

First Demographic Results of the Recent Pronatalist Policy in Russia



NATIONAL RESEARCH
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‘THE CONCEPT OF THE DEMOGRAPHIC POLICY IN RUSSIA UP TO 2025’: PRO-NATALIST MEASURES ADOPTED

In December 2006, in accordance with the adopted document *The Concept of the Demographic Policy in Russia up to 2025* the following policy measures were ratified and came into effect on 1 January 2007:

- A substantial increase in pregnancy, birth, and child benefits progressively graded by child order with the option for regional administrations to authorize additional increases;
- Generously remunerated parental leave (beginning over 2 months prior to birth and continuing until 3 months after birth at 100 per cent of mother's salary; up to 18 months of leave partially remunerated (more than 40% of mother's salary); up to 3 years of unpaid leave);
- 'Maternal capital'* granted to mothers of second and higher-order children. Initially 250,000 rubles in 2007 (~ US\$10,000) , this was indexed to inflation and grew to 408,960 rubles in 2013 (~ US\$13,000).

*Can be spent only for three specific purposes three years after the second child's birth or adoption: the improvement of housing, the education of children, + to the mother's pension.

Demographic policy is central to the domestic policy of the government and the presidential administration

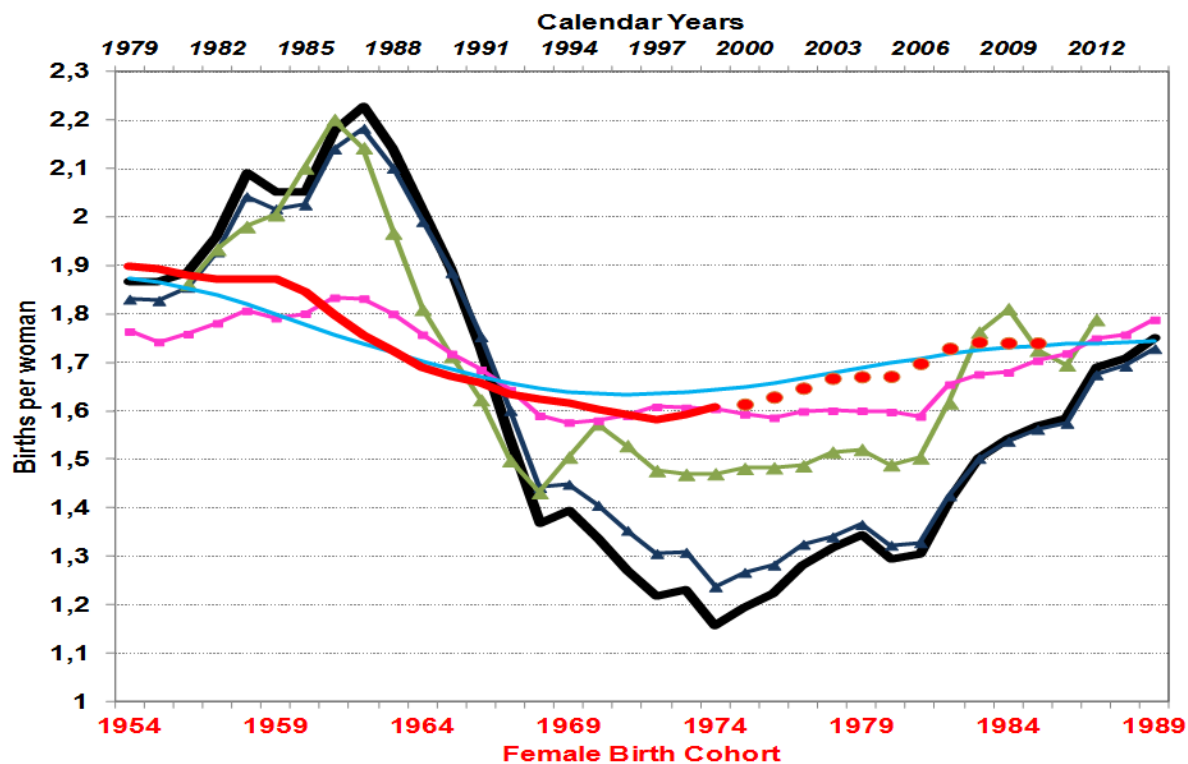
- Almost every year since 2007, the government strengthened the pro-natalist policies or gave promise of their efforts. In particular, local governments were stimulated to pay local premiums, to give a piece of land for free for the third child, etc.
- The share of family support in GDP has roughly doubled, approaching 1 per cent.
- In April 2012, Vladimir Putin, in his last speech as Prime Minister, said: —The state, society, religious institutions, public education, and culture should jointly endeavour to generate a strong, happy family with many children.

With this statement, Putin made clear his intention to increase fertility during his next term as president

Do we have the signs of fertility increase in Russia?

