviour of individual consumers and consumer groups in the conditions of unregulated or only loosely regulated market. Notable exceptions are the ethnographic studies by Fehérváry (2002, 2011), Creed (1998) and Fleischer (2007).

**A house as an item of consumption**

Consumption of living houses is an interesting and specific field of research. In majority of cases, a private house is still the greatest economic investment that a family can make. Family homes are characterised by long-term cultural originality, but at the same time can also be a symbol of modernity, middle-class and prosperity. According to Bourdieu’s observations in Distinction, there is a connection between the social class and likelihood of expressing aesthetic aspirations for on one’s own house. Bourdieu asked respondents what words they would choose to describe their ideal home, and what words would they reject. His results could be critically evaluated: aesthetic categories (“studied”, “harmonic”, “imaginative”) most commonly are associated with living places of the upper class, but the alternative functional categories “clean and tidy”, “practical”, “easy to maintain” are more important for middle-class to lower class (Bourdieu 1984, quoted in Woodward 2003: 406). Middle-class women most highly value aesthetic expertise and coordination, while in working class homes order, cleanliness and family happiness are most valued (ibid.). When internal space of a home is evaluated, it should be noted that a family space is not only public or private, its significance changes according to the visitors’ social or familial relations with the environment of a concrete house. Objects inside the house have a public role in that they signify status, style or taste. They serve as a focus for development of self-identity or family relationship, or self-respect. Houses are like ‘warehouses of personal experience’ (Lawrence 1985, quoted in Woodward 2003: 394). On the one hand, the contemporary enormously wide and systematic offer of goods enables us to arrange the housing and claim that the evident style is an individual luxury, managed by a personality, not only by the offer. On the other hand, home is an authentic, even healing environment in which exchanges of experience, recreation and emotions are realized, whereby style, design and desire to show off are of little significance. There is an inherent contradiction between the desire to demonstrate, with the help of the house, one’s individual style, taste and personality status and the desire to maintain home comfortable, relaxing, and promoting true personal values.

How do people cope with this basic dilemma? According to Baudrillard’s consumption theory, at the basis of which is psychological “lack” of consumers, while we are consuming a physical object, we are actually consuming the idea of the object. The idea, however, stems from internal motivation rather than usefulness of the object. Consumption objects eventually disappoint us for they never truly correspond to the deep psychological needs which initially engender our necessity for these objects (Baudrillard 1998). Dreams and imaginations are important for people to define and develop their notion of the ideal. The most significant aspect of
consumption, according to G.McCracken (cited in Woodward 2003), is imagination: consumers desire things because they do believe that these things will give them something new, will create a new possibility or will teach them something. However, after a short excitement, “people realize their ‘dream consumer object’ does not satiate a deep, inner dissatisfaction. At this point, the cycle of dreaming for newness begins again” (ibid.: 399). Thereby, people do not really desire to acquire the object itself: they aim at “acquisition of the dream”. The data of the Pierīga study reveal a truly surprising picture: the desire to acquire a house at times arises almost spontaneously and the decision to enter into a transaction is made without even exploring the surrounding area. What is being purchased is a dream, the reality does not seem that important.

Characteristics of the study site Pierīga

In Latvia, one can identify as a suburb in the sense of the classic urban theories, the territory surrounding the capital city Riga and known to local population as Pierīga. In this study, Pierīga refers to the territory (3058 km²) of the former Riga district, reorganised in 2009 after administrative territorial reform. It includes 17 administrative units called novadi with about 180,000 inhabitants: Ādaži, Babīte, Baldone, Carnikava, Garkalne, Inčukalns, Krimulda, Ķekava, Mālpils, Mārupe, Olaine, Ropaži, Salaspils, Saulkrasti, Sēja, Sigulda, and Stopiņi.

