PRO-NATALIST POLICY AS A WAY TO SLOW DOWN THE POPULATION AGEING (THE COMPARATIVE STUDY BY THE CASE OF THE RUSSIAN FEDERATION AND THE CZECH REPUBLIC)

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Abstract

Increasing longevity is a very beneficial factor, especially since the drastic reduction in this rate during the transition period in Russia and the Czech Republic in the 1990s of the last century. However, in terms of sustainable economic development, the population aging is a matter of concern for the whole world. In many European countries, including Russia and the Czech Republic, politicians use pro-natalist policy for the purpose of fertility stimulation and further deceleration of the population aging. The reduction in the number of children (fertility decline) and the increase in the number of elderly (increasing longevity) are two of the main factors causing the aging of the population. Further growth of life expectancy in Russia and the Czech Republic will accelerate the pace of the population aging, which would make pronatalist policy even more relevant.

This article deals with current pro-natalist policy in the Russian Federation and the Czech Republic and also provides options to enhance its effectiveness. The purpose of the study is to assess the existing tools of pro-natalist policy; to develop its more effective options which are framed by the need to decrease the speed of the population ageing in Russia and the Czech Republic.

Key words: the population ageing issue, pro-natalist policy, Russia, the Czech Republic, reproductive behavior

JEL Code: J11, J13, J14

Introduction

The population ageing trends are observed all around the world, Russia and the Czech Republic are also no exception. According to the 2011 World Economic Forum, the proportion of persons aged over 60 years in worldwide population size has risen from 8 % in 1950 to 11 % and will reach 22 % by 2050 (World Economic Forum, 2011). In Russia, this

rate has already risen to 20.5 % in 2016 (Rosstat, 2017). According to the World Health Organization in the Czech Republic, this rate compared with 24.9 percent by the end of 2015 (24.5 percent in 2014, 24 percent in 2013) (Global Health Observatory, 2017). Indicator progression shows the strengthening of the population aging in these countries. The population is regarded as relatively old-age when the proportion of people over 65 years is higher than 8-10 percent of the total population. In 2016 this rate in Russia compared to 14.1 percent of the total population, in the Czech Republic – 18.3 percent (Rosstat, 2017; The Czech Statistical Office, 2017). Despite that the population aging demonstrates the considerable progress in terms of increased longevity, it can cause problems in country's economic development and also will take an extra toll on the social security system.

Increasing longevity is a very beneficial factor, especially since the drastic reduction in this rate during the transition period in Russia and the Czech Republic in the 1990s of the last century. However, in terms of sustainable economic development, the population aging is a matter of concern for the whole world. The aging of society is leading to decreasing in the labor force in many countries, with the result that the pressure on the State financial and medical systems is increasing. Many countries, including Russia, still largely depend on the distributive pension system, which is based on the use of current welfare payments to ensure the financing of pensions. The deterioration of the dependency ratio that is the reduction of workers per retiree cast doubt on the financial viability of these systems.

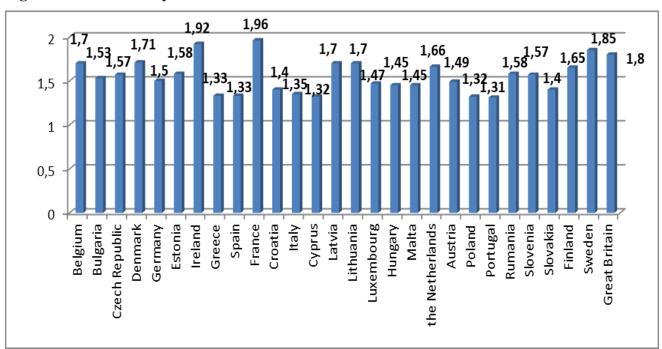
In many European countries, including Russia and the Czech Republic, politicians use pronatalist policy for the purpose of fertility stimulation and further deceleration of the population aging. The reduction in the number of children (fertility decline) and the increase in the number of elderly (increasing longevity) are two of the main factors causing the aging of the population. Further growth of life expectancy in Russia and the Czech Republic will accelerate the pace of the population aging, which would make pro-natalist policy even more relevant.

