

Life in Transition

A survey of people's experiences and attitudes



European Bank
for Reconstruction and Development

About this publication

The European Bank for Reconstruction and Development seeks to foster the transition to an open market-oriented economy and to promote private and entrepreneurial initiative in central eastern Europe and the Baltic states, south-eastern Europe, the Commonwealth of Independent States and Mongolia. To perform this task effectively, the Bank needs to analyse and understand how transition has affected the lives of people in the region, and what their views are on issues such as democracy, the role of the state, and prospects for the future. The EBRD, in collaboration with the World Bank, has carried out a survey of 29,000 individuals across the region in order to address these issues. The purpose of this publication is to summarise some of the main results of this survey and to share these results with our partners.



Central eastern Europe and the Baltic states (CEB) ▲

- 01 Czech Republic
- 02 Estonia
- 03 Hungary
- 04 Latvia
- 05 Lithuania
- 06 Poland
- 07 Slovak Republic
- 08 Slovenia

South-eastern Europe (SEE)

- 09 Albania
- 10 Bosnia and Herzegovina
- 11 Bulgaria ▲
- 12 Croatia ◆
- 13 FYR Macedonia ◆
- 14 Montenegro
- 15 Romania ▲
- 16 Serbia

Commonwealth of Independent States and Mongolia (CIS+M)

- 17 Armenia
- 18 Azerbaijan
- 19 Belarus
- 20 Georgia
- 21 Kazakhstan
- 22 Kyrgyz Republic
- 23 Moldova
- 24 Mongolia
- 25 Russia
- 26 Tajikistan
- 27 Turkmenistan
- 28 Ukraine
- 29 Uzbekistan

▲ European Union member states.

◆ European Union candidate countries.

Life in Transition

A survey of people's experiences and attitudes

Contents

- 02 Acknowledgements**
- 03 Foreword by the Chief Economist**
- 05 Life in Transition Survey: an overview**
 - Introduction
 - The EBRD-World Bank LITS
 - Main findings
 - Conclusions
- 12 Annex: Sampling methodology**
- 15 Regional summaries**
- 27 Country summaries**

Acknowledgements

This publication was prepared by Peter Sanfey, Franklin Steves and Utku Teksoz, from the EBRD's Office of the Chief Economist. The assessments and views expressed in this study are those of the authors only and not necessarily of the EBRD.

The Life in Transition Survey (LiTS) was designed by the EBRD's Office of the Chief Economist and the World Bank's Europe and Central Asia (ECA) Region (Office of the Chief Economist and Poverty Reduction and Economic Management Unit), under the general direction of Erik Berglof (Chief Economist, EBRD), Pradeep Mitra (Chief Economist, Europe and Central Asia region, World Bank) and Asad Alam (Sector Manager, ECSPE, World Bank).

The EBRD and the World Bank worked in close collaboration with Ekaterina Zhuravskaya and Irina Denisova from the Centre for Economic and Financial Research in Moscow and with Juan Muñoz (Sistemas Integrales). The fieldwork was carried out by the global market research firm Synovate, under the direction of Savvas Kyriakides.

The authors benefited from the comments and suggestions of a number of colleagues, including Erik Berglof, Sam Fankhauser, Pauline Grosjean, Alan Rousso and Helena Schweiger. Anthony Martin of the EBRD's Publications Unit prepared the text for publication and managed the publication process. Steven Still and Richard Bate coordinated print production in conjunction with Peter Banks of Gargoyle Graphics, who designed the publication.

Funding for the survey was provided by Canada, Taipei China and the United Kingdom. This funding is gratefully acknowledged.

Foreword by the Chief Economist



Transition from a planned economy and authoritarianism to a market economy and democracy is one of the most ambitious and important socio-economic and political journeys in the last century. Its effects will be felt well into the current century. The changes brought about since the collapse of communism in the late 1980s and early 1990s have directly affected a quarter of the world's population and have altered the social and political landscape far beyond the countries immediately affected. But the pace of transition has varied enormously. Some countries have acquired most of the attributes of industrialised market economies while others have retained many of the features of planned or middle-income developing economies.

Has the transition been a success? It is impossible to give a definitive answer at this stage. For a start, transition is not over. Even in the most advanced countries of the region, there are still a number of challenges to be addressed. More fundamentally, a judgement about whether transition has worked must involve more than economic issues, such as income, trade or employment. Ultimately, for transition to be declared a success, it should lead to a measurable improvement in people's lives, with the principles of democracy, pluralism and the market economy deeply embedded in societies.

These concepts are difficult to measure. The Life in Transition Survey (LiTS), jointly undertaken by the EBRD and the World Bank, asks people directly about their attitudes to things that affect their lives and about their general level of satisfaction or happiness. Increasingly, social scientists have come to the view that answers to this type of question are meaningful and can have important policy implications.

The unique value of the LiTS is that, for the first time, a large sample of people across the whole transition region have been asked both subjective

questions about attitudes and life satisfaction and objective questions about their life histories and their current material well-being. This combination of data provides rich opportunities to understand the origins of attitudes and satisfaction. A first taste of the results is provided in this publication. The data will provide a rich source of analysis for researchers for some time to come.

Already, some messages are clear. I believe the most important positive message in the results presented here is the sense of optimism for the future, particularly among younger people. It is true that many people suffered severe hardship, especially during the early years of transition when most economies went through a deep recession. But despite this, only a minority of people, usually among the older and poorer members of society, would like to return to an authoritarian political system and a planned economy.

Notwithstanding this positive signal, it is important to keep in mind that the damage done during the hard times, not only to material well-being but also to general levels of trust and subjective well-being, should not be underestimated. All of us who strive to promote transition have some work to do to convince people in the region of the benefits of transition and to restore trust in public institutions and in each other. One of the aims of this publication is to bring these concerns to the forefront of the minds of policy-makers in the region.

A handwritten signature in blue ink that reads "Erik Berglof".

Erik Berglof
EBRD Chief Economist



Life in Transition Survey: an overview

1.1. Introduction

The transition from socialism to market economies across the EBRD's countries of operations has transformed the lives of many people. But the effects have varied greatly, both within and across countries.

Some countries have made enormous progress. Ten are now members of the European Union, and the reforms that they have introduced and implemented have gone hand-in-hand with strong macroeconomic performance and a significant increase in real GDP. Other countries, however, have lagged behind both in macroeconomic terms and in reform commitment. In many of these cases, transition has been associated with a dramatic increase in poverty, unemployment and, more generally, human suffering, as indicated by declining scores for the Human Development Index.¹ After more than 15 years of transition, it is not surprising that there have been both winners and losers. What is not clear is whether a majority of people in the region feel that their lives have improved as a result.

To date, there has been little formal analysis of how people perceive the effects of transition on their lives and whether they support the fundamental principles on which democracy and the market economy are based. Existing cross-country surveys, such as the World Values Survey, indicate a high level of unhappiness across the region, especially in the Commonwealth of Independent States (CIS).² More detailed poverty and living standards assessments have been carried out for most countries in the region and provide a valuable guide to policy-makers in designing poverty alleviation programmes. What is missing, however, is a deeper understanding of people's perceptions and attitudes to transition, and how experiences during transition have helped to shape attitudes to market reforms and political institutions.

In order to fill this gap, the EBRD and the World Bank have jointly conducted the first comprehensive, region-wide survey of people's experiences of, and attitudes to, transition. The "Life in Transition

Survey" (LiTS), which combines traditional household survey features with questions about respondents' attitudes, was implemented in 29 countries between August and October 2006.³ This chapter provides an overview of the main findings. Some of these have important policy implications. For example, responses to questions about life satisfaction and other indicators of subjective well-being help us understand better the problems faced by policy-makers in pushing through painful reforms. And questions about access to utilities highlight those services most in need of attention, and which regions are lagging behind. The results may therefore provide an important guide to future EBRD and World Bank strategy across the region, as they identify groups and sectors for which transition has not yet worked and where a more targeted approach to investments may be needed.

Section 1.2 explains some of the main issues underlying the survey while Section 1.3 outlines the main results in four areas: access to consumer goods and public services; people's views on how transition has affected their lives; attitudes to markets, democracy and the role of the state; and the issues of corruption and lack of trust.

Section 1.4 concludes with a summary of the main findings and a discussion of how the survey can guide both future research and policy directions. On balance, the overall message of the survey is a positive one, although with important caveats. People across the region on average see themselves as worse off than before the transition, but they are generally more satisfied than unsatisfied with their lives as a whole. Those who are more satisfied with the economic and political situations in their countries tend to come from those countries that are the most advanced in transition although there are some unexpected exceptions. Most importantly, a majority of people, especially among younger age groups, are optimistic about the future and are more likely to support democracy and market economies than any other options.

1.2. The EBRD-World Bank LiTS

The EBRD-World Bank LiTS was designed during the first half of 2006 and was implemented between August and October. The survey covered 29 countries, including 28 in which the EBRD operates as well as Turkey, which is part of the World Bank's Europe and Central Asia (ECA) region.⁴ In each country, a sample of 1,000 individuals was selected randomly for face-to-face interviews, making a total of 29,000 interviews across the whole region (more details on sampling methodology are provided in the annex on page 12).

The survey was constructed by teams from the World Bank and the EBRD in collaboration with partners from research institutes, notably the Centre for Economic and Financial Research (CEFIR) in Moscow. The survey is divided into seven sections: household composition; housing and expenses; attitudes and values; current activities; education and labour; life history; and personal questions, such as nationality, religion, health and voting behaviour. The intention was that each interview would take about 45 minutes although in practice the completion time varied widely and sometimes lasted well over one hour. The fieldwork was carried out by the global market research firm Synovate, which was chosen through a competitive tender.

The coverage of the survey can be divided into four broad themes. First, the questionnaire collects personal information on aspects of material well-being, including household income, possession of consumer goods such as a car or mobile phone, and access to local public services and utilities. Secondly, the survey generates measures of satisfaction and attitudes towards economic and political reforms as well as public expectations and appetite for further reforms. Thirdly, the survey captures individual "histories" through transition. People's experiences during transition are expected to influence their attitudes towards reforms. Accordingly, the questionnaire collects information on individuals' family backgrounds: on their

employment situations before the start of economic reforms, throughout the transition period and now; on the events that punctuated their lives during transition; and on their strategies to cope with such a transformation. Finally, the questionnaire attempts to capture the extent to which crime and corruption are affecting people's lives, and the degree to which trust, both among ordinary citizens and in state institutions, has changed over time.

In surveys of this type, sample selection is extremely important if inferences are to be drawn about the population as a whole. The first stage of the sampling for the LiTS involved the random selection of 50 Primary Sampling Units (PSUs), based on information from the most recent census in the country. Twenty households were then selected at random from each PSU. Within each household, one individual (aged 18 or over) was selected at random to respond to the questions.⁵ More details on the sampling methodology are provided in the annex on page 12.

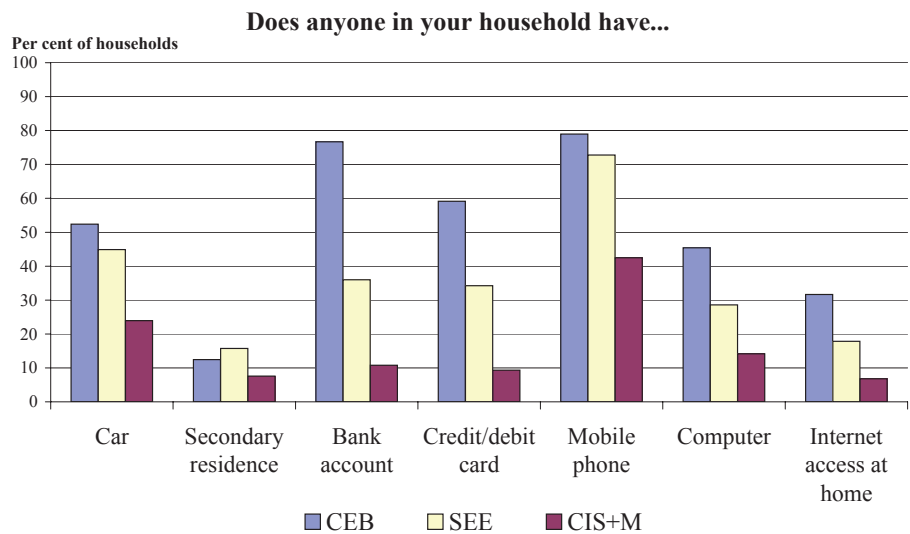
It should be noted that the sample in some countries is biased towards elderly and female respondents. Therefore, an appropriate weighting scheme was introduced to ensure that the population as a whole is represented, taking into account the age and gender distribution of the population in each country.⁶

1.3. Main findings

The survey has generated a number of interesting findings. As noted earlier, this chapter is restricted to summarising the main results in four key areas: the current material well-being of individuals with regard to consumer goods and access to services; individuals' subjective assessments about their well-being and about prospects for the future; attitudes to the role of government, democracy and markets; and perceptions of corruption and trust. The main findings are broken down by sub-regions – contrasting central eastern Europe and the Baltic states (CEB) with south-eastern Europe (SEE) and the CIS and Mongolia (CIS+M). Within each sub-region, the correlation between the responses and socio-economic factors, such as age group and income band, are also examined. The regional and country summaries on pages 15 to 83 provide a more detailed overview of responses broken down in most cases by age,

Chart 1

Ownership of consumer goods



income and, in some cases, by urban/rural location.

Material well-being

Prior to the start of transition, socialist economies were often characterised by a shortage of consumer goods and a lack of choice in the shops. The transition has opened up a new world of consumer goods to people in the region, at least to those able to afford them. Access to credit is also a new phenomenon for many. Most countries in the region have seen a strong growth in financial markets. People who, 15 years ago, would never have dreamed of applying for a bank loan are now routinely receiving loans, including mortgages, and using credit and debit cards.⁷ This has helped to fuel a strong consumer boom across the region that is driving economic growth.

However, many people have difficulty accessing services and public utilities. Under the old regime, utilities such as electricity and gas were provided cheaply (well below cost-recovery prices). The transition has highlighted the huge investment needs in public infrastructure, and while these are being addressed in some cases, access to reliable services is often problematic, especially for poorer people.

