**Annotation
TOR-36**Topic: **"The impact of changes in economic and social policies on consumer behavior of the population and fostering conditions for active aging"**Principle Investigator: L.N. Ovcharova
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1. **The object of this study** are Russian households, social and fiscal policies, pension policy, government policies towards fostering conditions for active aging. **The subject of this study** are material well-being and living standards, consumer behavior, economic inequality, the redistributive impact of government policies, the capacities of the elderly, the concept of professionalism in historical and socio-cultural contexts.
2. **The objectives of the project** include the analysis of the impact of changes in economic and social policies on consumer behavior of households and the conditions for active aging; the conceptualization of the sociological model of professionalism in cultural, institutional and social contexts. This project continues the study which started in 2013-2014 and is aimed at providing the comprehensive research infrastructure and foundations for the research on income, living standards and consumer behavior of households and the impact assessment of government interventions in Russia.
3. **The research methods** include: multivariate statistical analysis, microsimulation modelling, descriptive and econometric analysis of the large-scale survey data, the index method, desk study, historiographical analysis; a series of case-studies.
4. **The data sources** include: the all-Russian population censuses for 2002 and 2010; sociological surveys “Parents and children, men and women in family and society” (Gender and Generation Survey) for 2004-2011, “The comprehensive monitoring of living conditions” by Rosstat for 2011, European Social Survey for 2010 and 2012, Russian Longitudinal Monitoring Survey (RLMS-HSE) for 2000-2013, Household Budget Survey (HBS) for various years, Labour Force Survey for various years, two surveys of mothers of pre-school children held in Moscow in 2014 and 2015; statistical resources published by the Federal State Statistics Service (Rosstat), World Bank, OECD, the United Nations, WHO.
5. **The main results** obtained in this study are as follows. Our microsimulation analysis has shown that pensions play a key role in the Russian redistributive system. The second most important element are transfers in kind (education and health). Overall it appears that while redistributing significant amounts of resources between generations (horizontal redistribution), the Russian tax-benefit system has a limited capacity of a vertical redistribution, that is the redistribution from the rich to the poor, due to the prevalence of categorical transfers. A proportional income tax and social security contributions together with regressive indirect taxes in Russia increase poverty and inequality for post-transfer income.
6. The results of application of the dynamic microsimulation modelling methods to the assessment of hypothetical reforms of VAT in Russia show that in case of a 25% increase in VAT rates the lower threshold of growth in budget revenues will amount to 19.6%, given that households will attempt to compensate the growth in the amounts of VAT by means of reducing their consumption and changing the composition of their consumer basket in order to keep their total expenditure constant. At the same time, this kind of reform will shift the tax burden to households with three individuals and households with one child.
7. The analysis based on the RLMS-HSE shows that the restriction of pension rights of the working pensioners discussed by the government, will increase the poverty risks of the pensioners’ households to a minimum extent. The hypothetical scenarious that will have more negative consequences include the reduction in the real pension size (by 10% or more), as well as the exit of the elderly workers from the formal labor market. At the same time, under any scenario pensioners in Russia will continue to have lower rates of income poverty as compared to families with children.
8. The analysis of sensitivity of the components of the Active Ageing Index to the data source, the wording of the questions and the stability of the country's score given the changes in the data has demonstrated the importance of careful selection of the data to be included in international indices as regards to the improvement of the score of Russia in various international ratings. The study reccommends to include a number of questions to monitor progress in active ageing in the regular household surveys conducted by Rosstat.
9. Our research has shown that the concept of professionalism is constructed within a particular historical period and is not limited to specific qualification or regulatory requirements within occupations. Firstly, the ethical attitudes and both formal and informal aspects of the professional practices have an impact on the way the semantics of the concept is developed and used in a professional environment. Secondly, social, cultural and organizational contexts are important for the analysis of changes within the professional community. The case studies of healthcare and academic communities have demonstrated the exemplary situation whereby the influence of new management practices and the focus on economic efficiency in socially important sectors has created the basis for redefining the concept of professionalism.
10. **The degree of implementation, recommendations regarding implementation or the results of implementation of the research outcomes**: The results of the project (related to the analysis of the situation of the elderly, indices of active ageing, pensions, income inequality and childcare policies) were used in 2015 to inform the preparation of policy briefs and expert estimates, including those on demand of the government. Throughout 2015 the results obtained in this project served as the basis for cooperation with the Ministry of Labor regarding the completion of the Strategy of action in the interests of the elderly and the clarification of the methodology for calculating the international Active Ageing Index as a possible tool to monitor the implementation of the Strategy.
11. **The area of application**: The results of this project can be used by the Ministry of Labor and Social Protection of the Russian Federation, the Federal State Statistics Service (Rosstat) and other agencies in the course of development of new policy interventions and/or the analysis of the effectiveness and efficiency of the existing measures in the area of fiscal, social, family and economic policy in Russia.