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RUSSIAN FEDERATION

SOCIAL REFORM IN RUSSIAN AND GENDER STATISTICS

Paper submitted by Russian Federation¹

Introduction

Today Russia is going through the crucial period of change: new president, new government, new action programme. This programme, entitled “The Basic Directions of Social-economic Long-term Policy of the Government of Russian Federation”, includes the national ideology and actions for the period of fifteen years – beginning from 2000-2001 till 2015.

Its aim is to provide economic growth in the country: the basis for this growth is the creation by the government of the maximally favourable conditions for taking the positive private initiative by different forms of management – ‘the new stream of possibilities’. The elements of liberal strategy are supposed to be combined with guarantees for prudential regulation and stability.

In the social sphere the programme is focused on the shift from the idea of ‘social state’, proclaimed in the Constitution of RF, to the idea of ‘subsidy state’, i.e. the reconsideration of the former public agreement with population.

The idea is that as far as the model of ‘social state’ is concerned the task was to provide living standards – though in the beginning these standards could be the minimum – for all the citizens. Subsidy principal provides guarantees only for those who have insufficient incomes or are beyond the poverty line. For the people with sufficient incomes minimal guarantees are provide only in the sphere of education (school) and public health (ambulance, isolation hospitals, etc.). For all the other services people pay themselves, irrespective of the fact that the meaning of the concept

¹ Dr. L. Pzhanitsina, Professor, Russian Academy of Science

‘sufficient incomes’ can vary greatly and that objective possibilities to achieve these ‘sufficient incomes’ are different for different groups and categories of citizens.

For Russia such policy means the real shaking of grounds. It is common knowledge, that only a decade ago the former planned economy, based on the domination of state ownership, was characterized by egalitarian distribution of national incomes, low consumer prices, overall unpaid social services. The USSR was the country of the highest social guarantees almost reaching the level of direct paternalism: everyone was provided with a job, income, medical services, education, kindergarten. People got used not to worry, they delegated responsibility to the government, they have lost stimulus to work effectively and responsibility for their own economic position.

In the course of reforms that took place during the transition period of privatisation, liberalisation of economy and turn to the market, new Russia has preserved the traditional high level of social guarantees, although the crisis, undisguised plunder of state property, the state budget deficit do not allow to provide these guarantees in actual practice.

However, the state welfare system, created in 1990-s, enabled to avoid the tragedy of widespread famine, to support social maintenance of the old, disabled, families that have many children. It also enable to preserve the significant part of health and educational services, cheap housing and public utilities, reasonable prices for transport and communication services. During the first years of the reforms there was introduced the powerful obligatory state social insurance of workers and members of their families in a case of disability, loss of income, retirement, sickness, birth of a child, in case of unemployment. For people with the lowest income social help was provided at the local level, including international ‘humanitarian’ help. Educational, medical institutions continued to work despite the enormous difficulties; special federal social services (pension, employment, migration services, etc.) were created.

That is why the author, following the example of a number of international experts, in the whole regards the Russian welfare system as a quite favourable one, for it played the role of shock-absorber, although it includes defects that need to be eliminated. This evaluation is different from that of experts of a number of a international organizations, who think that the actions should have been more radical: what was necessary is overall privatization and commercialization of most of the social functions; the state should have confined itself with the problems of poor.

The new government team, noting the financial deficit of security, agrees to a great extent with the negative point of view on the acting welfare system in Russia and has proclaimed the course to minimization of social expense of the state. Minimization means the further expansion of paid social services, commercialization of obligatory insurance, housing, health services, professional (secondary and higher) education, culture, mass media, communication.

In this connection the gradual shift to the accumulative pension system instead of the solidary-insurance system is proposed. Today the total amount of pension, stipulated by the law, is paid from the state Employment Fund, formed mostly by means of deductions made by the employer from the enterprise (organization) wage fund. According to the accumulative system, the state is responsible only for minimal pension, other pensions are accumulated by means of worker’s

own deductions to the personal account from his or her wages during career development. The state plans that pension accumulations, built up by financial institutions (both state and private), will become a powerful source of long-term credits for economical upturn.