The LiTS sheds new light on these aspects of people's lives. Turning first to consumer goods, the survey investigates whether so-called "necessities" in prosperous Western countries, such as a car or mobile phone, have also become commonplace

in the transition countries. Chart 1 summarises the responses. Several points emerge immediately, most particularly the wide variation across the three sub-regions. For example, in CEB nearly 77 per cent of households have a bank account and about 60 per cent have a credit or debit card, compared with about 10 per cent in both cases in the CIS+M. SEE typically falls between the other two regions: about 35 per cent of households have a bank account and a similar percentage have a credit or debit card. A second notable point is the strong degree of mobile phone ownership across the region and the widespread access to both a computer and the internet in CEB (more than 30 per cent of households for the latter). However, this is much less evident in the CIS+M.

Regarding public services, the regional variation is less marked (see Chart 2). For example, there is virtually 100 per cent access in all regions to electricity from the public grid, and pipeline tap water is also widely available in CEB and SEE. One area where there is more variation is in public sewerage provision – about 75 per cent of households in CEB have access, compared with 62 per cent in SEE and only 46 per cent in the CIS+M. Overall, however, most households seem to have access to the main utilities.

Within each region there are important urban/rural differences in access to goods and services. In SEE, for example, ownership of a bank account is nearly 14 percentage points higher in urban

Chart 2

Access to public services

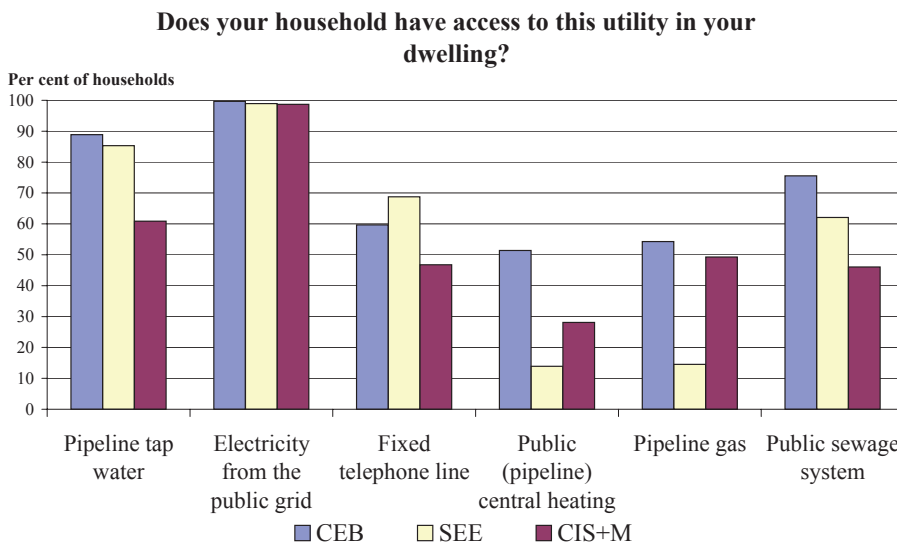
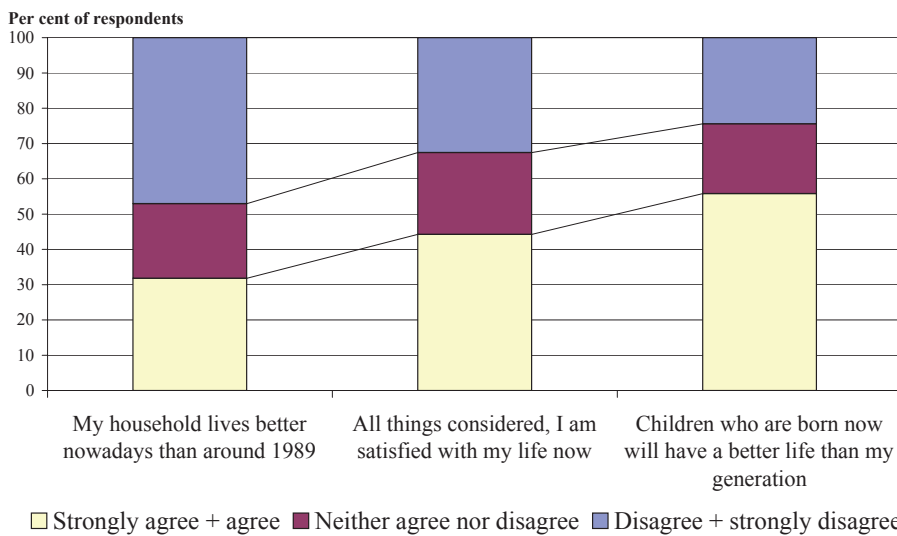


Chart 3

Views about the transition process



than in rural areas. In the CIS+M mobile phone ownership is more than 50 per cent in urban areas compared with only about 25 per cent in rural areas. Regarding public services, the urban/rural divide is particularly noticeable for some services in the CIS+M. Access to a fixed telephone line, for example, is close to 70 per cent in urban areas compared with about 22 per cent in rural areas. Such differences highlight the challenges in providing greater access to basic services in more remote areas.⁸

In summary, some of the benefits of transition in material terms are evident in the market for private consumer goods. But this raises the question of whether these benefits are evenly spread

and whether they are perceived by individuals.

Views on transition

The LiTS supplies extensive evidence on people's subjective experience of the effects of transition. In general, there appear to be mixed feelings, as highlighted in Chart 3. On the one hand, there is some evidence of nostalgia for the past. Only 30 per cent of people believe that their household lives better today than in 1989. Perceptions of current well-being relative to the pre-transition period are particularly bleak in SEE, where the results are influenced heavily by several former Yugoslav republics where living

standards have dropped significantly. A similar story emerges when people are asked about the current economic and political situation.

On the other hand, there is a sense of optimism emerging from the results. When asked whether they agree or disagree that children born today will have a better life than their own generation, a majority (54 per cent) agree whereas only 24 per cent disagree. One explanation is that people are being influenced by the strong economic growth of recent years and perhaps a growing realisation that there is no return to the past.

A breakdown of the results on the current economic and political situation vis-à-vis 1989 by age and income is revealing. It shows that young people have a much more favourable view of the economic and political situation relative to 1989 than older people do. For example, in CEB more than 50 per cent of people aged between 18 and 34 think that there is a better economic situation today than in 1989, declining across age bands to about 35 per cent of those aged 65 and over. A similar pattern is evident in the other two sub-regions. There is also a clear correlation between these attitudes and income. Not surprisingly, those in the upper income bands are far more likely to agree that things are better today than before, both economically and politically, than those in the lower bands. Once again, this correlation emerges in all three sub-regions, and is particularly marked in CEB.

Where does this leave the overall level of happiness? In recent years, there have been a number of cross-country surveys of subjective perceptions of well-being or life satisfaction and, when transition countries are included, they tend to come close to the bottom of any country ranking.⁹ It is not possible to compare the LiTS directly with non-transition countries (except Turkey) since no other comparable survey was carried out at the same time. Nevertheless, the LiTS results give grounds for cautious optimism about well-being in the region. More people declare themselves to be satisfied with life than dissatisfied, as Chart 3 shows. Once again, however, things look very gloomy in SEE, where only one-third of people feel satisfied with their lives.

Age and income-related patterns echo those reported above for perceptions of economic well-being. In general, young people feel satisfied with their lives, especially in CEB (65 per cent) although this falls to just over 40 per cent in SEE. Interestingly, people in the highest age group (65+) report on average the lowest levels of satisfaction in SEE and the CIS+M (in CEB it is just above those aged 50–64), in contrast to a range of studies for non-transition countries that tend to show life satisfaction declining with age up to a certain point (usually in the 40s) and rising thereafter. With regard to income, there is, as expected, a strong positive link between life satisfaction scores and income group.

Survey-based life satisfaction measures are increasingly being viewed as a useful snapshot of a nation's well-being since they are closely linked to objective factors, such as health, poverty and inequality.¹⁰ However, it is important to be cautious about comparing the results on subjective well-being across countries. Responses to this type of question can be heavily influenced by cultural and other country-specific factors.

Values and priorities

The process of transition has been fundamentally about promoting democracy and the market economy and reducing the all-encompassing role of the state in economic affairs. The LiTS contains a number of questions that explore whether a commitment to markets and democratic values has taken root across the region.

Overall, the survey shows moderately strong support for democracy and markets. Chart 4 combines the answers to two questions in a three-dimensional representation: one asks people whether they agree that a market economy is preferable to any other form of economic system, or whether there are circumstances when a state-controlled planned economy may be preferable. The second question uses similar phraseology about democracy and authoritarianism. (A third option in both cases allows people to respond that it makes no difference for them.) The chart indicates a clear preference for a combination of democracy and market economies relative to the alternatives. Once again, however, this support varies significantly across the region, with generally strong support in CEB (though

Chart 4
Preferences for political and economic systems

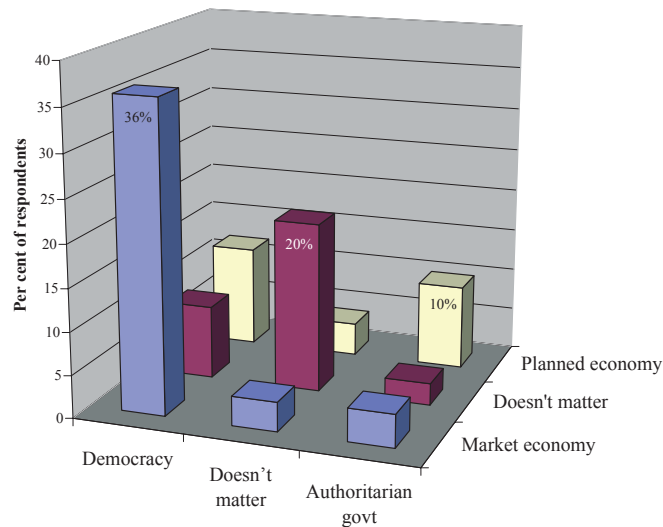
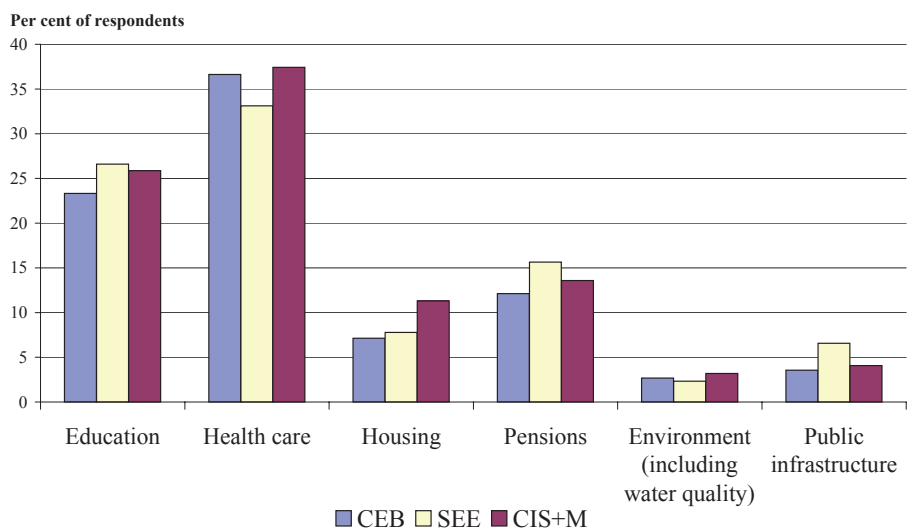


Chart 5
First priorities for extra (government) investment



with some differences within this sub-region) and much more variation in SEE and the CIS+M.

The results show that many people remain unconvinced by the virtues of markets and democracy. Around 10 per cent of respondents support a combination of a planned economy and authoritarian government, and 20 per cent of people believe that the form of political and economic system does not matter for them. A breakdown of the results by age and income group provides further insights. Typically it is the elderly and those in lower income groups, as well as the unemployed, who favour the planned economy and an authoritarian political system. One of the

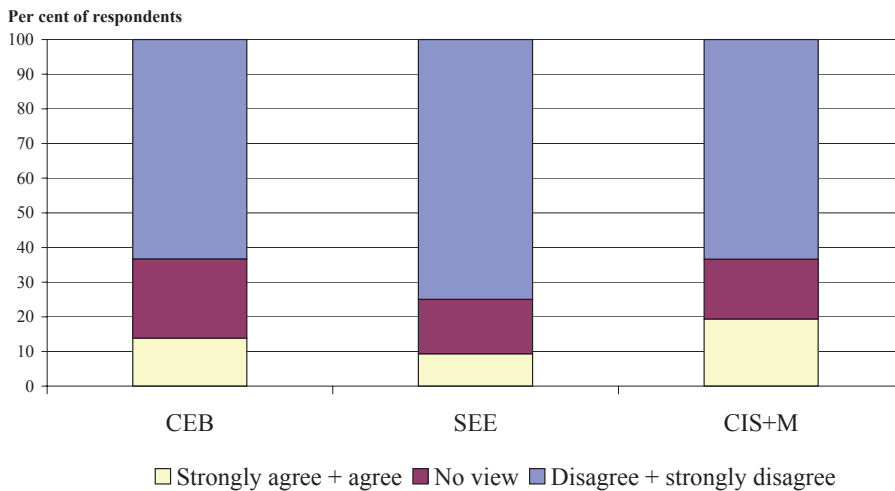
biggest challenges remaining in many countries is to convince these people that transition can work for them too.

Where does this leave the role of the state and where should government resources be targeted? The LiTS asks people what they feel is the top priority for extra government investment. Chart 5 shows that two sectors stand out as respondents' priority areas for investment – health care and education. Pensions are also seen as a priority by many people whereas housing, public infrastructure and the environment are generally viewed as less important areas for extra investment by the state. Perhaps not surprisingly, people aged 65 and over tend to give the highest priority

Chart 6

Perceptions of corruption

There is less corruption now than around 1989



corruption is the same or worse than it was before transition began. The percentages are broadly similar between CEB and the CIS+M while the perception of worsening corruption seems to be particularly strong in SEE, where 75 per cent of respondents believe that corruption is as bad as, or worse than, in 1989.