Within last decade about 10,000 inhabitants per year have moved to Pierīga from both the capital and other regions of the country. The flow of the population has occurred due to a booming real property market, the developers’ activity in planning new housing zones, and the banks’ aggressive methods of mortgage marketing. An active construction of housing in Pierīga started around 2000 when land and real estate market expanded rapidly. Developers of housing estates followed mainly the demand on the market while local governments, planning their territories, envisaged an unprecedented rise in construction. As a result, scattered real property territories appeared, as well as the so-called “meadow villages” with no overarching planning nor infrastructure. A study on the structure of Pierīga settlements (Pužulis, Šķiņķis 2009) was conducted in the summer and autumn of 2009 under supervision of the Riga planning region. It was the first attempt to collect data on the structure of housing developments since Latvia regained its independence. It was concluded that suburbanisation process in Pierīga has embraced the former horticulturalist cooperative, farmland and partly also woodland territories. In local municipalities, the development unprecedented rise in construction. As a result, scattered real property territories appeared, as well as the so-called “meadow villages” without no overarching planning nor infrastructure. A study on the structure of Pierīga settlements (ibid.) was conducted in the summer and autumn of 2009 under supervision of the Riga planning region. It was the first attempt to collect data on the structure of housing developments since Latvia regained its independence. It was concluded that suburbanisation process in Pierīga has embraced the former horticulturalist cooperative, farmland and partly also woodland territories. In local municipalities, the development was erroneously understood solely as increase in number of population. Similarly, territorial development was misunderstood, being equated with speculative deals of the market, and often local governments lacked skills to negotiate with investors (developers). All this resulted in a pattern of uncoordinated and mutually competing settlements, planned independently by each municipality. Construction was expanded without any architectonic and social conception of suburbs in Pierīga.

It was ignored that the land transformation expanded without any architectonic and social conception includes not only visual changes, but also changes in the life style. The population in Pierīga is growing, but jobs are concentrated in Riga. That means that increasing numbers of suburbanites are commuting to work and back. In Pierīga, during the construction boom, a lot of families took out mortgages to acquire new private houses. At present about 10 per cent of new private houses are either in the construction stage or, due to the new owners’ inability to pay mortgage, have become a property of banks and are unoccupied. Judging from the amount of private consumption during the previous decade the economic situation of households has gone up and down everywhere in Latvia, including Pierīga. In 2005 -2006 consumption grew by 39%. Then for about a year expenses of households remained stable. But in 2008 private consumption went down steadily practically as rapidly as it had previously grown (Bičevska 2012). Income of households is most directly related to consumption.

The most significant decrease has occurred in income from paid jobs. In 2010, in comparison to 2009, it has fallen by 10%, which means a decrease in income in the amount of 15 LVL per each household member per month. It was neither compensated by the received transfers (pensions, financial supports and different social allowances) nor by the income from self-employment. As it can be seen in comparison with other regions in Pierīga, the same as everywhere in Latvia, income of families has been decreasing, therefore it is more difficult to pay mortgage for the acquired private house.

Methodology, obtaining data, and results

Triangulation has been used as a methodological approach in this study, namely, the data obtained by several research methods have been checked against each other. The more methods are used to generate data the more reliable and valid the outcome of the study (Kroplijs& Raščevska 2004).
The data discussed in this paper have been generated by a survey, by in-depth interviews with house owners, by expert interviews with municipal deputies and employees, by photographs and visual description, by analysing relevant secondary data.

Quantitative study “Attitude to life in the municipality: telephone interviews of inhabitants of Rīga district, January, 2009” (SKDS 2009).

In order to study residents’ attitudes to life in Pēriģa, the 1st author of the article, together with the research centre SKDS, conducted a quantitative study – a telephone survey of Pēriģa inhabitants in 2009. The results of the study suggest that, generally, inhabitants are satisfied with life in the local community majority of respondents (81 per cent on average in Pēriģa district municipalities) would recommend their friends to live there. Most commonly satisfaction was expressed with such areas as the ecological situation (81 per cent on average in Pēriģa district), organization of public services and tidiness (80%), the development of the city/ rural district (74%), public safety (71%), shops and possibility to do shopping (70%). Possibilities to find a job locally were evaluated most critically – satisfied were on average merely 8 per cent of the respondents. In order to compare satisfaction with the above mentioned areas in different rural administrative units, satisfaction index was developed – an index that reveals average difference between positive and negative evaluations in the analysed areas in each municipality. The survey data suggest that the highest satisfaction index was in Babīte (47 points), but the lowest - in Daugmale (17 points) and Olaine (16 points).

The survey also reveals that the inhabitants of Pēriģa district are rather sceptic about their possibilities to affect decisions of their self-government concerning their life and neighbourhood: averagely, only one out of ten (10%) considered that it is possible to affect in great extent the decisions, but majority (59%) had the opinion that decisions can be affected to a lesser extent. Opinion on work of the self-government was expressed by 20% of the inhabitants, majority (80%) of the respondents answered that they never express opinion on such issues. Characterising relations of the inhabitants with their living place, it should be noted that cultural events and entertainments are attended by 54%, but 23% learn and work in their living places, but in non-governmental organisation, parish or amateur groups participate only 5% of Pēriģa inhabitants. Comparatively weak link with the living place can be explained with the development of the specific new suburban zones in Pēriģa. A lot of families have to pay mortgage and have low income. Therefore, many families moving to suburbs are affected by declining social mobility. Nevertheless, the quantitative study reveals that Pēriģa as a desirable living area.