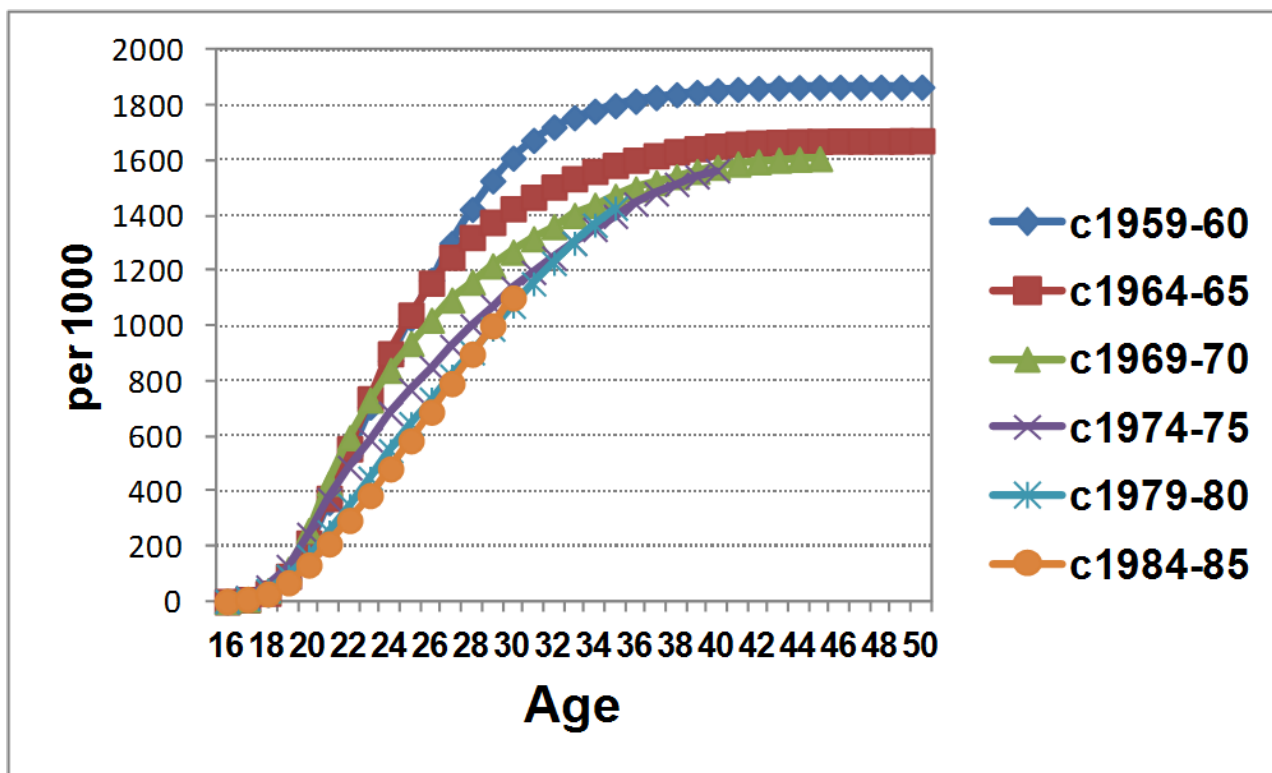
A LOOK THROUGH THE HISTORICAL
MICROSCOPE

Indicators of Period and Cohort Total fertility (average number of births to a woman by age 50): Russia, female birth cohorts 1954-1985, period 1979-2014



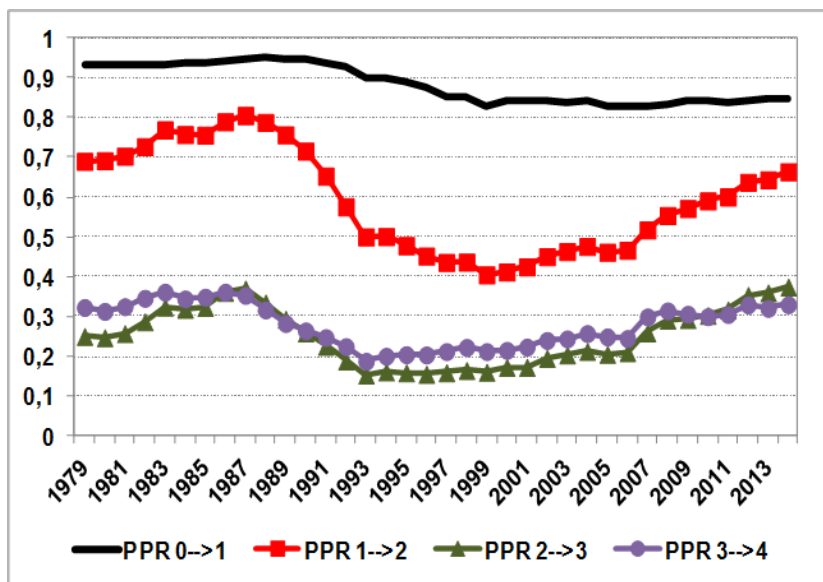
Source: Author's calculations and estimates based on unpublished official Rosstat data

Cumulated Cohort Fertility, Russia, female birth cohorts 1959/60 – 1984/85

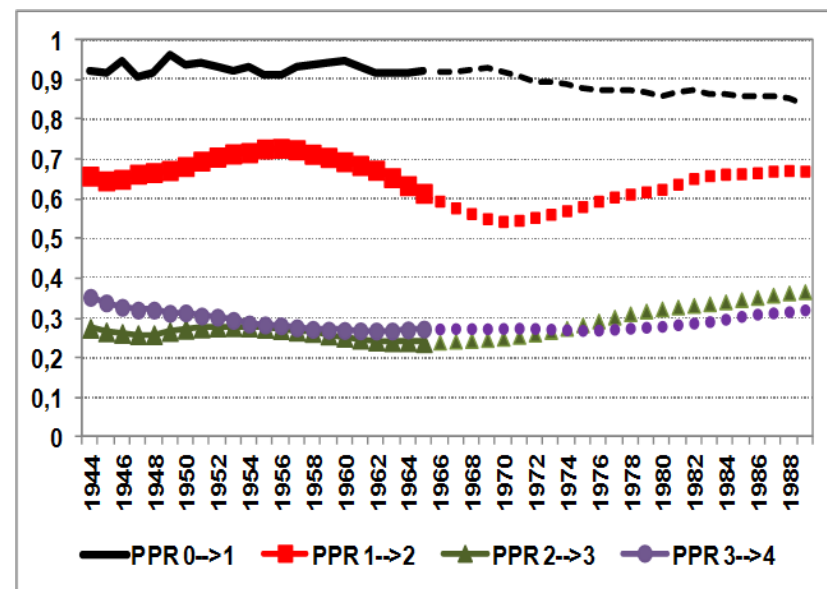


Parity Progression Ratios by age 50: Russia, period 1979-2014, female birth cohorts 1944-1989 (projections for cohorts born in 1966 and later)