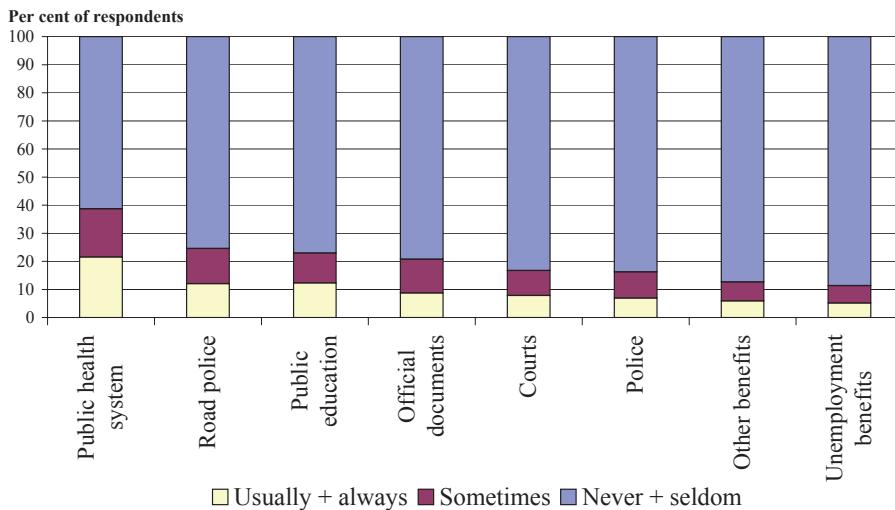
But where do people see corruption occurring most frequently? This is a sensitive issue, even when anonymity is guaranteed, since paying bribes or giving “gifts” to public officials is usually illegal. Accordingly, the survey attempts to circumvent this problem by asking respondents how often it is necessary for “people like you” to have to make irregular payments or gifts in order to receive public services.

Chart 7 presents the main results for eight different categories of public service. The public health system stands out as the area where these types of payments are most common: more than 20 per cent say that such payments are usually or always needed. Payments also seem to be quite common when dealing with the road police and in public education. The results for health and education help to explain why people see these areas as top priorities for further government investment since unofficial payments are presumably seen by workers in these sectors as compensation for low salaries and general under-investment.

Chart 7

Corruption in public services

Frequency of “irregular payments” to public institutions



to pensions whereas the 18–34 age group tends to prioritise education over other options. For many people, education and health care are two areas where public provision has deteriorated greatly during the transition without a compensating improvement in private provision of these services. The results also suggest that, in many countries, a policy of encouraging the private sector to fill the gaps in these areas is unlikely to have strong support.

Corruption and trust

Outside the region, there is a perception that corruption is widespread in many transition countries. Some of these countries score poorly in cross-country

corruption indexes, such as those produced annually by Transparency International, while the extent of problems for businesses from bribery and other unofficial payments has been demonstrated by the EBRD/World Bank Business Environment and Enterprise Performance Survey (BEEPS).¹¹ The LiTS gives further insights into how, and which types of, corruption affect the lives of ordinary people.

Chart 6 shows the extent to which people feel corruption has increased over the transition period. Only 15 per cent of respondents believe that there is less corruption now than in 1989 while 67 per cent of respondents indicate that

In line with the general increase in perceived corruption, the LiTS confirms the results of previous surveys by showing how trust in society has fallen during the transition. Respondents were asked whether most people could be trusted prior to 1989 and whether most people can be trusted now. The difference between the responses to these two questions is striking, as Chart 8 illustrates. While approximately two-thirds of respondents believe that people could generally be trusted before the beginning of transition, the proportion falls to less than one-third today. This is a general, region-wide phenomenon, with little difference among the three sub-regions.

While general trust seems to have declined, trust in institutions differs widely, as Chart 9 shows. In general, people in the region place a high degree of trust in the armed forces, the presidency and in banks and the financial system. However, there is strong distrust of the main

political institutions (the government, parliament and political parties), and courts are also widely distrusted.

The results on corruption and trust broken down by age and income are mixed and it is difficult to discern a consistent pattern. Young people are more likely than other age groups to report having to make “irregular payments” to the road police, for example, while higher income bands believe that people like them are more likely to have to pay to receive health care than those in other income bands. This is consistent with anecdotal evidence from hospitals in the region, which suggests that there is a schedule of unofficial payments for certain operations, with those who can afford to pay “charged” more than those who cannot. In some ways, therefore, a “market” for the provision of certain public services seems to have evolved.

1.4 Conclusions

After more than 15 years of transition, the region stands at a crossroads. This unique EBRD-World Bank survey of life in transition shows the variety of experiences that people have faced over this period. Some have done very well and are highly satisfied with their lives and optimistic for the future whereas others have been left behind and believe that things were better under the old regime. However, there is general agreement that problems such as corruption and the level of distrust in society are significantly worse than before.

Overall, the message coming through from the survey is a positive one. The balance is clearly in favour of the optimists over the pessimists when it comes to seeing a better future ahead. And there is robust support for both democracy and the market economy. Young people tend to support these trends the most, suggesting that, in most countries, the future of democracy and market forces, however imperfect, is assured.

It would be unwise to be too upbeat about the results, however. Major challenges lie ahead, even in some of the most advanced countries in the region. A strong urban/rural divide is still evident across much of the region, judging by some of the results on access to public services. Private sector services such as banking are more scarce in rural areas. And politicians face a particularly strong challenge in raising

Chart 8

Trust in society

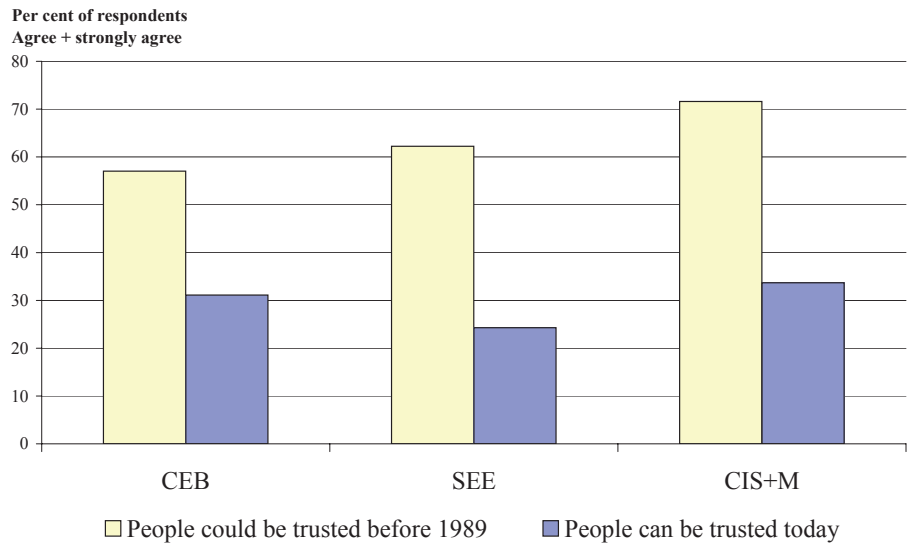
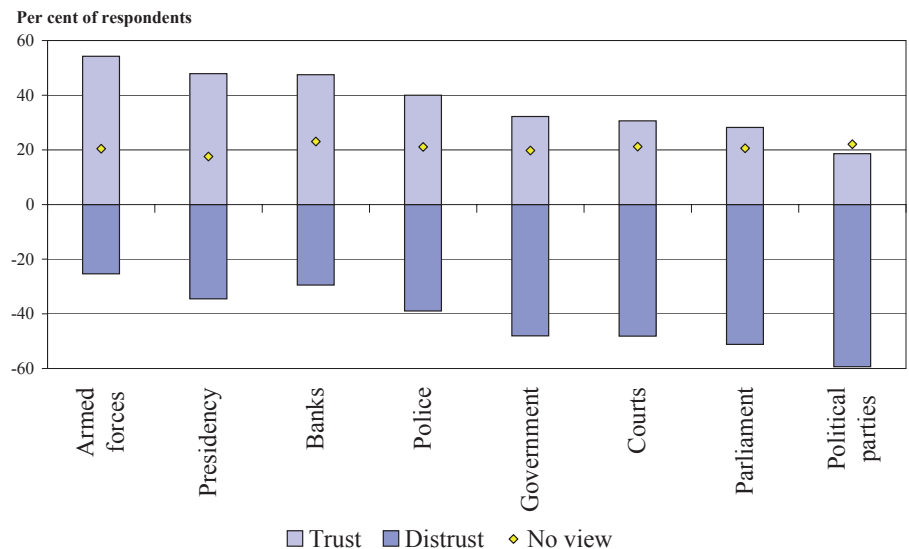


Chart 9

Trust in public institutions



the level of public trust in institutions, such as the government and parliament, and in fighting corruption.

The results of the survey can help policy-makers and institutions such as the EBRD and the World Bank to make informed choices over future strategies and programmes. For example, the survey highlights areas where the problems of poverty and unemployment are most acute and where access to public services is limited. The extent of distrust in public institutions can also justify strong intervention to improve the quality of institutions, including through donor support. More generally, extra effort may need to be put into explaining why the introduction of competition and private

sector involvement in, for example, the energy or transport sectors can lead to a better service for consumers and ultimately a more cost-effective way of supplying these services. The survey suggests that these lessons are not as well understood as they might be.

Finally, there are many areas where a deeper analysis of the data will yield further insights. For example, the data contain rich information about people’s life “histories” during the transition – the timing of key events such as job changes, unemployment, marriage and change of location. It will be of great interest to see how their current attitudes to transition have been shaped by these events.

Endnotes

- 1 The Human Development Index is reported in the United Nations Development Programme (UNDP) Human Development Report. For more information on the 2006 report, see <http://hdr.undp.org/hdr2006>.
- 2 See Sanfey and Teksoz (2005) for an analysis of life satisfaction in transition countries, based on the World Values Survey (WVS). The WVS is a large, multi-country survey, implemented periodically and covering a wide range of countries around the world.
- 3 The 29 countries include all post-communist transition countries in Europe and Central Asia, with the exception of Turkmenistan, plus Turkey.
- 4 Given the operational difficulties that the two institutions previously faced with implementing a major business environment survey in Turkmenistan, it was decided not to carry out the LITS in that country.
- 5 While every effort was made to have a consistent methodology across countries, this had to be adapted in some cases to take account of country-specific circumstances.
- 6 It is important to note that this technique can only partially alleviate the problem of over-representation of some parts of the population. Caution should therefore be exercised when extrapolating the survey results to the population as a whole.
- 7 The strong growth in financial markets across the region is analysed in EBRD (2006).
- 8 The lack of access to certain public services in rural areas will not necessarily have a negative effect on the quality of life. For example, rural dwellers will often use septic tanks rather than mains sewerage and even well-water rather than mains water, without having a detrimental effect on their lives. However, rural dwellers' lack of access to mains electricity or fixed-line telephones can significantly lower the quality of life in those areas.
- 9 See Sanfey and Teksoz (2005).
- 10 See, for example, Layard (2005).
- 11 Transparency International's Corruption Perceptions Index is available at www.transparency.org/policy_research/surveys_indices/global/cpi. For a detailed analysis of the latest BEEPS results, see EBRD (2005).

References

- European Bank for Reconstruction and Development (2005), *Transition Report 2005: Business in transition*.
- European Bank for Reconstruction and Development (2006), *Transition Report 2006: Finance in transition*.
- R. Layard (2005), *Happiness: Lessons from a new science*, Allen Lane, London.
- P. Sanfey and U. Teksoz (2005), "Does transition make you happy?", EBRD Working Paper No. 91.

Annex: Sampling methodology

This annex outlines the sampling methodology employed for the survey. This methodology was designed to make the sample nationally representative. In order to achieve this, a two-stage sampling procedure was used to select the households to be included in the sample.¹

First stage: establishing sample frame of Primary Sampling Units

In all countries, the most recent available sample frame of Primary Sampling Units (PSUs) was selected as the starting point. In the cases of Armenia, Azerbaijan, Kazakhstan, Serbia and Uzbekistan, Census Enumeration Areas (CEAs) were used. A similar methodology was employed in Croatia and Montenegro, in which adjoining CEAs were merged to construct a sample of a manageable number of merged enumeration areas. In Estonia, Hungary, Lithuania, Poland and the Slovak Republic, Eurostat's NUTS area classification system was used.²

In Albania, Bulgaria, the Czech Republic, Georgia, Moldova and Romania, the electoral registers were used as the basis for the PSU sample frame. In the other countries, the PSU sample frame was chosen using either local geographical or administrative and territorial classification systems. The total number of PSU sample frames per country varied from 182 in the case of Mongolia to over 48,000 in the case of Turkey. From among these, 50 PSUs were selected, with probability of selection proportional to size, where the measure of size was either the population or the number of households in the area.

Second stage: selection of households

The second stage in sampling consisted of selecting households within each of the PSUs. The selected PSUs were first sub-divided into smaller segments, of which four segments/areas were chosen. In each of the four chosen segments, five interviews were conducted to bring the total number of interviews per PSU to 20. For the purpose of selecting

households to be interviewed in each segment, a list of all eligible households within each sampling unit was developed. From this list, households to be interviewed were systematically selected with equal probability sampling.

Selection of respondents within households

Within the selected household, either one or two respondents were sampled. The first respondent – either the head of household or another household member with knowledge of the household expenses – was responsible for section 1 (household composition) and section 2 (housing and expenses). The remainder of the survey was conducted with a randomly selected household member, aged 18 and over. That is, once the household was selected for inclusion in the sample, there was a further stage of randomisation in order to determine the respondent to sections 3 to 7, without excluding the possibility that respondents 1 and 2 could be the same person. This final stage of randomisation was achieved through the last birthday method: every household member and their birthdays were listed in the household roster and the one who had last celebrated a birthday was selected as the respondent, with no replacements possible. In cases where this was not possible – particularly because the respondent to the first two sections of the survey could not remember everyone's birthday – another standard method, the kish grid, was used to achieve randomisation. In practice, the last birthday method was feasible in 92.6 per cent of cases.

The standard interview method called for each selected household to be visited at least three times before being replaced. In the majority of cases (79 per cent), however, the interviews were completed on the first visit. In 60 per cent of cases, the head of the household and the principal respondent were the same person; in the remaining 40 per cent, two different interviews were required to be carried out in the same household.

The profile of the principal respondents is depicted in Table 1. In the majority of countries, there is a preponderance of females and relatively older people in the sample. This may have resulted from the fact that household members who were away from home on a permanent basis, either for work or studies, were excluded from the sample.