Introduction of full payments is proposed also in the sphere of housing. Today the housing payment in Russia in average covers 60% of the costs on housekeeping, the rest is paid by the state budget or enterprises that have registered housing. However, the proposed housing reform is quite expensive, and requires increase of incomes of the population, first of all – increase of the costs of labour force, i.e. wages and pension. The USSR was the country where the housing payments constituted only 3-5% of family income and according to this the income from work (both present and former) was defined. And nowadays both wages and pension, which is lower than in the USSR, remain behind the increase of costs in general and the costs on housing in particular. The perspective here is rather vague, it depends on achievements in economy that are also uncertain.

One of the most crucial of the proposed reforms is reconsideration of the rights of socially weak categories (the elderly, the disabled, children) to receive state support in form of the so-called 'privileges'. A privilege is reduction of expenditure of a citizen for certain goods and services. In Russian legislation it is still provided regardless of income, and to use a privilege the only requirement is to belong to a category of social risk. Among those who have privileges are the participants of war, disabled, retirees, injured in Chernobyl, children, refugees, people with low incomes, etc.. they have the right to housing payments reduction, housing subsidies, free or half-free transport services, medicines, rest-houses; privileges when enter some state educational institutions, privileges for children's pre-school institutions, privileges when visiting museums, allowances for children, etc..

Unfortunately, these privileges are received not only by people with low incomes and disabled, but also by State employees of a number of occupations: military personnel, court employees, customs officials, management personnel, etc.. Privileges are provided as substitution for target cash payments.

On the one hand, such system enabled the state to support the level of living of the disabled and people going through the difficult period of life and, on the other hand, – to save deficient state means, going for wage and pension payments.

At the present moment it is proposed to turn down the acting order of state support, as a rule based on non-money support of separate categories of the destitute, and turn to the target social support in the form of cash benefits for concrete applicants, who proved in a state body absence of minimal income, necessary for living ("living wage"). But despite all the visual appeal of the target social support that enables to spend state resources more rationally than in case when categorical principle is applied, the consequences might be most negative: growth of bureaucracy and increase of registration expenses; severance of the most incapable people due to the complication of the procedure; and at last, preference for getting benefits instead of working hard.

Gender aspect of the reforms.

Plain enumeration of the proposed directions of social reform proves the significance of the coming transformations in the sphere of living and welfare standards of the population. In this connection, it is even more strange that such radical changes are not considered from the point of view which in the civilized world is acknowledged to be the most important. We mean the change in the social position of men and women, guarantee for equal rights and possibilities as the factor of social progress.

While getting familiar with the documents of government strategic social programme (“Gref’s programme”), it becomes absolutely clear that the role of gender factor in the social-economic life of the country and in its perspective is completely ignored. There is practically no gender-oriented subject, criteria or index in the programme.

This approach seems strange for us, for people, who have come to power today, identify themselves with the western managers. However, in the ideology of the later the gender component has been already established: it is often included into their analysis and programming.

For Russia this disregard of social-gender component of the state policy is traditional. The process of making up the budget does not include requirements to estimate social consequences at all and there is no regard for gender. In the Budget code of RF there are industrial, departmental, economic, classifications but there is no social-labour oriented one. In the accounts of the federal budget income produced by the Ministry of Finance there is only the wages considered as the object of taxation and not more. In the accounts of expenditure there is financing of institutions and departments of the social sphere without any quality indicators – let alone gender one. Forecasts of the Ministry of Economy, accompanying the Budget project, consist of the most common indices in the sphere of incomes and living standards, without the necessary emphasis on social matters.

The same is characteristic for all the other – with very few exceptions – documents of executive and legislative bodies, state funds of social insurance, let alone the programmes, analytical and normative materials of corporations.

At the same time it is clear that this direction of state expenses has significant impact on the position of genders. For example, the growth of the expense on army and military forces extends the sphere of male activities.

The impact of measures undertaken against poverty is also unclear as far as gender aspect is concerned. The shift of the centre of gravity to the budget target benefits, proposed nowadays, is the most bureaucratic method of support and has anti-promotional character. It is well-known from the experience of foreign countries where people prefer to be dependant on state for support than to make an effort to work or undertake any activity. This is a so-called ‘trap of poverty’. These variants are of double danger for Russia with its traditional paternalism and lack of consumption development.