Period



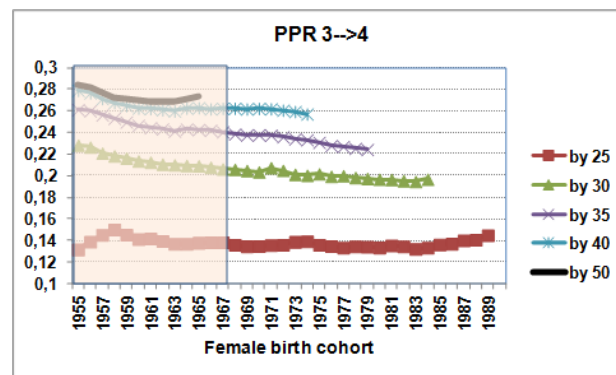
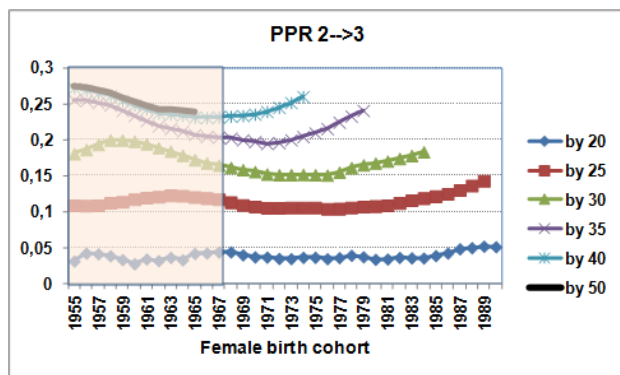
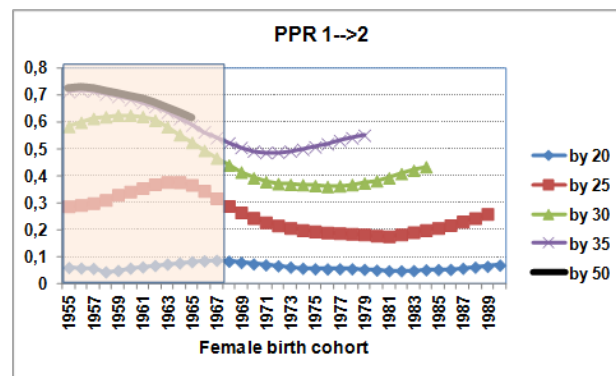
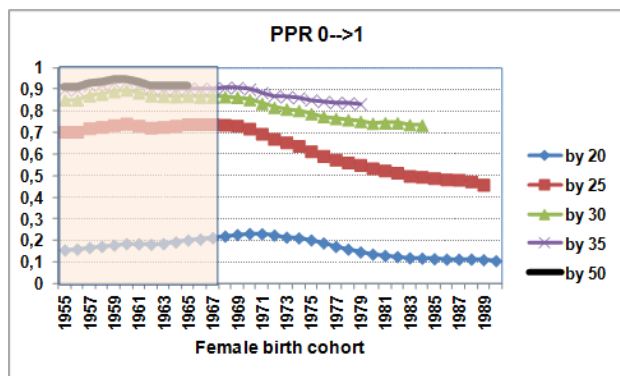
Cohort



Extrapolation for cohorts born in 1971 and later: spline function of 4-6 order for the average rates of change of Period $Q_i(x)$, observed in the years 2012-20014. $R^2 > 95\%$ for first births and $R^2 > 99\%$ for the second and subsequent births.

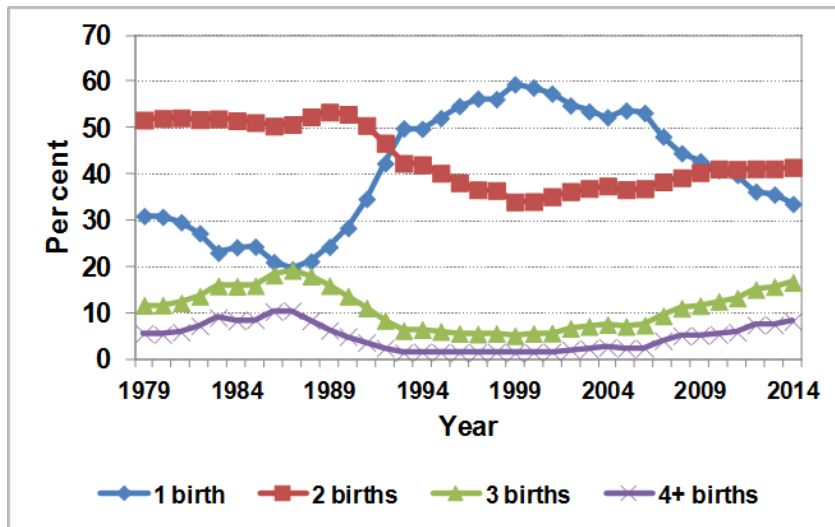
Source: Author's calculations and estimates based on Human Fertility Database and unpublished official Rosstat data

Cumulated Parity Progression Ratios by Age 20, 25, 30, 35, 40, 50: Russia, female birth cohorts 1955-1994