In order to correct for this problem, a weighting scheme was introduced. In the first step, the weighting scheme identifies target populations in each country broken down by age and gender. In the second step, weights are assigned in order for the sample to reproduce the gender and age breakdown within the country's population. These weights are inversely proportional to the number of eligible persons in each household.

All the figures presented in this report are weighted using this scheme.

Endnotes

- 1 The second stage sampling, involving the selection of households, had in certain cases more than one stage. In strict terms, it could be said that the sampling process involved between two to four stages depending on the country circumstances.
- 2 The NUTS (Nomenclature of Territorial Units for Statistics) is a uniform and consistent system that divides the territories into five different hierarchical levels. Thus, NUTS 1 covers areas with a population of 3 to 7 million, NUTS 2 areas with a population of 800,000 to 3 million, and NUTS 3 areas with a population of 150,000 to 800,000. NUTS 3 is in turn sub-divided into local administrative units (LAUs), which are further divided into LAU 1 (formerly NUTS 4) and LAU 2 (formerly NUTS 5).

Table 1: Profile of respondents, percentages

	Gender		Age				Location		OECD equivalised per capita income		
	Male	Female	18-34	35-50	51-64	65+	Urban	Rural	US\$ 0 - 1,999	US\$ 2,000 - 3,999	US\$ 4,000+
Albania	44.2	55.8	30.2	34.4	23.9	11.5	60.0	40.0	49.0	37.6	13.4
Armenia	37.6	62.4	29.6	31.5	17.9	21.0	60.3	39.7	80.1	14.0	5.9
Azerbaijan	31.5	68.5	37.7	39.4	13.2	9.7	56.0	44.0	88.8	9.9	1.3
Belarus	44.0	56.0	31.9	32.5	16.9	18.7	68.0	32.0	55.9	33.3	10.8
Bosnia and Herzegovina	41.9	58.1	36.6	26.1	18.9	18.4	44.0	56.0	40.7	44.9	14.4
Bulgaria	43.4	56.6	20.8	22.4	28.6	28.2	72.0	28.0	62.3	29.7	8.0
Croatia	44.1	55.9	21.4	21.6	24.5	32.5	60.0	40.0	16.7	28.6	54.7
Czech Rep	44.0	56.0	26.5	26.1	25.8	21.6	64.0	36.0	10.0	43.3	46.7
Estonia	35.7	64.3	17.9	19.6	26.3	36.2	70.0	30.0	23.6	42.2	34.2
FYR Macedonia	53.3	46.7	31.3	32.7	24.9	11.1	54.0	46.0	52.9	37.4	9.7
Georgia	38.2	61.8	27.0	28.2	21.2	23.6	56.0	44.0	83.4	14.7	1.9
Hungary	39.3	60.7	21.1	20.4	29.9	28.6	70.0	30.0	30.8	44.7	24.5
Kazakhstan	40.9	59.1	35.4	29.9	19.7	14.9	58.0	42.0	65.1	28.1	6.8
Kyrgyz Rep	42.7	57.3	39.4	33.1	17.8	9.7	36.0	64.0	92.7	6.1	1.2
Latvia	38.9	61.1	22.0	22.5	23.9	31.6	68.0	32.0	35.6	33.5	30.9
Lithuania	33.5	66.5	19.7	20.9	21.2	38.2	66.0	34.0	42.2	34.9	22.9
Moldova	45.1	54.9	21.2	30.0	26.9	21.9	40.0	60.0	82.9	13.6	3.5
Mongolia	45.2	54.8	38.4	36.8	17.7	7.1	58.0	42.0	88.5	10.0	1.5
Montenegro	49.9	50.1	41.2	27.3	19.2	12.3	62.0	38.0	14.8	42.6	42.6
Poland	37.1	62.9	26.8	25.2	26.9	21.1	60.0	40.0	24.2	45.0	30.8
Romania	47.3	52.8	24.3	25.5	24.4	26.0	56.1	43.9	58.1	29.0	12.9
Russia	32.1	67.9	31.3	28.4	20.3	20.0	68.0	32.0	42.5	33.4	24.1
Serbia	43.1	56.9	30.7	24.0	24.2	21.1	56.0	44.0	42.2	39.9	17.9
Slovak Rep	41.5	58.5	25.0	26.7	25.8	22.6	54.0	46.0	23.4	50.0	26.7
Slovenia	43.6	56.4	28.1	23.9	23.6	24.5	52.0	48.0	4.5	22.8	72.7
Tajikistan	40.2	59.8	43.2	36.8	12.9	7.1	24.0	76.0	97.7	2.1	0.2
Turkey	47.7	52.3	38.2	30.4	20.2	11.2	66.0	34.0	47.6	36.2	16.2
Ukraine	38.7	61.3	33.8	26.0	17.6	22.6	68.0	32.0	54.9	30.1	15.0
Uzbekistan	39.3	60.7	41.2	35.3	14.6	8.9	36.0	64.0	98.0	1.9	0.1

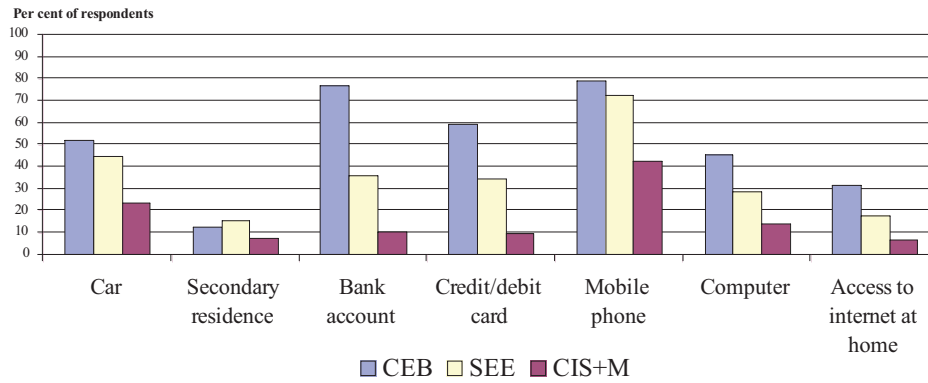


Regional summaries

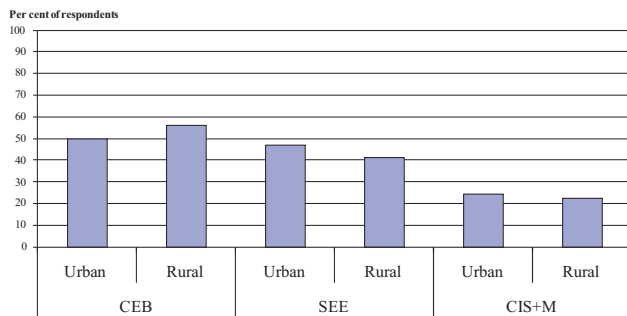
The following charts present the survey findings on a regional basis, allowing comparison between three sub-regions: central eastern Europe and the Baltic states (CEB); south-eastern Europe (SEE); and the Commonwealth of Independent States and Mongolia (CIS+M). The results of the survey are divided into four broad topics: material well-being (household ownership of consumer goods and access to public services); views on transition; values and priorities; corruption and trust. The charts also draw comparisons between urban/rural location, income and age groups.