Even though migration policy can ensure more rapid progress in terms of compensation of the aging of the labor force and therefore to improve the inner demographic situation it still comes with its own problems. This policy can only temporarily suspend the consequences of the population aging because for the maintenance of economic growth will be needed more and more migrants. But in this case becomes relevant the safe migration issue caused by the uncontrolled influx of illegal migrants to the territory of Russia and the Czech Republic. With a view to enhancing reproductive behavior instead of specific single actions is more

promising to implement a number of political activities to be forwarded to combining motherhood with youth labor activities. In these political activities also should be included programs enabling professional employment activity for the representatives of the preretirement and retirement age.

1 Fertility trends in the Russian Federation and in the Czech Republic

Since the 1960s the birth rate in many European countries has declined significantly and has dropped below the replacement level (the total fertility rate, that is, the number of births per 1 female, must be 2,15 for the replacement level).





Source: Total fertility rate, 1960-2015 (live births per woman), Eurostat, from http://ec.europa.eu/eurostat/web/population-demography-migration-projections/births-fertitily-data

Thus the total fertility rate in 11 EU countries in 1970 was above 2,15. In 1990, the number of such countries fell to 9, and in 2015 the rates were close to the replacement level only in France (1,96), in Ireland (1,92), in Sweden (1,85) and in Great Britain (1,8). In 2015, in 12 of the 28 countries, the birth rate was less than 1,5 birth per female (Eurostat, 2017).

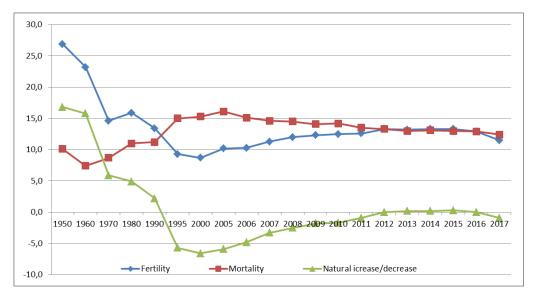
Despite the fact that in Russia the population decline began in 1992 and lasted for quite a long time, this process is on hold now. During the period between 1992-2012, the population has decreased to approximately 5,2 million people (The Demographic Yearbook of Russia, 2017).

The lowest fertility rate was registered in 1999 when 1,2 million babies have been born. The mortality rate reached its peak in 2003, accounting for 2,4 million people (The Demographic Yearbook of Russia, 2017). According to the United Nations Population Division, the natural growth rate in Russia in 1990-2005 was among the lowest in the world; the even worse rate was noted in Bulgaria, Latvia and in Ukraine. Unlike other countries in the Eastern European and Central Asia region, the migration of people from the Middle East to Russia partially compensated for the drastic natural decline in the population. For the first time since 1991, in 2013 in Russia was registered the natural (although not very high) population increase (24 thousand people).

Number and structure, as well as the fertility rate in the Russian Federation, vary considerably from region to region. In the northern Caucasus, in Tatarstan, and in Yakutia the sustainable natural population growth is remained, while in some regions of North-West Russia and in the Central Division the death rate is higher than the birth rate by over 50 percent. In 2017, the number of registered births exceeded the number of deaths only in 26 of 85 regions of Russia (including both capitals, where 56 percent of Russian population resides) (General fertility rates, mortality rates and natural growth rates in Russia, 2017). Such variations can be explained by differences in culture (more large families are living in regions with the Muslim majority); by economic development (in Moscow, that is the most financial secure city, the population increase is not recorded), by ecological status and by the level of regional support to families with children.

The fertility situation changes over time and this dynamic reflects the age structure of today's population. Russia has passed several waves of the demographic transition. The first significant reduction in the number of newborns in the 1960s was due to two factors: the lifting of the ban on abortion in 1955, which was in force since 1936, and more important factor was «the echo of the war» which meant the existence a small number of women who was in the most reproductive age group (20-29 years) and who was born in period of the Second World War. The general fertility rate also began to decline from 2,5 in 1960 to approximately 2,0 by the end of the 1960s. The supportive policies for families which were enacted at the beginning of the 1950s were connected with the increase of the number of births and with the general fertility rate, which reached 2,2 in 1987 (Frejka & Zakharov, 2012).