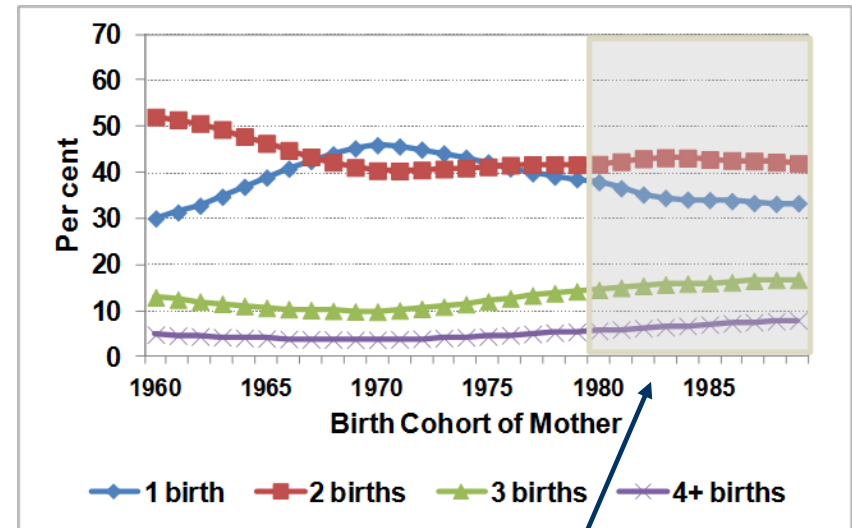


Distribution of Mothers by Children Ever Born by age 50 (Women who give a birth at least to one child), Russia, period 1979-2014, cohorts 1960-1989, %

Period



Cohort

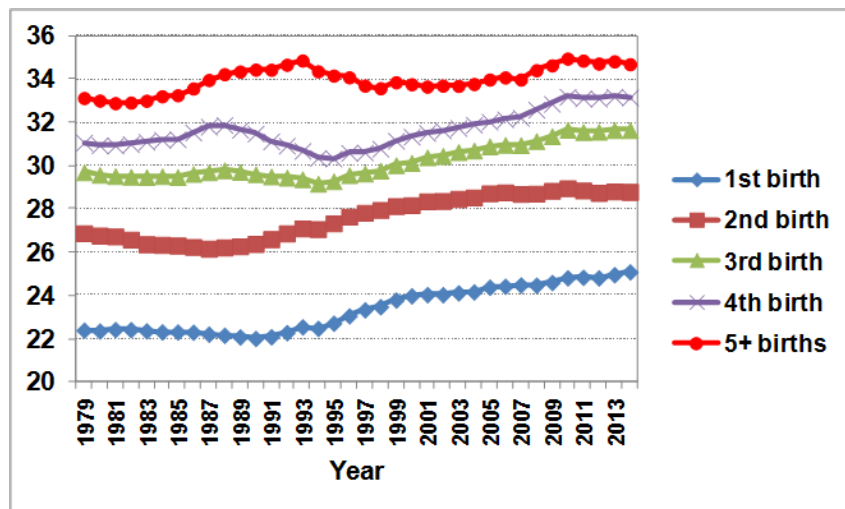


Projection for women aged 25-34 in 2015

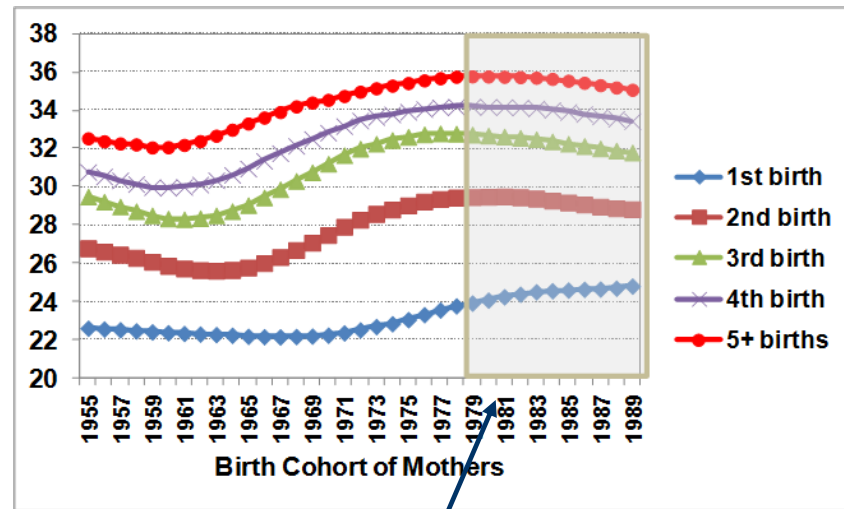
Source: Author's calculations and estimates based on Human Fertility Database and unpublished official Rosstat data