Material well-being

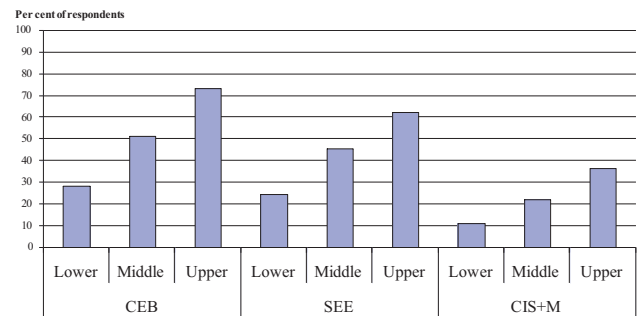
Household ownership of consumer goods



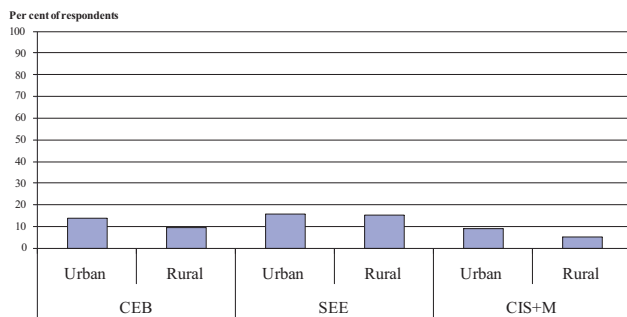
Car, by locality



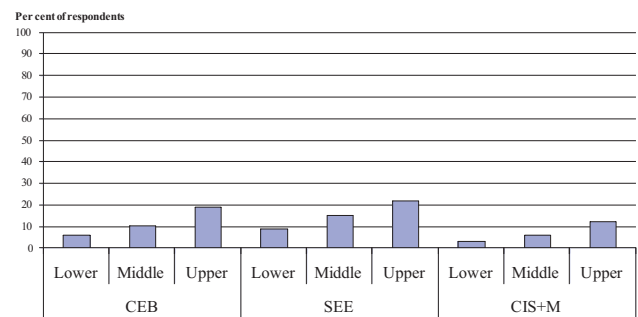
Car, by income



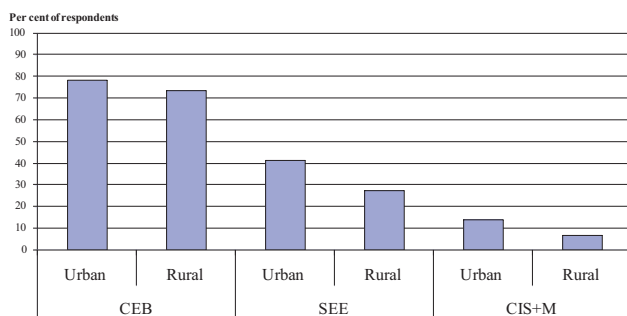
Secondary residence, by locality



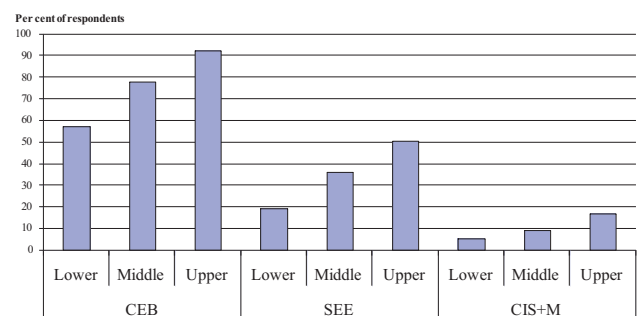
Secondary residence, by income



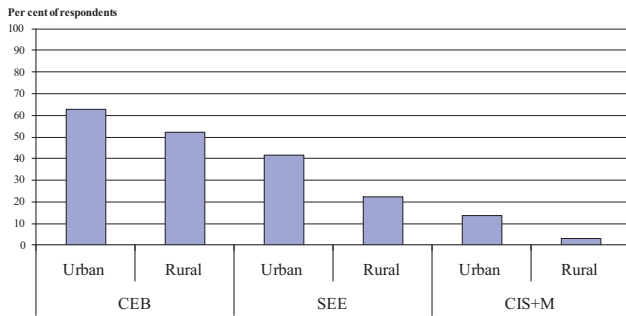
Bank account, by locality



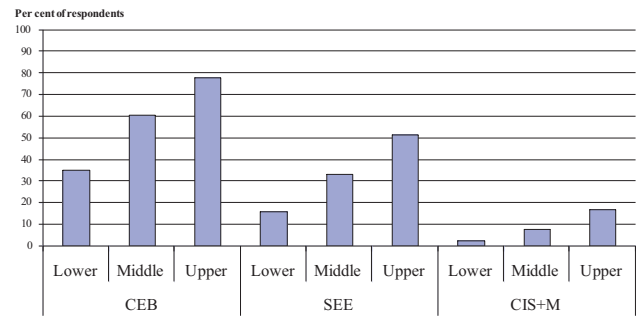
Bank account, by income



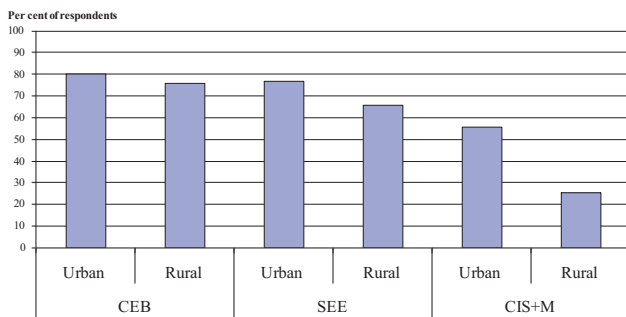
Credit/debit card, by locality



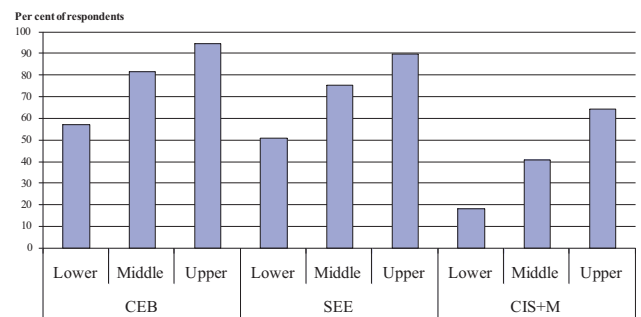
Credit/debit card, by income



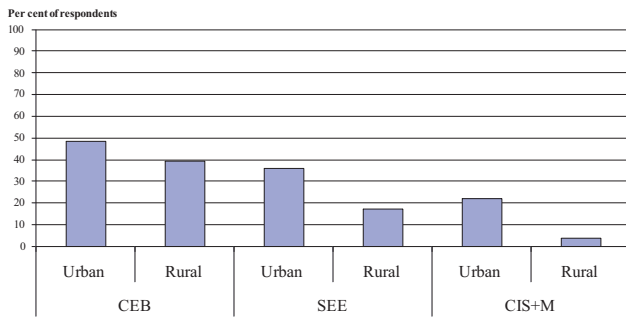
Mobile phone, by locality



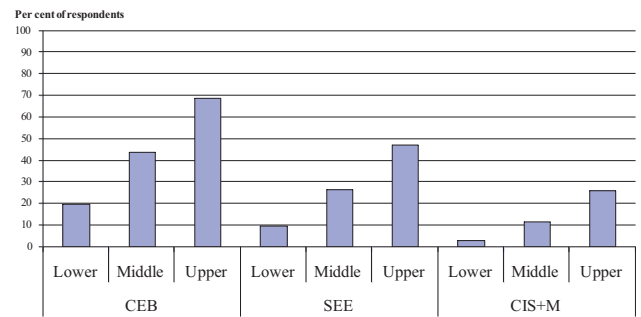
Mobile phone, by income



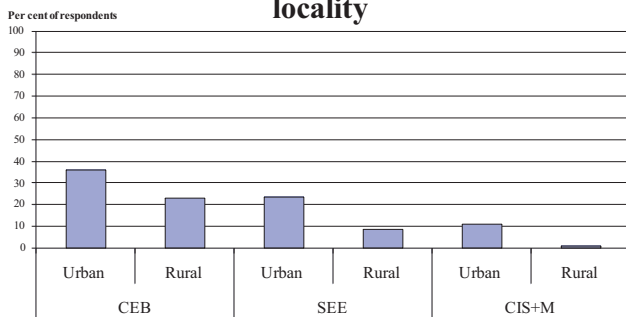
Computer, by locality



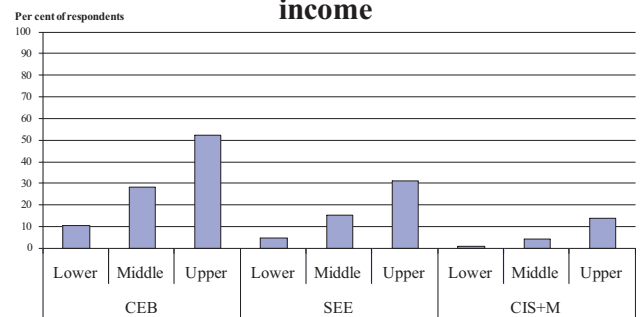
Computer, by income



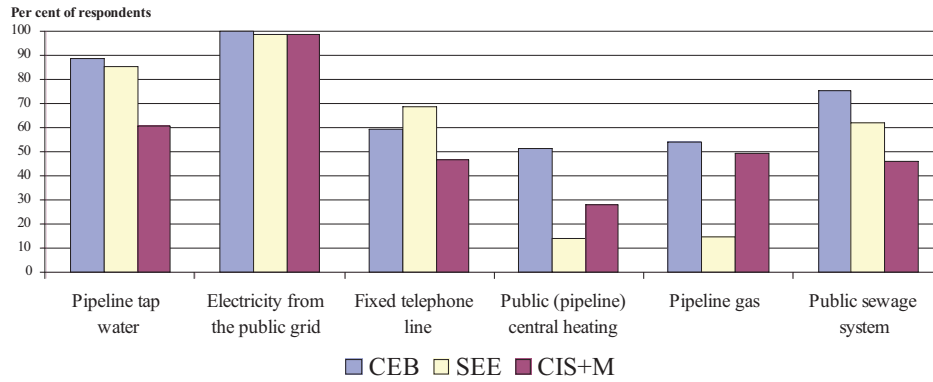
Access to internet at home, by locality



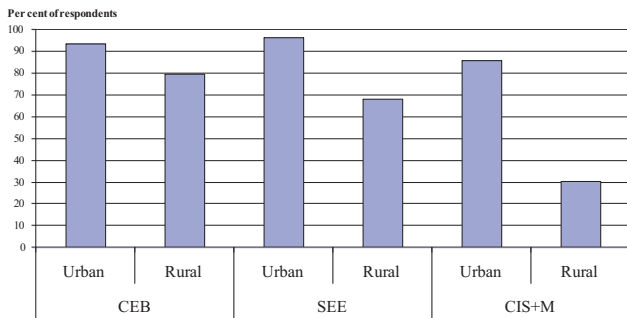
Access to internet at home, by income



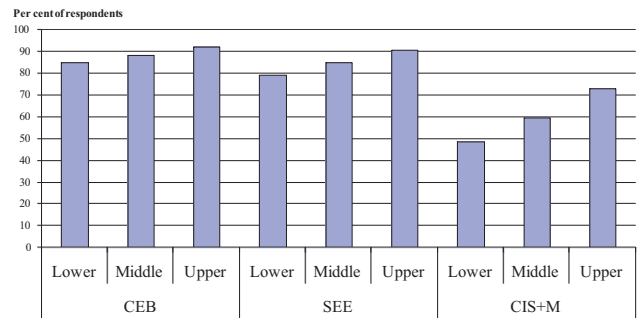
Household access to public services



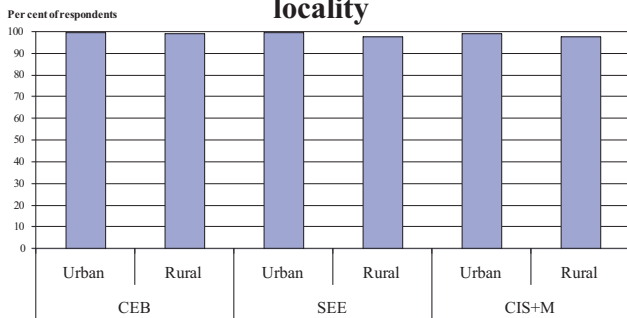
Pipeline tap water, by locality



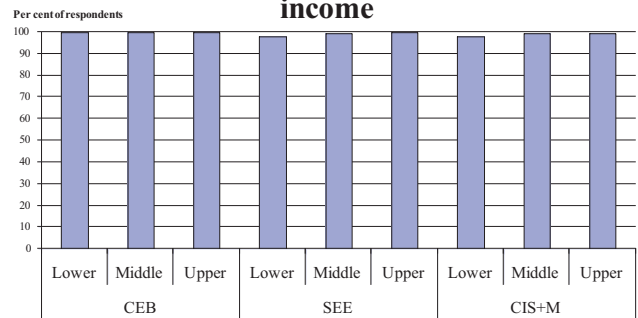
Pipeline tap water, by income



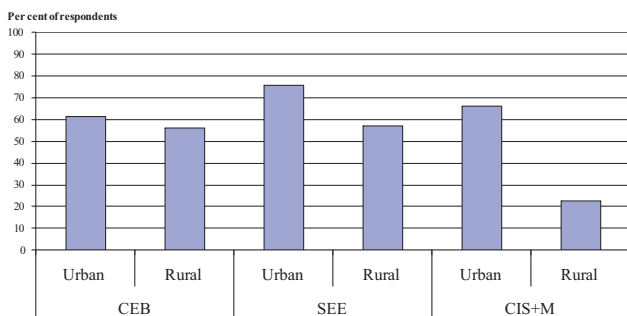
Electricity from the public grid, by locality



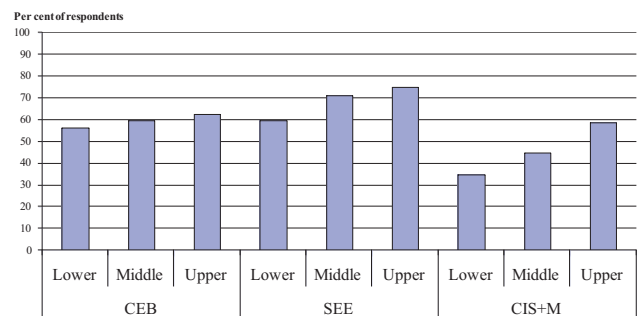
Electricity from the public grid, by income



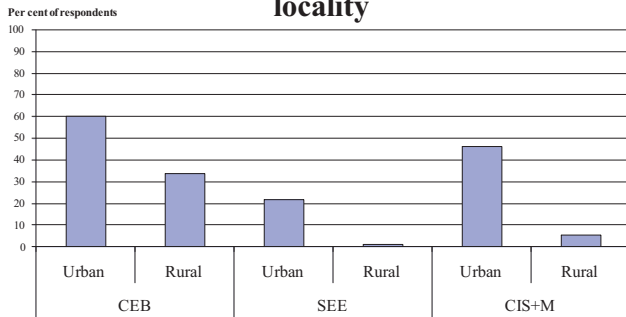
Fixed telephone line, by locality



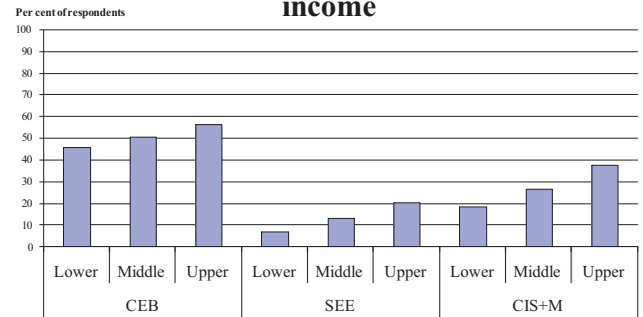
Fixed telephone line, by income



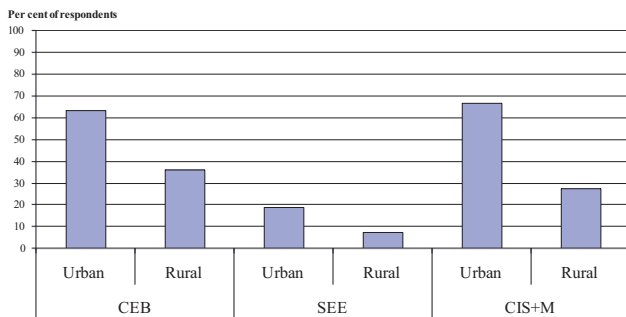
Public (pipeline) central heating, by locality



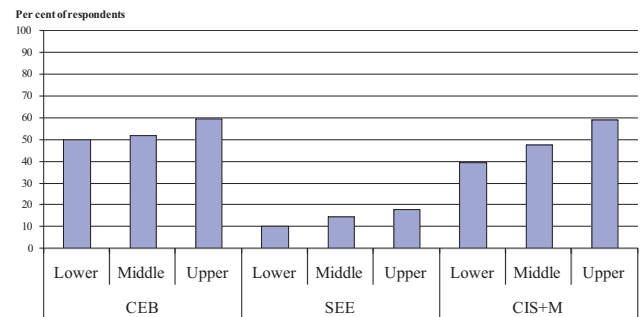
Public (pipeline) central heating, by income



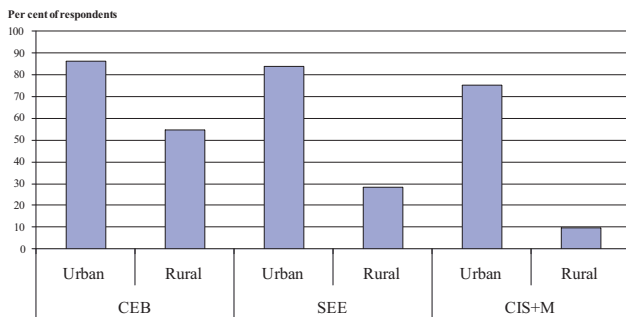
Pipeline gas, by locality



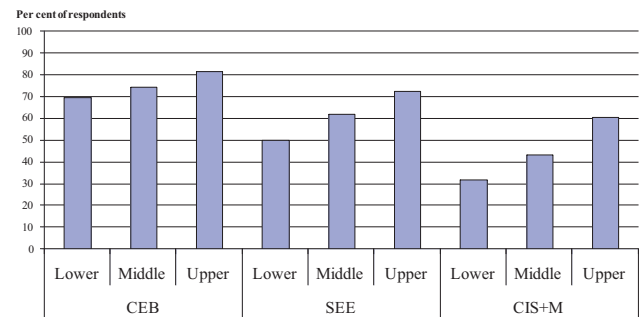
Pipeline gas, by income



Public sewage system, by locality

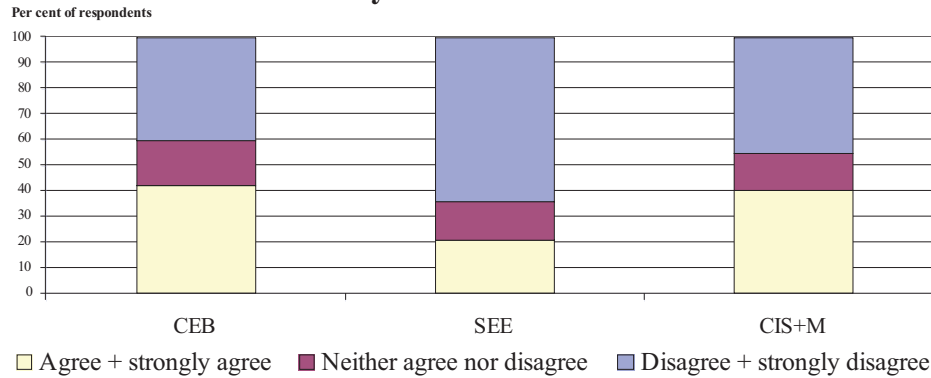


Public sewage system, by income

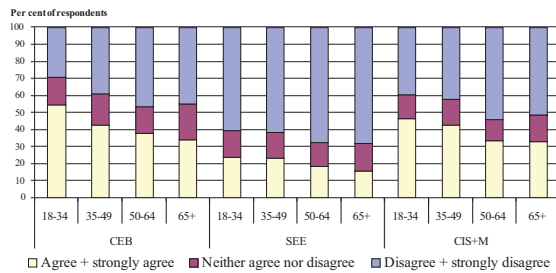


Views on transition

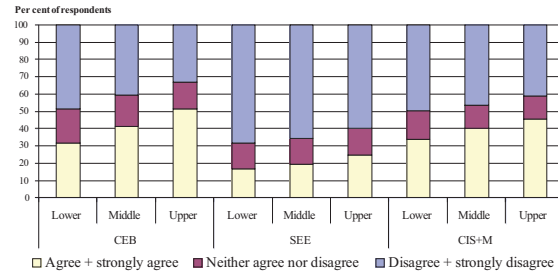
The economic situation in this country is better today than around 1989