The potential interviewees were chosen contacting the local government, as well as addressing the would-be respondents in social networks. Compulsory criteria in the selection of interviewees were: firstly, ownership of a house in Pēriģa acquired within previous 10 years, and, secondly, the house has been acquired by taking a mortgage. The latter criterion is important, as Pēriģa suburbanisation developed mainly in relation with easily available credits, which at present, in situation of economic crisis and unemployment, significantly worsen living conditions and at times force indebted families to seek jobs abroad. A lot of families are threatened by the loss of the house, as they are not able to continue payment of the long-term mortgage. In order to cover those districts, where increase in number of population, and with it housing construction, has been greater, the third criterion for choosing the interviewees was the geographical location.

Altogether 15 families were visited and semi-structured in-depth interviews were conducted with their members. Each interview covered 35 questions and lasted for about 2.5 hours. Where possible, the interviewer involved in the conversation also the marriage partner of the house owner, as well as adult children if they were present. All interviews were audio-recorded and transcribed. For the sake of confidentiality, the names of interviewees have been changed.

The dwelling space in the interviewee’s houses ranges from 140 m² to 460 m² and the land that one family owns ranges from 1800 m² to 4000 m², the mortgage to be paid monthly varies between 50 to 800 EUR per month.

Interviews were also conducted with heads of the local governments, who had managed them in the period of land market boom and in relation with it chaotic construction of clusters of new houses. In the previous chapters, post-socialist politico-economic situation was characterised, as well as suburban environment from theoretical point of view and a house as dream consumption of the middle-class. The acquired data in the field study enable us to analyse consumption from the point of view of the respondents.

Family mortgage – responsibility and risk

Narratives reveal link between consumption, values, and desires. Why did they buy houses? – did they want to be the middle-class, presenting themselves with a nice house in a suburb? And it was not simply a place necessary for living – all of the interviewed families owned flats in blocks of houses – in addition, the house from the very beginning envisaged economic liabilities for many decades. Apart from this, family members are financially bounded – mortgage was taken by one family member, the guarantee was given by other. As it was concluded in Kalniņa’s and Meniškova’s study of Human Safety in Latvia (UNDP 2003), and it is also revealed by the interviews with Pēriģa families, women possess more sensation of a threat, as they feel more responsibility for themselves, their family and people around them in general. They are also more often expected to give help than men.

Marija (lives in a house of 140m² shared by her husband and her student daughter, pays 185 EUR mortgage per month): „At times we try to save on food...Well, it was really hard this summer: we’ve been buying less food for our meals but always managing to secure the mortgage money. It is still 23 years to go. When we took it out we were not sure if we’d still be alive by then, but we reckoned that (the house) would be passed over to our daughter and she’d continue to pay if she’d choose so, or if she didn’t she’d be able to put it out for sale. The total sum still to be paid is roughly 20 thousand lats. It is not so much after all; if only I had a job we’d pay it off sooner, of course.

Rolands (mortgage 800 EUR per month): Since collapse of the soviet system any Latvian tried to get out of “multicage” system. I had a dream – a family house. It didn’t seem to be a problem – to pay back the mortgage in 10 years with the income I had at the time..
Sondra (Roland’s wife): Well, you see, I signed a guarantee for that mortgage. I wasn’t aware of what it would involve. I had trust in him at the time. It was a blow when a text message arrived in the middle of the night that my account had been debited because there was a negative balance in my account… I was shocked and only then I realised what a hazard it was, because no one had ever asked me (a permission), nevertheless, I rely on him that he will cope with all this…. but then in one moment everything goes upside down. Roland had an idea to sell the house, but I would not be able to live in a flat… no way… when you have enjoyed all this beautiful nature, I go swimming at 6 in the morning and at 12 at night.

Jadviga: The mortgage has been taken by my daughter, we are the guarantors. The daughter has responsibility, she could take the mortgage for 25 years. If we didn’t have that mortgage…. we could travel, we like travelling. That mortgage is so cruel, every month… it beats our nerves. Once we had money problems, telephone calls started, it was a great discomfort. It is painful to give all the money you could spend yourself, to the bank. We love travelling, and still do it. If we didn’t have that mortgage we could travel more, we would have money enough.

Aleksis: Mortgage is very depressing.