Mean Age of Mothers at Birth: Russia, period 1979-2014, cohorts 1955-1989

Period



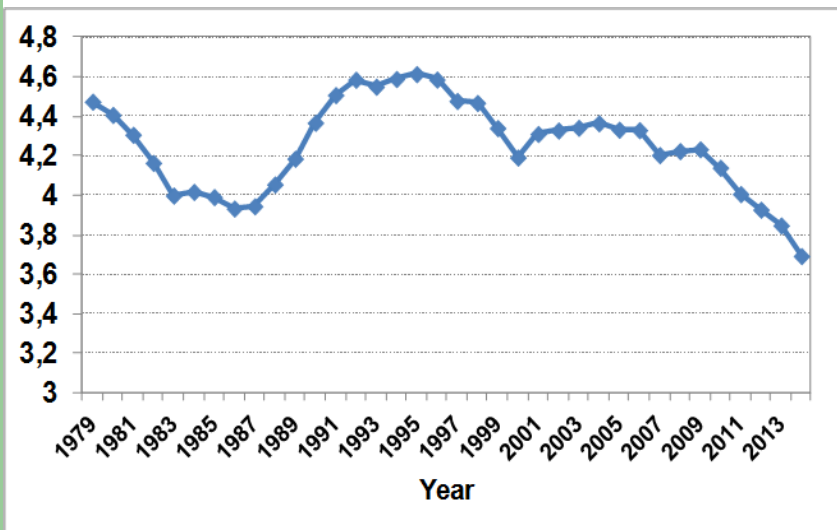
Cohort



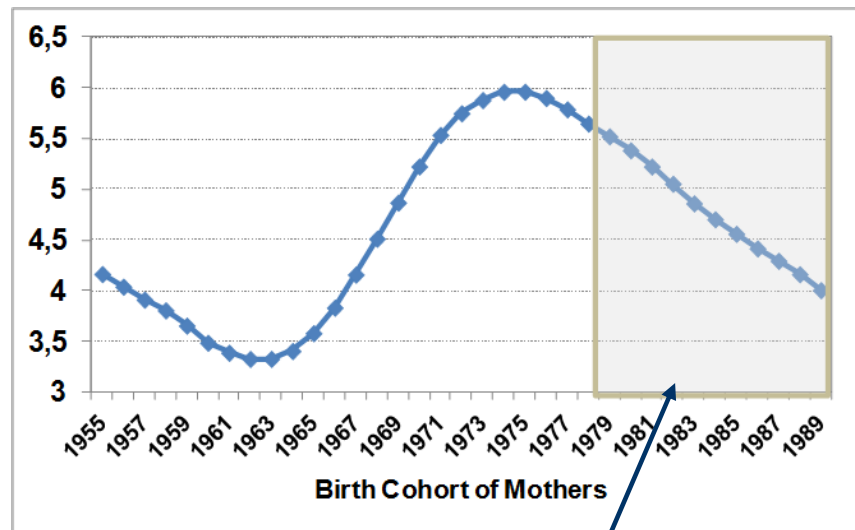
Projection for women aged
25-34 in 2015

Mean Interval Between First and Second Births, (fertility life table technique), years: Russia, period 1979-2014 and cohorts 1955-1989

Period



Cohort



**Projection for women aged
25-34 in 2015**

Source: Author's calculations and estimates based on Human Fertility Database and unpublished official Rosstat data

Findings from the Econometric Study

Slonimczyk F., Yurko A. (2012, 2013, 2014) 'Assessing the Impact of the Maternity Capital Policy in Russia Using a Dynamic Model of Fertility and Employment'

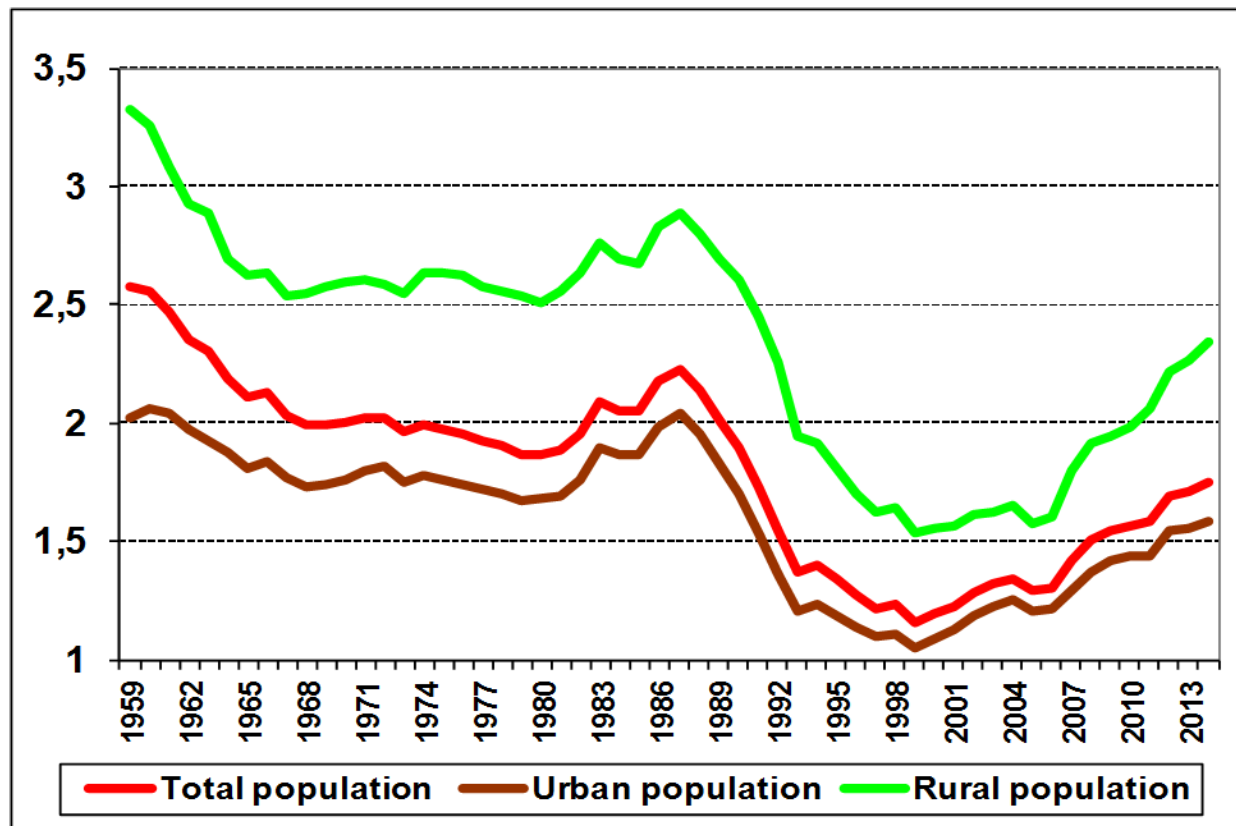
'The model allows us to obtain an estimate of the long-run effect of the MC program on fertility that is less prone to upward bias due to confounding factors or rescheduling of births. *We found that the policy increases fertility by about 0.15 children per woman* and leads to an increase of almost 12 percentage points in the share of households with two or more children. *Simulation results suggest that much of the increase in birth rates post-2007 is due to rescheduling of births and not long-run increases in fertility.*'

Chirkova S. (2013) Do Pro-natalist Policies Reverse Depopulation in Russia?