Another, in this case 'gender trap' is the popular thesis that low costs of women labour are being compensated to them by means of state social investments in form of support provided for mothers and children. The pre-term calculations showed the unsoundness of the thesis, but further profound research is required.

Such economic issues with gender loading are quite numerous in the sphere of state management of resources. It is not that difficult to single out the gender loading, it is difficult to estimate it and to launch the positive action programme, that will aim to provide people of both genders with real rights and real possibilities.

It should be mentioned here, that there is a certain political progress in this direction. The Government has adopted the National Plan to fulfil the Peking Platform and has introduced the National Report on this problem. It is the first time during the history of Russia when the Russian Parliament has adopted the Concept of legislative activity on providing men and women with equal rights. Some women's NGO's together with parliamentarians and specialists have initiated the elaboration of a draft of a law on state guarantees of equal rights and possibilities, meant to define the concrete mechanisms to influence on discrimination; the largest Trade Union association in the CIS – The Overall Congress of Trade Unions (VPK) has created within its structure a special committee for work with women. The progress in the sphere of scientific research on the problems of women is remarkable, what can be proved by the reports on human development in Russia initiated by UNDP. Finally, one of the most remarkable events is the creation of a special industry of state statistics and publishing of journal "Women and Men in Russia" and so on and so forth.

If political and scientific premises were supplemented with organisational measures – National anti-discrimination mechanism of providing right of women, that included creation of gender commission of experts as a part of social commission of experts on all the levels of state decision-making, then the progress would be undoubted.

And all the events happening now (women's movement has lost the last parliament elections, a really savage social reform was adopted) turn to be against women.

Their problems are more and more often supplemented with that of men: for instance, mass dismissal of military personnel by 350-400 thousand people or by one third, planned for the coming two or three years. Taking into account the members of their families (wives, children), dependant on them, we speak about the employment, housing, education for nearly a million people – the number significant even for Russia.

Therefore, it is very important to draw more attention of international community to the expansion of gender problems in Russian Federation, using already known and new strategies and technologies, where the statistical information plays the leading role.

Gender statistics.

Its creation is one of a few achievements in the course of forming of gender-oriented thinking in society and in management of Russia. Besides, it is pleasant to mention from the user's point of view a certain variety of genres: state reports are accompanied with non-state researchers' surveys. Here we should thank the international organisations: UNDP, EEC, ILO, World Bank, governments of a number of western countries (Sweden, Canada, etc.), funds (Sores, Mac Arthur, etc.), that purposely support development of gender information, education, research.

However, there is a long way to go and much remains to be done to make a real break through dominating gender neutral position of the state. It is supported by earlier adopted standards of documents of the UN, such as the Declaration of Human Rights, that orients policy and legislation to the individual as such, irrespective of his or her gender or any other specific features.

It is possible that a new variant of the Declaration of Human Rights should be adopted, elaborated according to the results of current civilisation process, that is really different from that of 1940-s, when the basic principles of international co-operation were adopted. It is time to define new values, including gender ones. Its adoption would initiate further wide development of statistics differentiated according to social features. Anyway, it would be a signal for Russia: in its Constitution (item 15) primacy of international rules over national is stipulated.

However, there are lots of examples that laws do not always correspond to the actual practice. Moreover, in Russia revolutions are always superimposed 'from above'. Hence the introduction of socially determined administrative way of thinking, and also creation of corresponding policy and institutions is possible only on the grounds of persistent and mass education first of all of statesmen of the highest ranks, parliamentarians, state clerks in the centre and in regions. Such education will support forming of need for appropriately collected information, need for gender statistics. In the contrary, there is no such need, those who manage, elaborate laws and programmes and organise their fulfilment do not place an order for it. Gender statistics, in actual fact, will fulfil prestigious and decorative functions.

In Russian Federation such state 'order' for differentiated information can be observed only in some spheres, mainly in labour relations (because of labour regulation in connection with maternity), in the welfare system (social security and insurance of women-mothers, earlier age of retirement for women), in demographic observations of nation's state of health, fixing of membership of learners and students, in case of staff accounting in state bodies – and this is practically all.