Jadviga (at present is the main mortgage payer, as her husband Alex in crisis conditions has certain difficulties with job orders, the daughter earns little and is a single mother. Some time ago Jadviga was injured in a serious accident, underwent a long-term treatment, receives disability allocation and works full-time): I’m still not very well and not getting better. Probably it is because the price is too big. While these obligations are so demanding, I can’t afford to stay away from the job, or even take a sick-leave. I’d like to take a month off during summer, but I cannot…. While we were all contributing to the mortgage payment, the sum was not so big… But we are still rather wasteful with our money.

An upward social mobility strategy

The change of self-identity and the sense of affiliation develop actively in relations with others. They are related to strategies of upwardly moving mobility, but amount of mortgages of house owners, compared to the decreased income, requires change of attitude towards habits, affecting also relationship in the family.

Olga: With our neighbours we live friendly, no strangers… everybody has mortgages… ha, ha! In the neighbour house there is a family with little children, in the third house there is a woman, abandoned by her husband during crisis, she stayed alone with her mortgage and all…. The husband said – I’m leaving, you have the house, mortgage, I’m not taking anything. I’m leaving like a white sheet of paper. So she stayed alone. My husband has several jobs so that he could earn more. He works without holidays. You have to have good relationships to overcome all this. The families who divorced… this is horrible… you have an enormous mortgage and that’s all, you have to continue your life. In the depth of our hearts we hope to survive...

Marija tells: When somebody visits us for the first time, there is pleasure and admiration. Not like… ah! Though we don’t have anything special, but pleasure and admiration for what we have done. They all know that when we started to live together, we had one small room of 13 m², our daughter was born there. We had a bicycle hanging on the wall, small electric cooker on which I prepared food for the child and that’s how we lived. Those who know us for a long time, are glad about us and now visit us more often.

Rolands: Nobody came to help, but then I didn’t ask anybody anything. But when we moved in, I invited all of my employees – 50, and we had a great fun here. And my employees gave me that rose bed as a present, the girls themselves planted. Personally me, I have not felt any envious attitude. Now they say – hold out, old boy! But well… it all depends on me. (Roland has lost a well-paid job, G.D.)

Discourse of the “normal” illustrates that in post-socialist countries people have not lost their desire for western life standard in their private lives. Mass consumer society was promoted by the socialistic state, affecting with equalisation of modern living standard, and always opposite to what was considered to be ordinary in the West and was available to wide middle layer (Fehérváry 2002). Although abnormal conditions did not disappear together with the collapse of socialism, desire for private sphere in a detached house with American kitchen remained, and this desire imagined this life as existing somewhere in other place. Existence of heterotopic place is a kind of development of the interior in problematic context. Foucault observed that heterotopias are often a result of an attempt to create an absolutely different place and is in contrast with the surrounding environment (Foucault 1967). And such process is not an illusion, but is compensation. Desire for heterotopic space – according to normality of the small world, similarly to a new house, a kitchen, bathroom – appeared as socialistic understanding that unusual aims can be achieved with Western standards, beginning with domestic things outside the surrounding world. These are typical attempts to create heterotopia in abnormal local world and, in addition, with the high technologies and post-modern interior. Thus middle-class of post-socialist countries joins the imaginative world and life style as if outside the boundaries of their own country.

Construction of new houses in Pieriga has been carried out in small clusters, often in meadows, therefore, folk name for them is “meadow villages”, as well as in small villages without normal infrastructure, and they are distant from historical residential areas, which, even more, makes us perceive these houses as heterotopia in post-soviet environment.

Aleksis: The street is neither lightened nor covered with asphalt. In winter once a week they clean it, but badly. They say – not enough money. They built a cycling route, 60 000 Ls, but no lightening and the green zone. People say that somebody has misappropriated the money! I saw the project, earth cover should be changed at the width of 6m, Swedish lamps, Danish cables, where are they? The local government changed and nobody knows anything.

Egils (in relation with the mortgage the bank has divested of the house in Pieriga and a summer house given as a pledge):

For about 5 years everything went smoothly. We could afford more. We bought a jeep, participated in 5×5 events, bought some clothing more, some telly. Then, completely by chance, my business partner says that they are constructing private houses. I say – Oh! What’s the price? 100 000 EUR… Oh! 150m² terraced houses in Rumbula, there, behind all those car selling places. When we moved in, we got to know that nearby there is a factory which releases dust, and 200
m further there is a dumping –ground. Nobody had even mentioned it. How could they give permission to build the houses there? Well, what am I telling? I’m myself a builder. This is terrible!...I lived in the house for 5 years, then the floor broke down, it’s a nightmare. They had calculated everything, those developers, that we will pay for everything, and they will only receive money. In the first stage we moved in about 16 families, then 20 more houses were built and now it’s 5 years since they are empty. My house also is empty for a year and a half...Now I’m 50, my wife 40 and we don’t have the roof over head, and all this was accepted by our government. Nobody can say a word to Swedish banks.