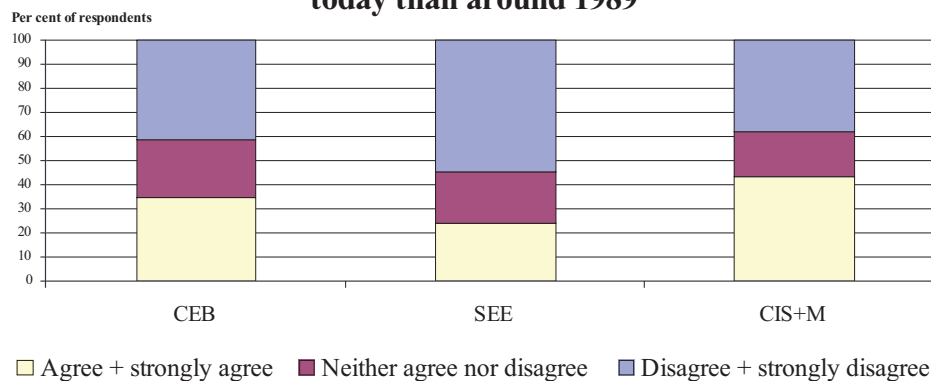
The economic situation in this country is better today than around 1989, by age



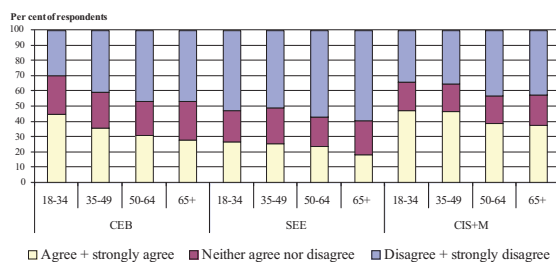
The economic situation in this country is better today than around 1989, by income



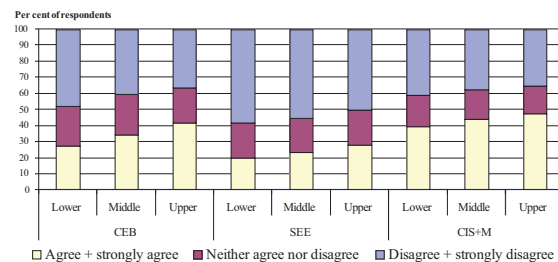
The political situation in this country is better today than around 1989



The political situation in this country is better today than around 1989, by age

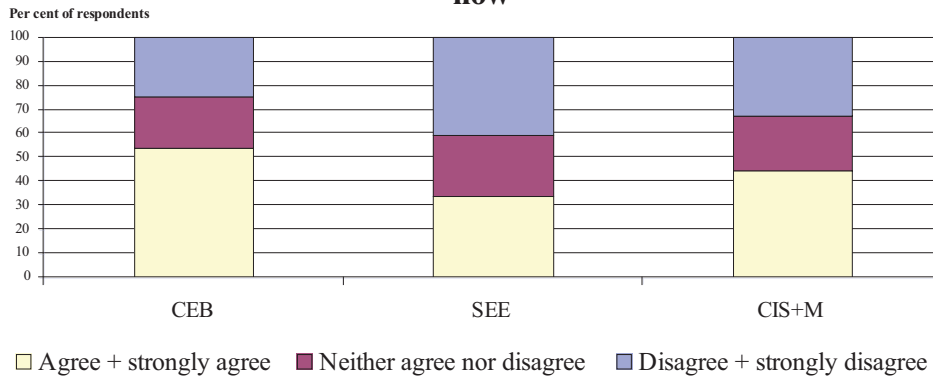


The political situation in this country is better today than around 1989, by income

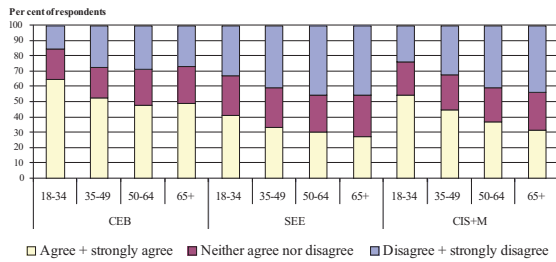


All things considered, I am satisfied with my life

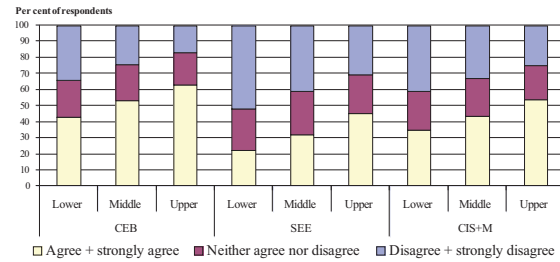
now



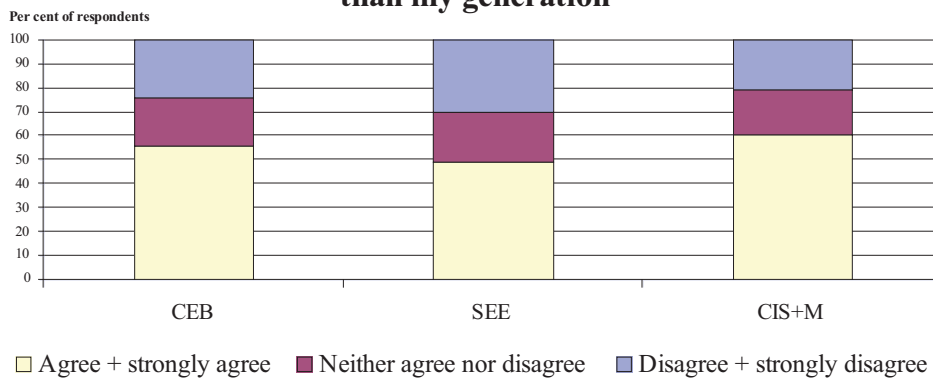
All things considered, I am satisfied with my life now, by age



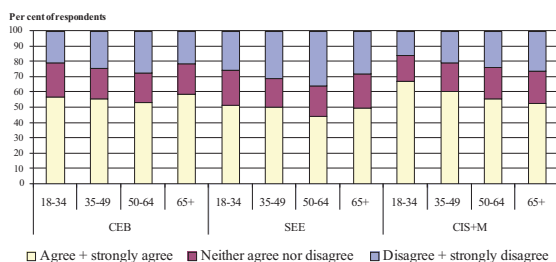
All things considered, I am satisfied with my life now, by income



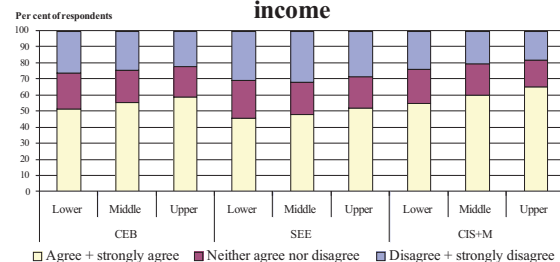
Children who are born now will have a better life than my generation