Moreover, here the data is also incomplete. Even in the well elaborated - as far as gender structure is concerned - system of labour indices, presented in fundamental annual Goskomstat reports, and also in works of the Institute of Socio-Economic Research (ISER) RAS, WCIOM information, etc., there are serious lacunas. For example, the user is not satisfied with the statistical database on distribution of men and women according to their trade and qualification, which could

be found in Soviet statistical data. The international classification of occupations, adopted in Russia at the moment, in our opinion, a the step backwards, it does not allow to make profound research and should be reconsidered. Observations on the gender structure of executive stuff at enterprises and in commercial sector in the whole are also insufficient, and without that it is impossible to study the problem of women's promotion and career development. Entrepreneurship is little known, some data, though also irregular, is available only as far as gender structure of small-scale enterprises – and this data is necessary to observe the course of the reforms, etc..

As far as socio-economic relations as regards gender are concerned, here is *tabula rasa*. Neither separate research teams nor state statistical and forecast bodies have information on the subject. There is no serious gender statistics both in purely economic spheres (property: state and household resources, investments and savings, taxes and prices; paid and unpaid; consumer expectations and supply; use of time budget; shadow economy; informal labour market) and in social spheres (incomes and living standards, social sources for support – insurance, pensions, benefits from the budget, scholarships; nutrition, costs on medicines², housing payments, etc.; stratification of living standards and quality of living). There is still no forecast on classification of all the necessary gender indices that should be elaborated, there is no methodology for elaboration.

Taking into account the growing complexity of social relations and increase of requirements for effectiveness of social management, the state order for gender examination and and launch of its tools with the aim to accompany law drafts and long-term policy programmes are needed.

It is advisable to continue movements in the informational field of creation and registering of gender indices in the following main directions:

- *Incomes and living standards of the population* according to the adjusted as compared with 1950-s international statistical classification of their change (with the emphasis laid on topical issue of the position of the poor, middle class and the rich);
- *State tools for economic regulation of social expenses* (the state budget, welfare budgets);
- *Basic social groups and their integrated gender characteristic* (employed and unemployed; hired, self-employed and entrepreneurs; owners, investors and depositors; producers and consumers; pensioners and those who receive benefits; involuntary migrants; the sick and the healthy; learners, students and those who want to raise their skills; of the poor, middle class and the rich);
- *Regional gender problems* (the North, Caucasus, regions-donors and subsidy regional programmes of employment and small business; city problems; organisation of social support);

² Even the popular thesis on feminization of poverty in RF has not been proved statistically.

- *Corporate social policy from the gender point of view* (the costs on labour force; staff and qualification; conditions and safety of work; career development; firms' social expenditure; collective agreements).

This is the global list of socially differentiated (gender) information which, to our mind, should be included as an obligatory element into the official strategy of social-economic policy of the Government of Russian Federation for the term till 2015. This corresponds to the task to explain to the society the main indices of government social-economic policy in RF till 2015 as an obligatory element. This also corresponds to the task to explain to the society the measures undertaken by the government, according to the Doctrine of national informational security from September, 2000.

It is advisable to place the above-mentioned list with the indices included in it on the EEC web site or some other international organisation, interested in the subject.

With the purpose to develop gender statistics not only widening of state surveys and reports can be used, but also state monitoring of the Ministry of Labour and reports of other departments. It would be advisable to include the appropriate aspect into the population census, that is taking place in Russia in 2002. It is rational to co-ordinate some complex of subjects when funds, World Bank are announcing research competitions, while bringing international programmes into practice. Chapters that support gender statistics should be included into the UNDP systematic reports on human development, for example, "gender budget", etc.. The Russian Fund of Fundamental Research and other similar organisations should be also involved.

Besides, we suggest to encourage private firms and corporations to participate actively in research of gender problems that interest them and society. The regime of tax abatement is required, according to which such corporate research and educational work would be equated to works, financed from the budget.

The above listed purposes obviously require additional resources for research and survey³. However, it is our firm belief that this is what can raise the efficiency of state management, adopted laws and decisions made, up to the qualitatively new level. This is what Russia needs badly.

³ The way to minimalising of the expense of customer and user is known already: it is the creation of corporate integrating databases in Internet, that can be done constructively by the Russian Academy of Sciences.