- ‘I found a positive significant impact on the decision to have a second child, which is consistent with findings by Slonimczyk and Yurko (2013). ***The probability of the second birth has increased*** after the implementation [of the financial incentives] ***by 2.2 percentage points***. These findings confirm the empirical results of the parental leave and child bonuses literature (Milligan (2005), Neyer and Andersson (2008), Lalive and Zweimller (2009). However, I also show that the effect is driven by the low-educated group of women who potentially belong to low-income group.’

Spatial Differences in Fertility in Today's Russia: Uneven Responses to the Pronatalist Policy

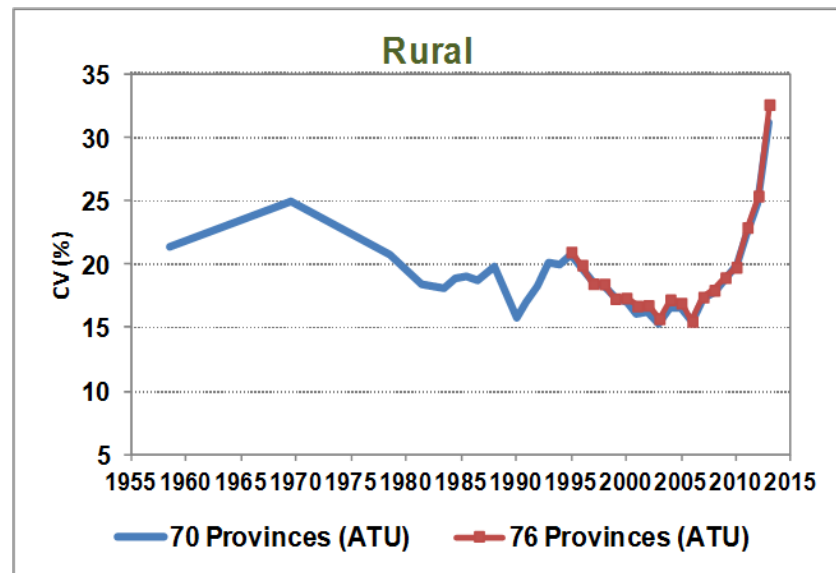
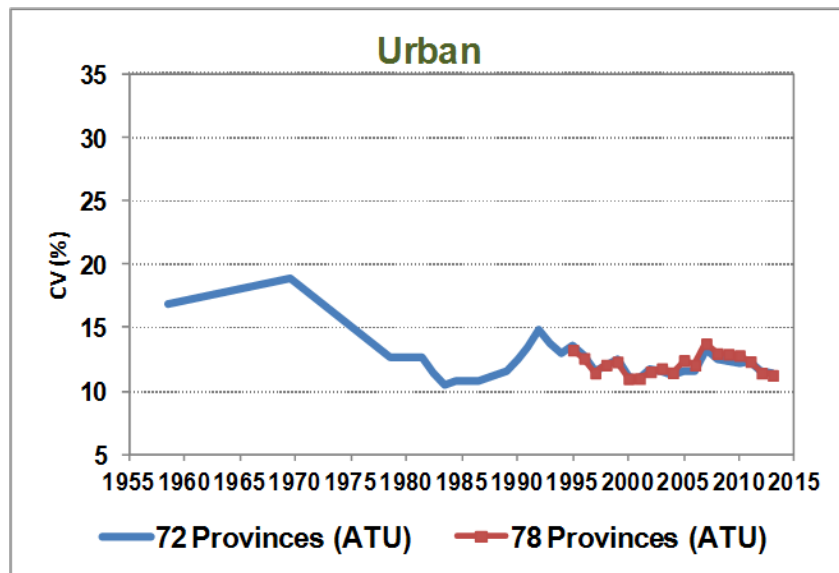
Total Fertility Rate: All Russia, and Urban and Rural Subpopulations, 1959-2014



Source: Author's calculations based on Avdeev et Monnier (INED,1996), and published and unpublished ROSSTAT data.

Regional variations of TFR in rural areas has exceeded the levels of the end of the 1970s and even the 1950s. The urban population has returned to normal values.

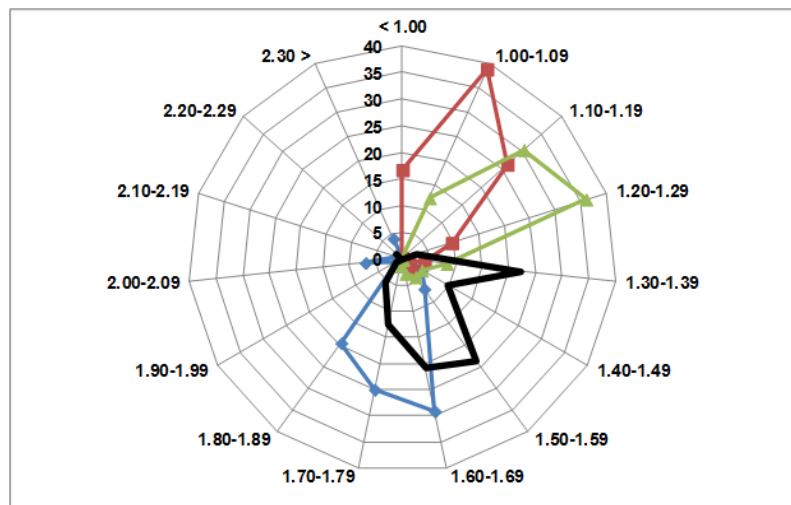
Coefficient of regional variation of TFR for *Urban* and *Rural* subpopulations of Russia's provinces, 1959-2013 (Chechen R. and Ingush R. are excluded)