Children born now will have a better life than my generation, by age

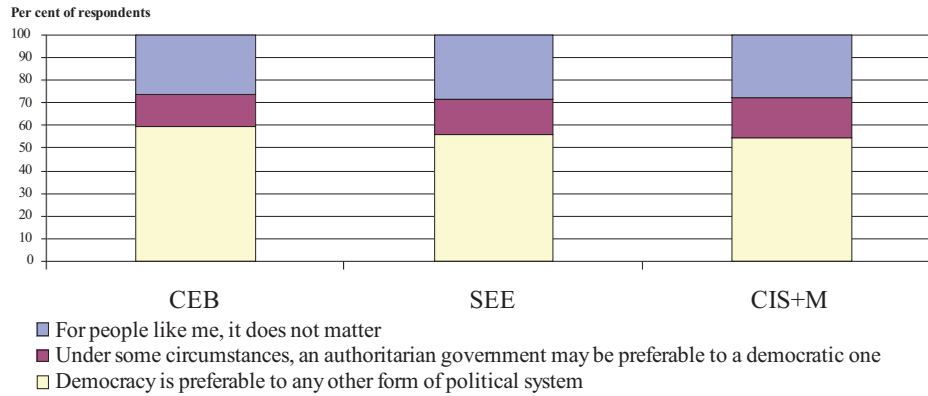


Children who are born now will have a better life than my generation, by income

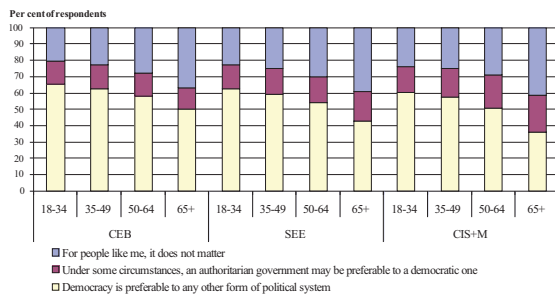


Values and priorities

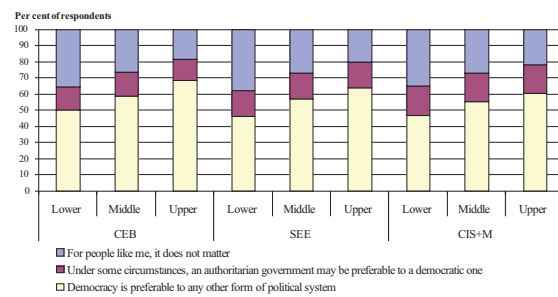
Attitudes to democracy



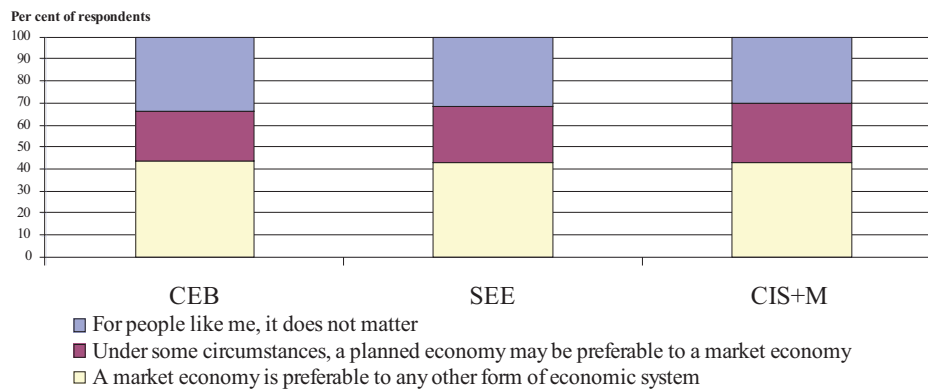
Attitudes to democracy, by age



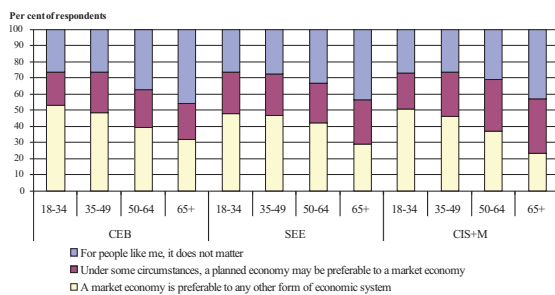
Attitudes to democracy, by income



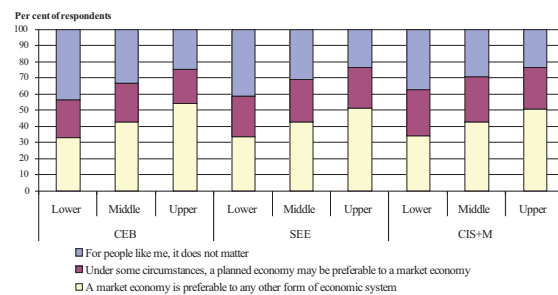
Attitudes to the market



Attitudes to the market, by age

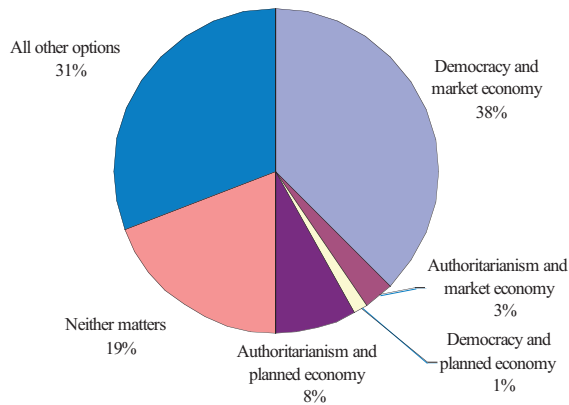


Attitudes to the market, by income

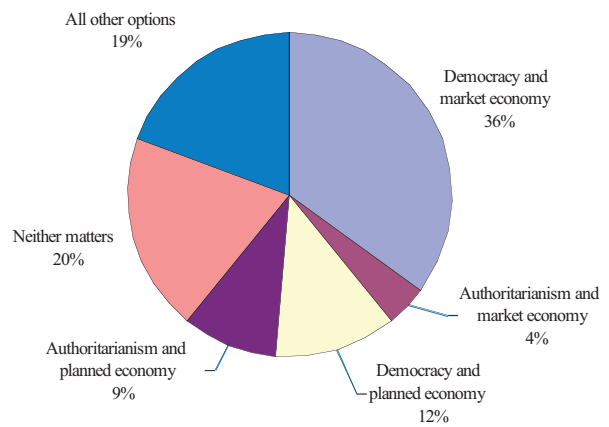


Preferences for political and economic systems

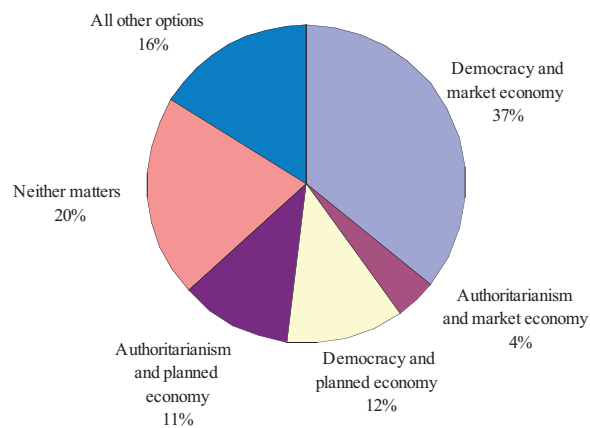
CEB



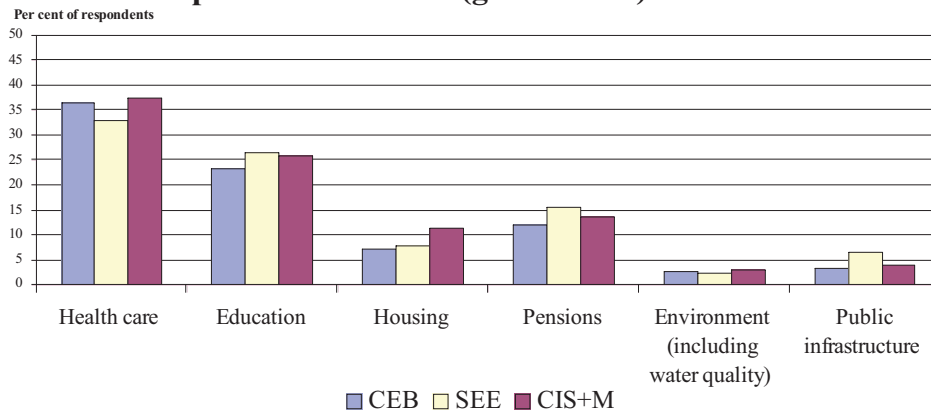
SEE



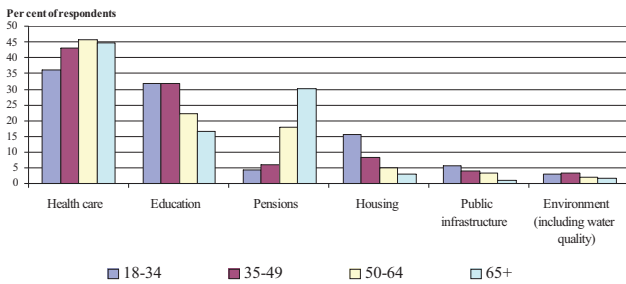
CIS+M



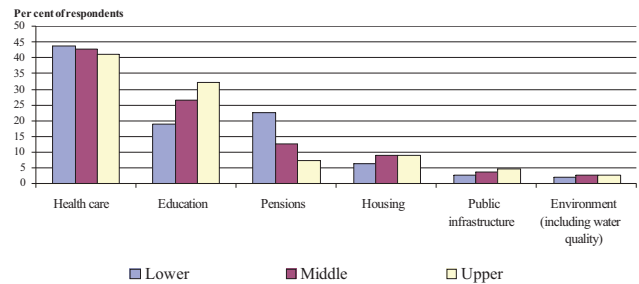
First priorities for extra (government) investment



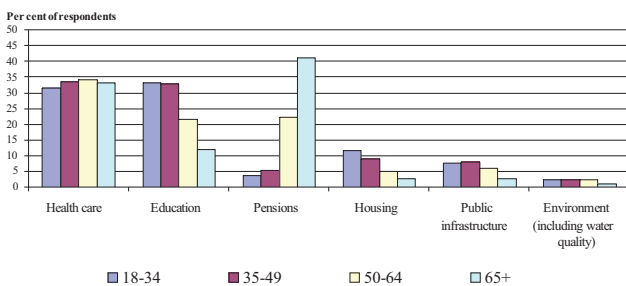
CEB: First priorities for extra (government) investment, by age



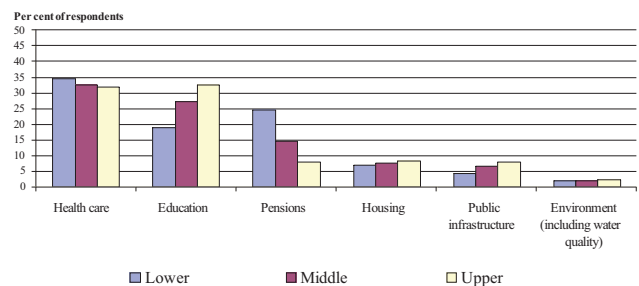
CEB: First priorities for extra (government) investment, by income



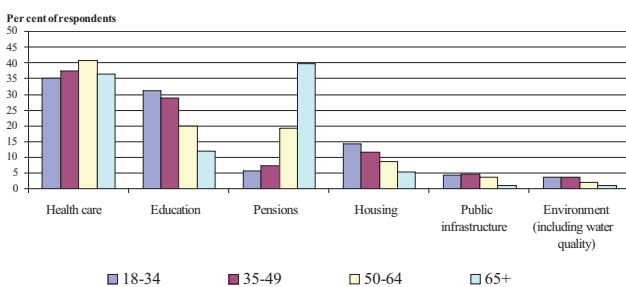
SEE: First priorities for extra (government) investment, by age



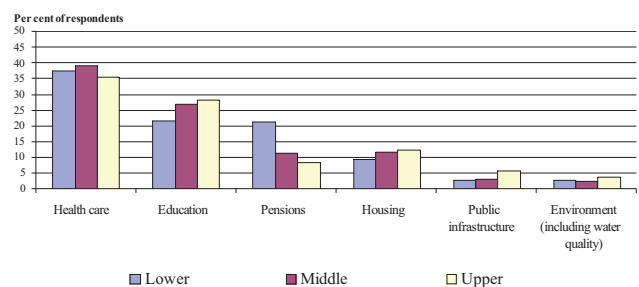
SEE: First priorities for extra (government) investment, by income



CIS+M: First priorities for extra (government) investment, by age

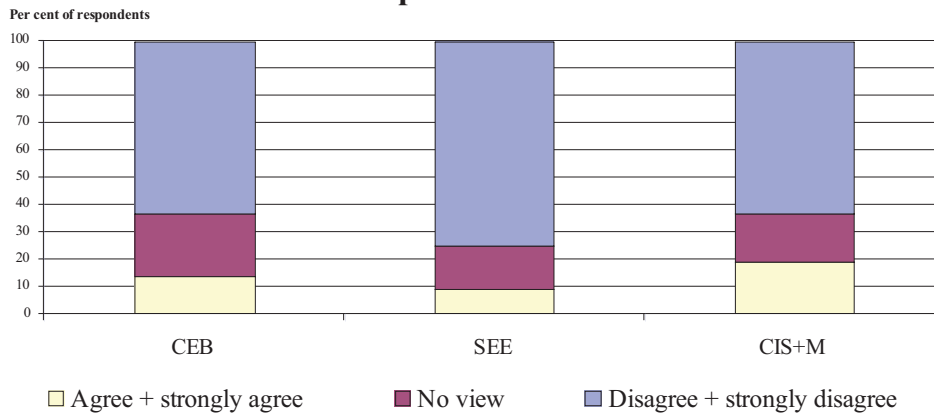


CIS+M: First priorities for extra (government) investment, by income

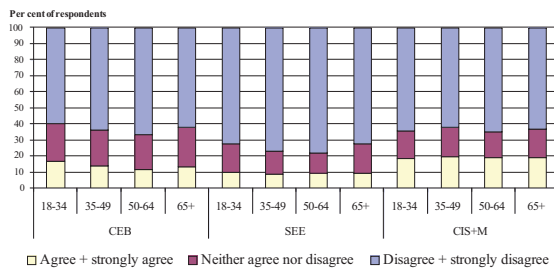


Corruption and trust

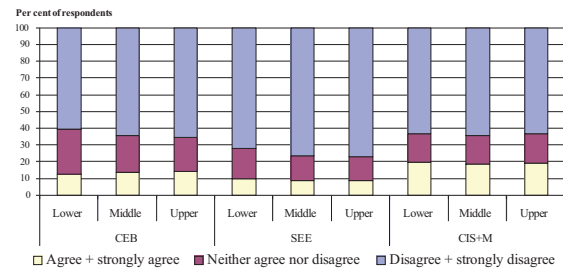
There is less corruption now than around 1989



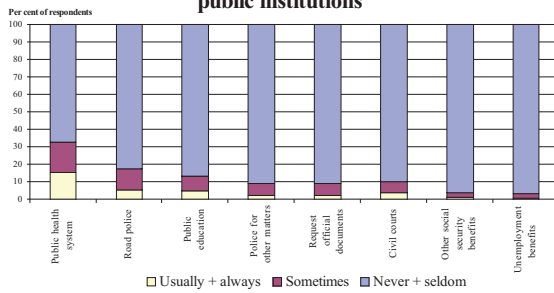
There is less corruption now than around 1989, by age



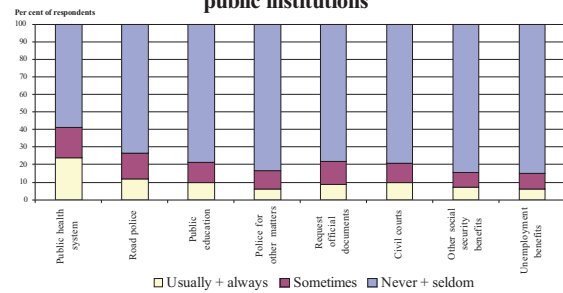
There is less corruption now than around 1989, by income



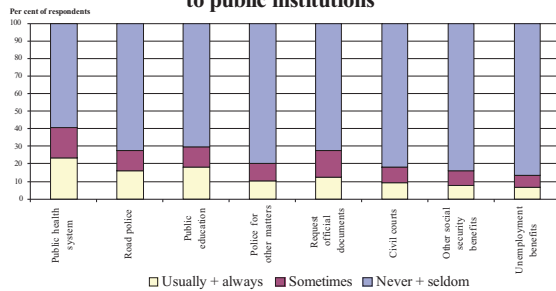
CEB: Frequency of "irregular payments" to public institutions



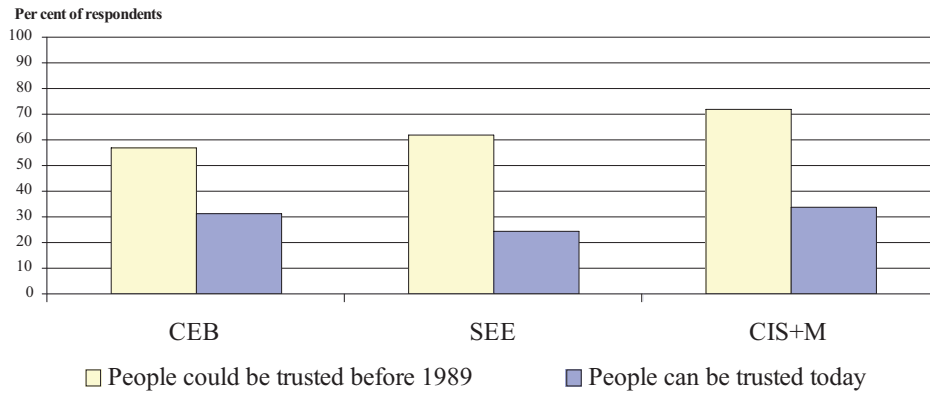
SEE: Frequency of "irregular payments" to public institutions



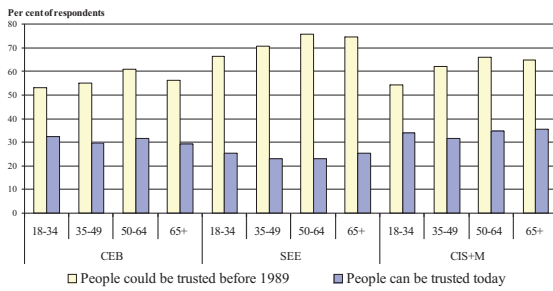
CIS+M: Frequency of "irregular payments" to public institutions



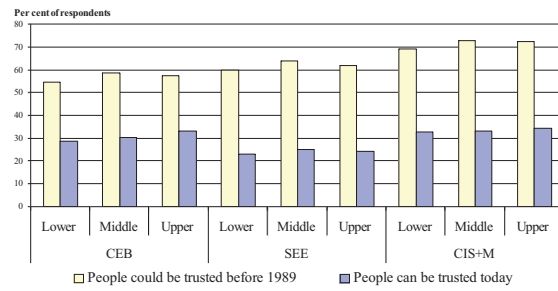
Trust in society



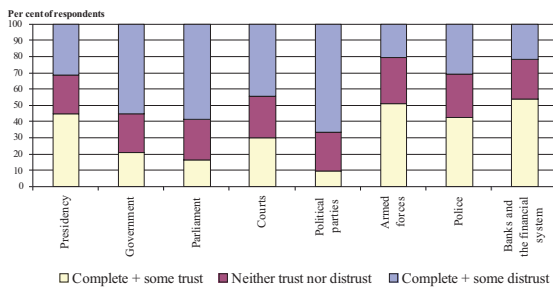
Trust in society, by age



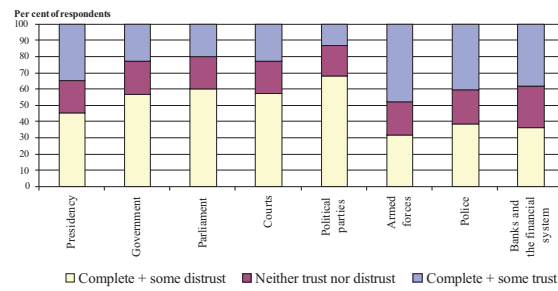
Trust in society, by income



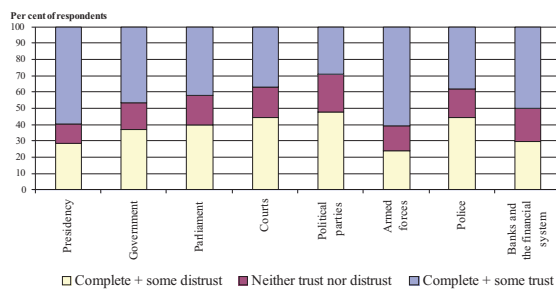
CEB: Trust in public institutions



SEE: Trust in public institutions



CIS+M: Trust in public institutions



Country summaries

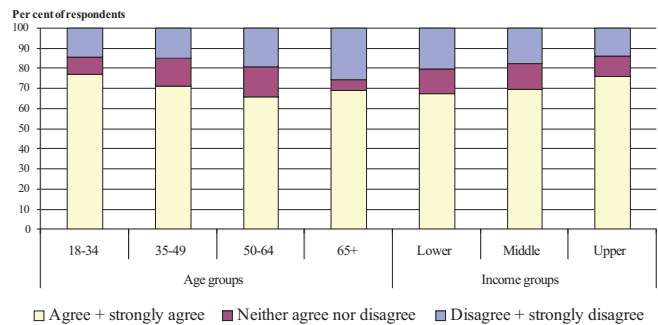
The following country-by-country summaries present some of the main results from the survey. For each country, the results on material well-being are broken down by urban/rural location and income while views on transition, values and priorities, and corruption and trust are mostly shown by age and income groups.