Fig. 2: General fertility rates, mortality rates and natural growth rates in Russia from 1950 to 2017 years, in promille



Source: Rosstat, from http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/ru/statistics/population/ demography/#

In the Czech Republic, the depopulation process began in 1994, when for the first time since the Second World War the number of deaths exceeded the number of birth within one year. «The demographic deficit» has been partially filled by emigrants from border countries, but in spite of this, the population number in the Czech Republic started to decrease.

The birth rate's peak in the Czech Republic took place in 1974 because at this time the country had a policy aimed at increasing the birth rate. However, at the end of the 1970s, the support policies for young families with children was reduced and the birth rate was declined (from 200 thousand to 150 thousand children a year) (Sobotka, Štastná etc., 2008).

In the 1990s, social and economic difficulties caused by the dissolution of the Soviet Union and Czechoslovakia suspended positive fertility trends of the 1970-1980s. The disintegration of the socialist system and subsequent global socio-economic transformations in both countries has led to a new demographic picture. In the 1990s the birth rate had declined and in 1999 the total fertility rate in Russia and in the Czech Republic had bottomed out: In Russia – 1,16 births per woman, and 1,17 births per woman in the Czech Republic. The fertility rate has fallen by more than 60 %, especially among mothers aged 25 and younger (The Demographic Yearbook of Russia, 2017; Czech Demographic Handbook, 2016).

Since 2000, economic stabilization and partial recovery of postponed childbirths have led to an increase of birth rate in both countries. With the cessation of economic downturn and instability of the 1990s, more and more women of those States, which were born in the middle of the 1960s-70s and in the end of twentieth century and who have reached the age of 30 could afford to have the first or the second child. In both countries, the increasing of birth rate applies to all women aged 25 and more, and the highest rate's increasing is related to women over the age of 30. Consequently, the average childbearing age increased from 25 years in 1999 to 26 in 2006 (Zakharov, 2008).

The new government pro-natalist policy in Russia and in the Czech Republic came into effect in 2007. But despite the increasing number of births, the fertility rate was still lower than the replacement rate. In 2006 the total fertility rate in Russia amounted to 1,31, and in the Czech Republic - 1,21, that was not much more than its historic minimum in 1999 (The Demographic Yearbook of Russia, 2017; Czech Demographic Handbook, 2016). The low birth rate in combination with the high mortality rate led to the reduction in the number of Russians and Czechs, what had been put into the focus of the Government. Therefore, since 2007, the reviewed countries have adopted family-oriented policies encouraging the second and subsequent childbirths and involving the reallocation of child allowances, differentiated by the order of birth, in support of mothers or other persons who take care of children. With the introduction of the new family policies, the birth rate has increased considerably. The total fertility rate in the Czech Republic increased in 1,2 times in comparison to 2007 (up to 1,45 births per woman); in Russia, the total fertility rate also increased in 1,2 times (up to 1,62 births per woman). Women over 30 who had a second or third child had most directly contributed to an increase the birth rate. This indicates that the policy achieved the goal. Today, however, the impact of the policy is terminated. Despite the improvement of the demographic situation in recent years, Russia and the Czech Republic are still in the demographic crises which, in the view of many researchers, may intensify without the introduction of the new political spectrum (Denisova, 2012).

At the present time, measures aiming at increasing the fertility rate are undertaken by the Russian authorities in contrast to the dismal examination and understanding of factors that affect the development of the reproductive activity of population. Also, the absence of the regional differentiation of these policies, understanding its linkages with the regional socioeconomic policy, the realization of the average approach to stimulating the birth rate among different population groups are also playing an important role. All this requires the systematization and provision of all the necessarily conditions for a decent quality of life and the creation of separately demographical policies – pro-natalist policies.