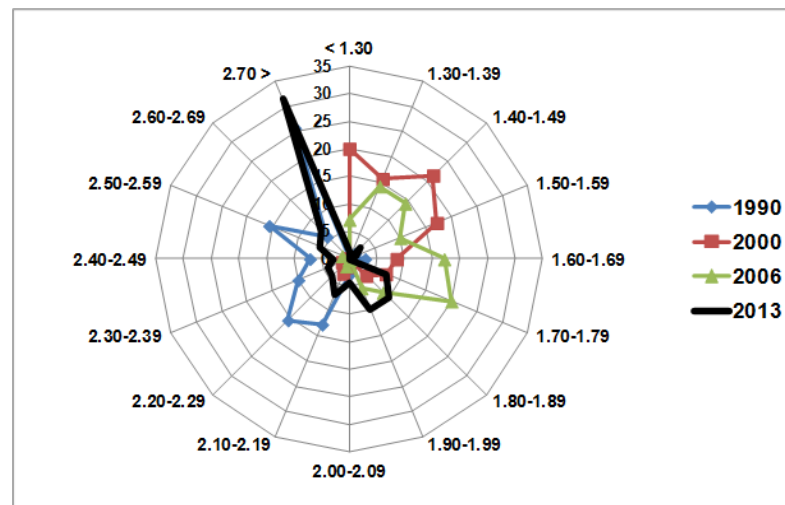
Source: Author's calculations based on published and unpublished ROSSTAT data.

Distribution of Russian regions by the value of TFR in 1990, 2000, 2006 and 2013 (territorial units by the administrative division before 1991 without Chechnya and Ingushetia) , %

Urban



Rural



Demographic policy, launched in 2007, had unequal response in Russia's regions. Demographic and socioeconomic conditions associated with fertility increase dramatically changed.

- Significant increase of inter-regional variation in TFR, especially among people living in rural areas;
- TFR has increased more significantly in those regions where fertility previously remained relatively high compared with other regions;
- Higher increase rates of TFR we find in regions with higher concentration of ethnic groups with fertility higher than the average, and where the level of education is below the average for Russia;
- Very weak link (or lack thereof) between the increase of TFR and economic parameters for regional development, as well as different economic situation of families with children.

General conclusions (1):

- **Pronatalist policy does not bring any positive changes in relation to the birth of the firstborn. There are doubts about the long-term effects of policies in improving the likelihood of second births. At the same time, the policy apparently prompted an increase in the probability of the third and fourth births.**
- **Pronatalist policy caused a reduction in the intervals between births, and in particular the interval between the first and second birth close to historic lows.**
- **In recent years, the process of increasing age of motherhood braked sharply and is likely that the mother's age at birth of second and subsequent children started to decline.**

General conclusions (2):

- **Pronatalist policy has a positive response first of all among the social and ethno-demographic groups that either have not yet forgotten the historical experience of high fertility, or for whatever reasons (religious, in particular) continue to be guided by the ideals of a large family.**
- **In the long run we can hardly rely on a such mechanism for increasing or maintaining the birth rate in the country.**
- **Strengthening the demographic heterogeneity of the regions, social and ethnic groups has more negative than positive points. It is well known that the growing confrontation between the poor regions with high fertility and rich regions with low birth rates is always a great challenge for society and the economy.**

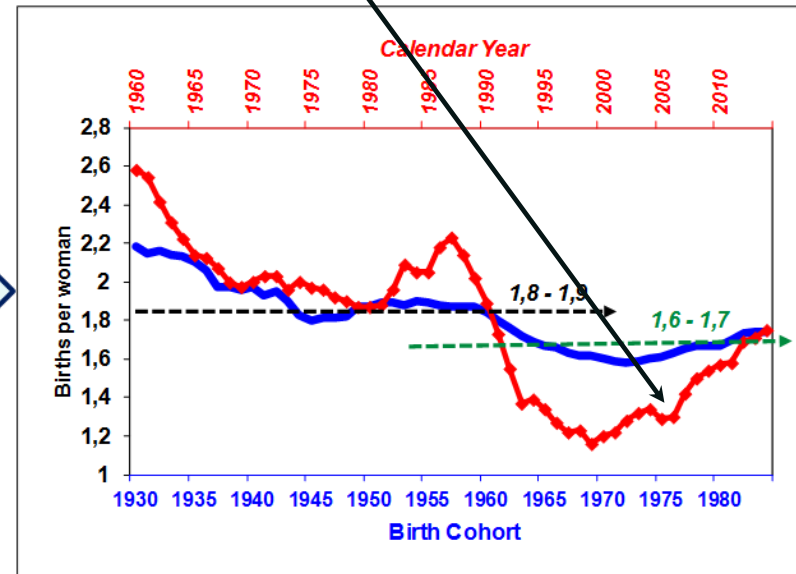
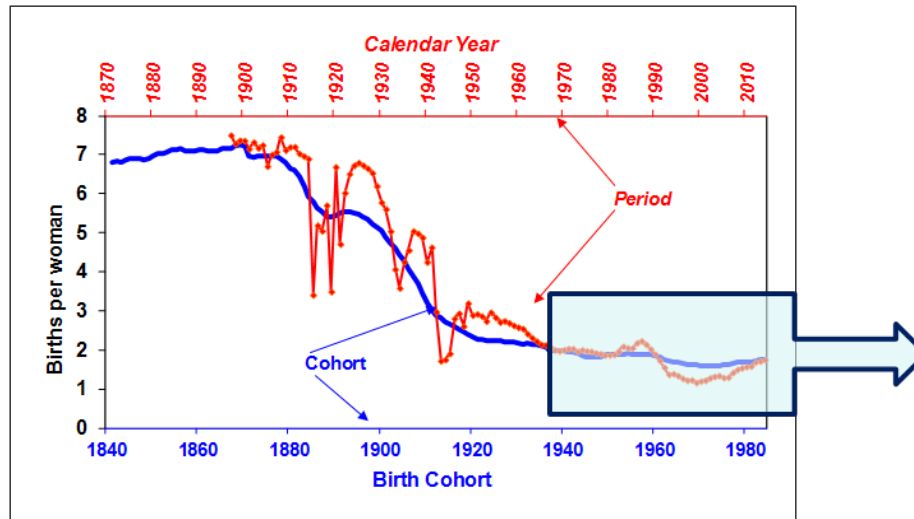
- **Does Demographic Modernization in Russia make one step back?**