In post-socialist suburbs development of residential areas promotes commuting of families, as their job is far from, their living place.

Marija: In the morning we all get into the car and either our father or our daughter drives. The driver then takes everybody to their destination and keeps the car for that day. It depends by what means of transport we return home in the evening. I sometimes go by train. It takes for about an hour to get from Riga to here...When my daughter began to attend school I was taking her to Riga daily. After the classes either she was waiting for me or I was waiting for her, and we were coming back together.

**Pierīga – a site to gratify one’s desire for a house with a garden**

There is a difference between western suburbs and post-socialist European suburbs. In American suburbs, the residential zone is common. During the development of American suburbs in the 50s of the 20th century the man was considered as a supporter, but the woman as a housewife, and it was a model where the job was separated from home. If we recall R. Fishman’s (1987) definition of a suburb as a homogeneous class dwelling enclave, then Pierīga is not a suburb of this type. It is not also a suburb of Western type. Here one can find a mixture, where variety of people live – the poor, the well-off “natives” and owners of the new private houses, many of them have a vague future vision on their house. It is difficult to mention urban rualisation process, as none of the interviewed families plan to use their land for food production. The strategy to use the land near the house is maintained in the poor families, who permanently or in summers live in the previous territories of horticultural cooperatives.

Marija: We were walking here for 10 years and thinking that people were building and building...and how we would like to have it, how happy they are, they have apple-trees and pears, they have a garden and they have spring, one can go out and take dills and cucumbers. And we also want it, but we lack money, no money, no money. And then suddenly all these mortgages started and we planned and...At the time we believed that everything would be OK, that we’d work and that we’d give a pledge......

Jadviga: We are rather adventurous people comparing to an average Latvian. When we left the previous place and started here anew, our relatives were surprised – why, because in the previous place Alex had arranged everything nicely. You can put down roots in any place and arrange it nicely. Olga: Everybody likes spending summer evenings outside, it’s fantastic, a flat cannot offer it. If we have to lose all it, it will be enormously difficult.

**Conclusions**

Pierīga as a suburban zone in Soviet time included industrial territories and collective farms with fields for crops and pastures for grazing animals, little, dull towns and big state enterprises, and horticultural cooperatives. The latter were owned by state companies and run by employees who also had a chance to build small summer houses, at times called dachas, on allotments of ca 600m².

With the collapse of the Soviet system also the “kolkhoz era” ended. The land was denationalized, and the new landed property market began bustling with activity. In Pierīga, the high price of the land was determined by its closeness to Riga and its suburban status. Around the year 2000, several European banks started their activities in Latvia, offering easily accessible mortgages. That enticed many people into daring to fulfil their dream of a family house. However, the financial crisis of 2008 – 2010 stopped economic growth, created significant unemployment (up to 18%) and decreased employees’ salaries by 50% on average. The new wide-range offer of consumption, on the one hand, and desire of better-situated families to climb the social ladder, on the other, lured many families away from a responsible evaluation of the advertised properties, their infrastructure and personal economic risks.

A considerable number of new private houses in Pierīga have failed to signify their owners’ middle-class membership. The luxurious buildings surrounded by deserted counterparts or uncompleted structures and set in forsaken territories, form a landscape that testifies the end of a certain dream.

Not just the communal infrastructure turned out very modest if not non-existent. As interviews with suburbanites suggest, the “meadow villages” cannot boast of integrated local communities either. Most families avoid interacting with neighbours unless it is really necessary. The only basis for developing friendlier relationships with fellow villagers is a sense of solidarity: “we all have to pay mortgage”...

Mortgage is also the main cause of interviewees’ uncertainty for future. To be able to secure money for mortgage payments the interviewed families have had to change their habits and models of consumption. While some have had to give up going for vacation abroad, others also try to save on food or new clothes, or even on health-related expenses. To make the ends meet, many are holding several jobs and working longer hours, including on weekends. Quite often the young or middle-age residents of the new houses cannot but rely on support from their elderly relatives. The necessity to adapt habits, routines and responsibilities not only pose challenges to individuals but also test the stability of marriage partnerships. While some interviewees consider selling their “dream” to get rid of the heavy burden of debt, quite a few mortgage payers, notwithstanding the longstanding financial strain and psychological stress, still have desire to live in their private house surrounded by a lawn.
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The article has been reviewed.

Received in April, 2012; accepted in June, 2012.