2 **Pro-natalist policies**

Even though the pro-natalist policy cannot stop the aging process, it can create an enabling environment for increasing the number of family members. Through a pro-natalist policy, it is possible to create an environment where families will be able to realize their fertility intentions without prejudice to the quality of life and without increasing their vulnerability to single or systemic shock.

The historical experience of policy experiences in order to maintain the birth rate on the replacement level and to attempt to increase it showed that the achievement of these goals «requires an integrated and a long-term approach» (Frejka & Zakharov, 2012). Cash transfers are the most effective measure for low-income families with children because it helps to reduce their social vulnerability. For the other families, the best ways to stimulate the birth rate are the ways that contribute to gender equality inside the family and in the workplace and that help to combine motherhood with work (Billari, 2005). Such policies may include parental leave for fathers thereby encouraging their participation in childcare. The policy also includes reducing the pay gap between men and women through activities which increase the professional development among women; removing legal and regulatory obstacles for women, who want to enter occupations which are perceived as the male domain; the introduction of quotas helping women to overcome the invisible barrier and to get a job; campaigns to raise the public awareness with a view to reducing gender stereotypes (World Bank, 2016). Furthermore, noting the positive links between the growth in GDP and the growth in the birth rate that has occurred in recent decades, the policy on the macroeconomic stability may create the necessary conditions for increasing the number of children among Russian and Czech families.

On the basis of the studies was developed a set of pro-natalist policy measures which can be applied both in Russia and in the Czech Republic:

1. A change in the conditions of the maternity leave providing – the possibility of providing several options for maternity leaves and cash transfers depending on parents' wishes (the maternity leave of 4 months without loss of the workplace and 100% salary for mother or the parental leave divided between both young parents).

Studies have shown that the most important factor impacts on postponing or denying births is the reluctance of most Russian and Czech women to left out of social and professional life in connection with the birth and upbringing of children (Muszynska, 2008).

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2. The development of the elective component of nursery for children up to 3 and the development of the employment support for young women. The funds of commercial enterprises, the increase of tax revenue on tobacco and alcohol, on the gaming business may provide an additional source for the family policies funding.

3. The establishment of the «work-life balance» culture (maintaining a balance between work and personal life). The orientation of young people to start a family building on the principle of the compatibility between work, childbirth and upbringing would benefit both young families and the society. It's also worth noting that in Russia only 25% women, having the youngest child under the age 3, have a job, in the Czech Republic the figure is 31% (for example, in France the rate is 57%).

4. The gradual establishment of a supporting environment which includes a large number of devices and daily tools that improved the lives of young families. The use of special bicycle seats for children or cargo-bicycles accommodating up to 4 kids allows to spend a lot of time outside with children and to keep fit.

5. Awareness and education on issues relating to sexual and reproductive health and to the rights of young people.

Conclusion

It is important to stress that the coherence and consistency also should relate to the main defining attributes of the pro-natalist policy. These measures should come from the real context, that is, the combination of political tools should reflect the specific characteristics and circumstances of a particular country or a particular region. There is no doubt that these measures should not be coercive, should respect the individual rights of people and should be financially profitable. So in other words, these measures should be justified by the long-term budget of the region, because the obligation without financial guarantee leads to threats to economic growth and the further deterioration of the demographic situation in the region.

The supporting data, the extensive demographical studies and the advanced system of the monitoring and evaluation can strengthen the effectiveness of any planning pro-natalist policy. No policy can be developed in the absence of timely and high-quality data. At the present time, significant statistical data relating to the distribution of newborn children by the birth order, to the number of children in divorced families and to the number of persons entering a marriage or the number of divorcing persons are not collected in Russia and in the Czech Republic. The development and using of the demographic research data as well as

performance monitoring of the pro-natalist policy may have a major impact on developing public policies being used to slow the population aging in both countries. Finally, the increased awareness and understanding of the current demographic situation at all levels of government can contribute to the development and more effective implementation both the pro-natalist policy and policy aimed at slowing down the population aging.

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