Do we have fertility increase in Russia?

A LOOK THROUGH THE HISTORICAL
TELESCOPE

Completed Cohort and Period Total Fertility in Russia (average number of births to a woman by age 50): birth cohorts 1841-1984 (extrapolation with fixed ASFR as of 2014), period 1897-2014

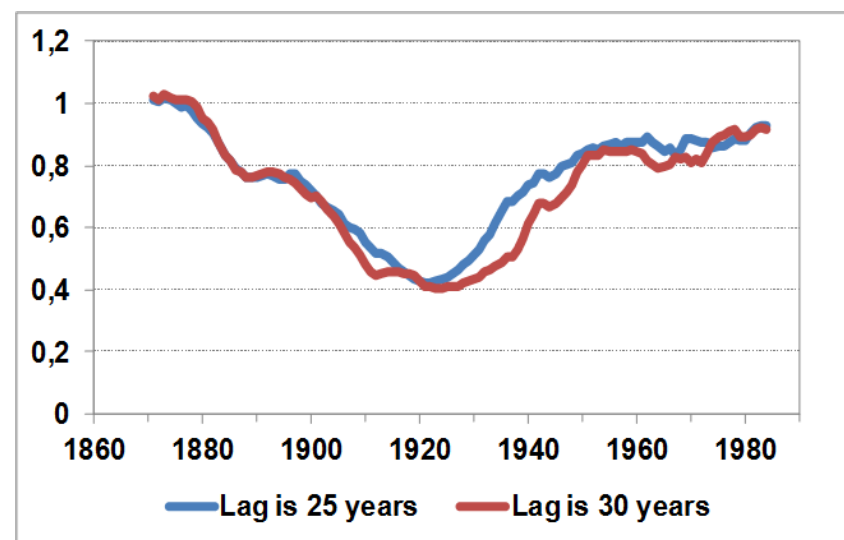
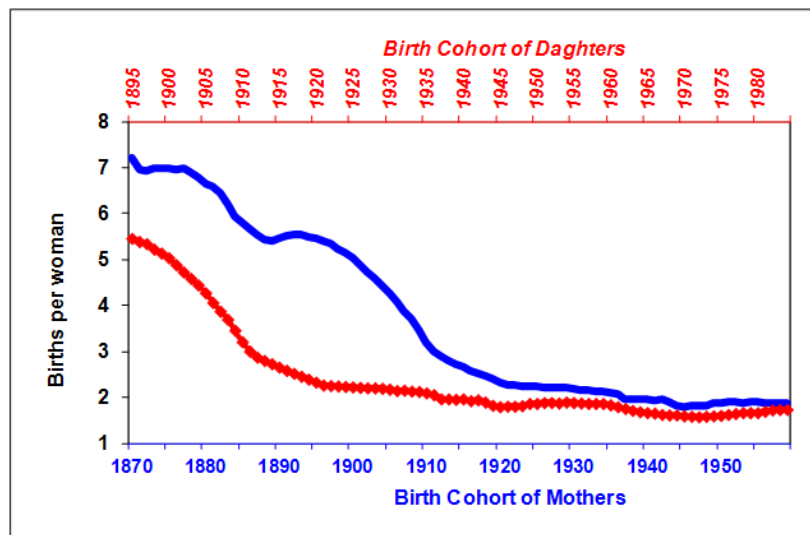
New policy measures declared in 2006, and adopted in 2007



Source: Zakharov S.V. (2008). Russian Federation: From the first to second demographic transition. *Demographic Research*. Vol. 19, p.910 (<http://www.demographic-research.org/Volumes/Vol19/24/>). (Updated)

Completed Cohort Fertility of Women Born in 1870-1960 and their Daughters Born in 1895-1985: Russia

Daughters/Mothers Ratio with Mean Age at Birth as 25 and 30 years



Hence the general conclusion when viewed through a telescope : fertility in Russia continues to decline.

I invite us all to remember that demography explores "the reproduction of human generations."

From this perspective, the current trends in Russia can summarize as follows:

- The level of fertility in Russia remains far below the replacement level;**
- Generations of "daughters" still tend to have on average fewer children than the generations of "mothers";**
- The stabilization of daughters/mothers fertility ratio is possible, but not earlier until generations of daughters born in the 2000s completed their childbearing**

THANK YOU FOR YOUR ATTENTION!