Albania

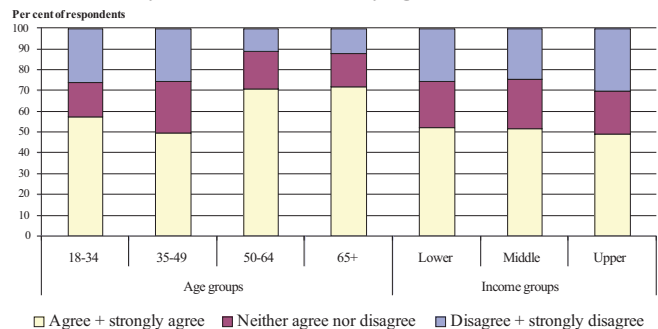
- Ownership of consumer goods (apart from mobile phones) is limited, especially in rural areas, where less than 10 per cent of households have a bank account or credit/debit card.
- Most people surveyed believe that the economic and political situation today is better than it was before the start of transition, with only minor variation by age and income.
- Less than 30 per cent are dissatisfied with their lives, and the vast majority believe that children will have a better life than today's adult population.
- Both democracy and the market economy attract strong support while elderly people put a high priority on extra government spending on pensions.
- Corruption is perceived to be worse than it was in 1989 and "irregular payments" to public officials are most common in the public health system. There is a strong degree of trust in the armed forces, the police and the financial system.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

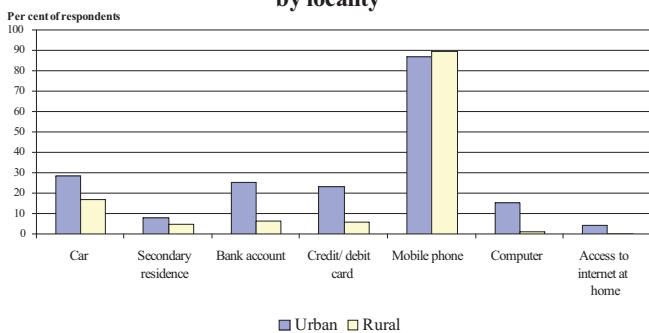


The political situation in this country is better today than around 1989, by age and income

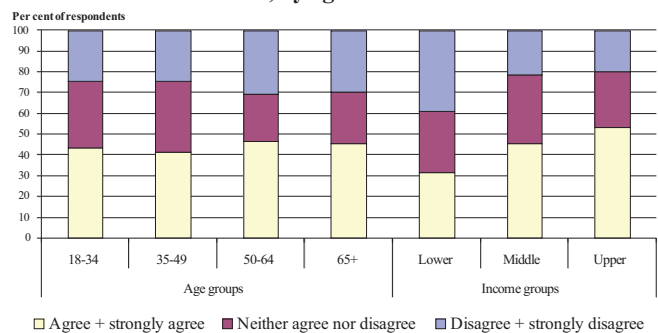


Material well-being

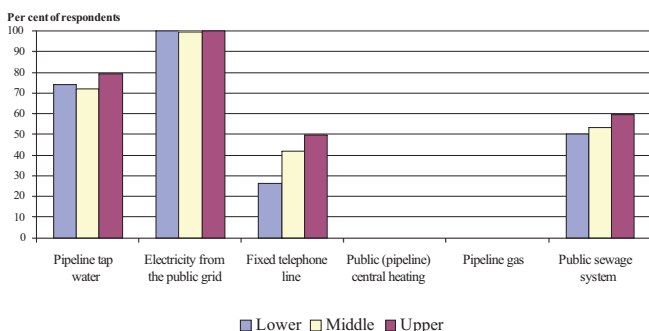
Household ownership of consumer goods, by locality



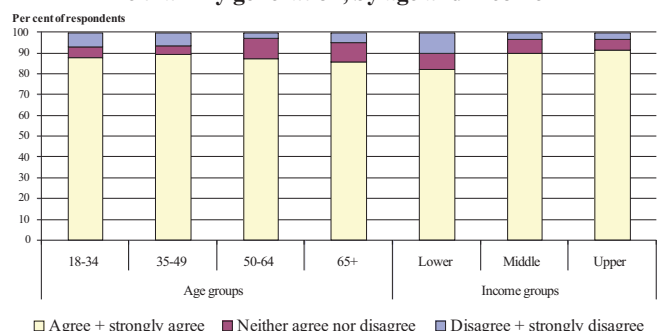
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

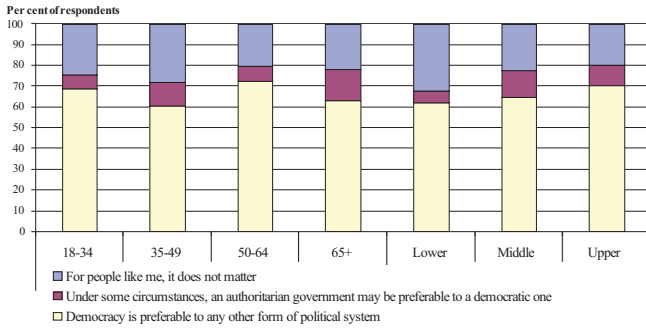


Children who are born now will have a better life than my generation, by age and income

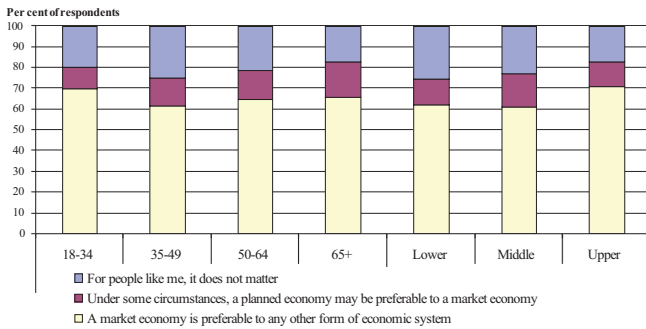


Values and priorities

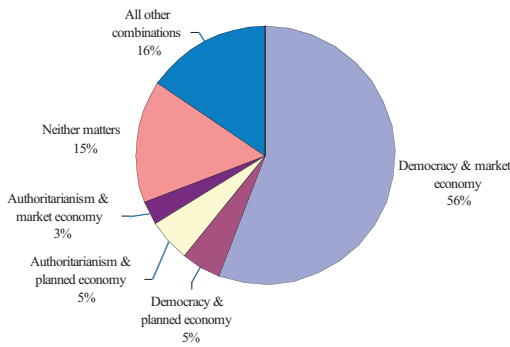
Attitudes to democracy, by age and income



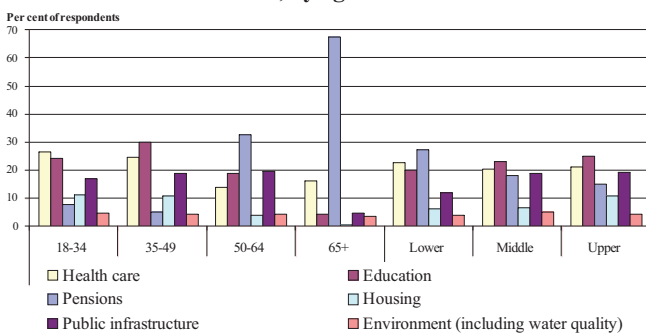
Attitudes to the market, by age and income



Preferences for political and economic systems

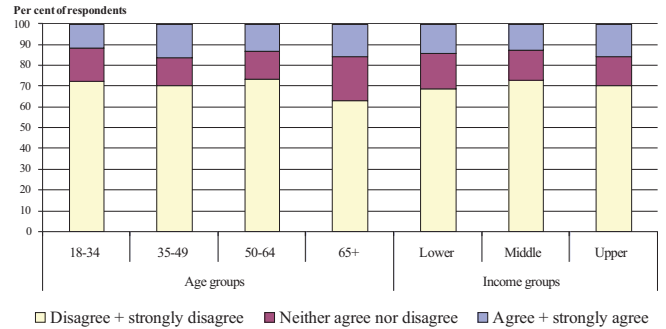


First priorities for extra (government) investment, by age and income

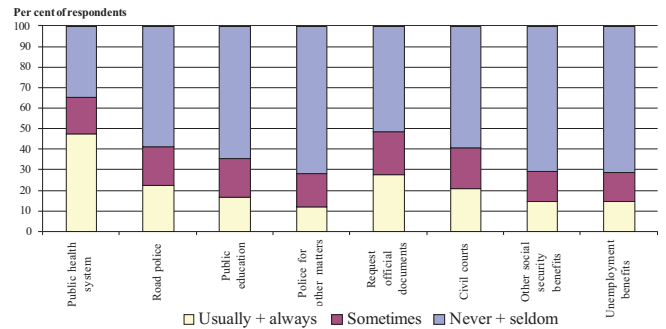


Corruption and trust

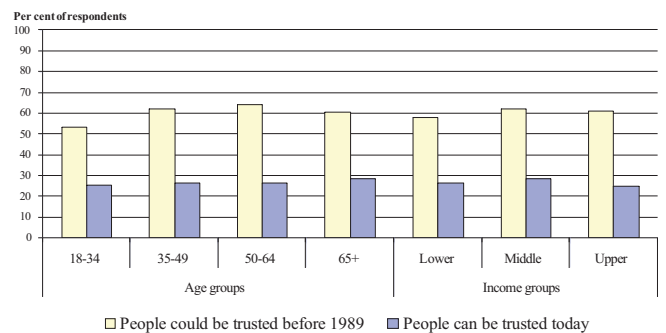
There is less corruption now than around 1989, by age and income



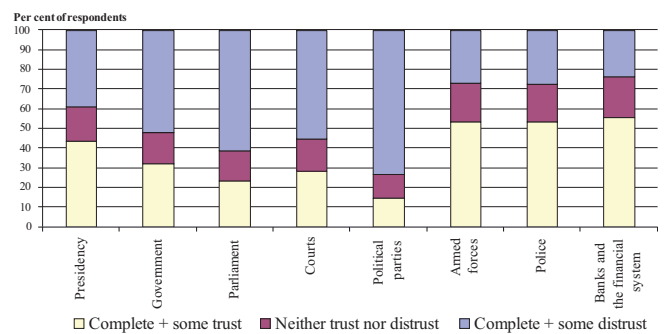
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

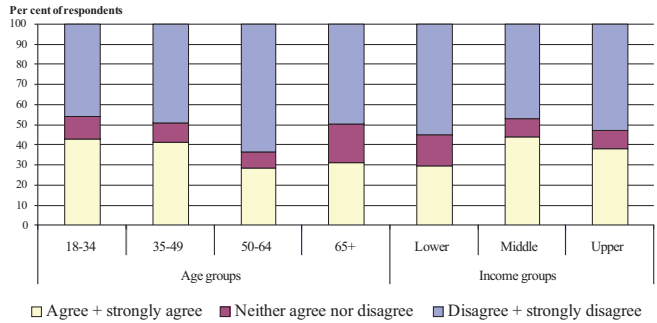


Armenia

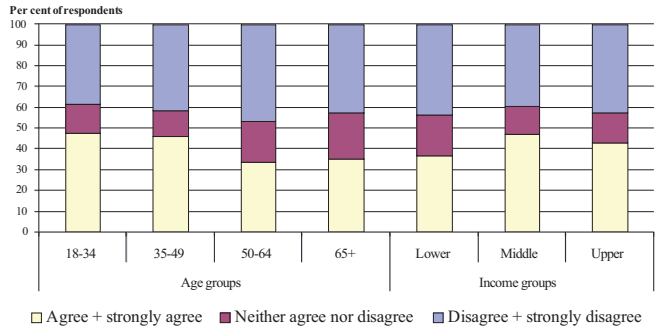
- Ownership of consumer goods is low by CIS+M standards. Inequality between rural and urban areas is also lower than in most transition countries.
- Satisfaction with life is relatively low, and the old and poor tend to be most dissatisfied. Only one in five of the over-50s and one in six of the poorest third of the population are satisfied with their lives now.
- People surveyed are more optimistic about their children’s future but the young and better-off are not significantly more optimistic than older people and the poor.
- Support for democracy and a market economy is weak, with just one in four favouring a combination of the two. Young respondents are not particularly supportive of democracy although they tend to be more pro-market than the old.
- Trust has declined sharply since 1989. The armed forces is the only public institution that enjoys broad trust.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

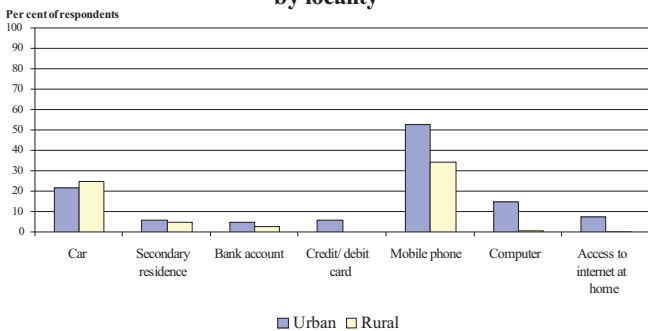


The political situation in this country is better today than around 1989, by age and income

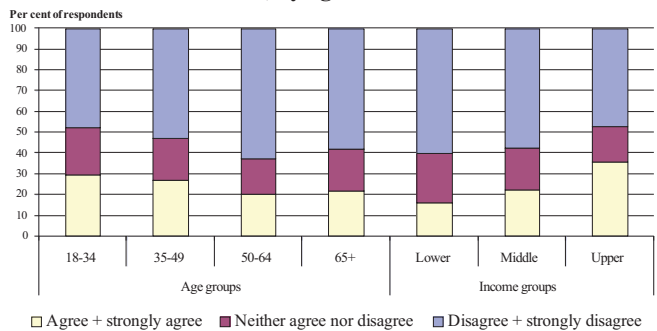


Material well-being

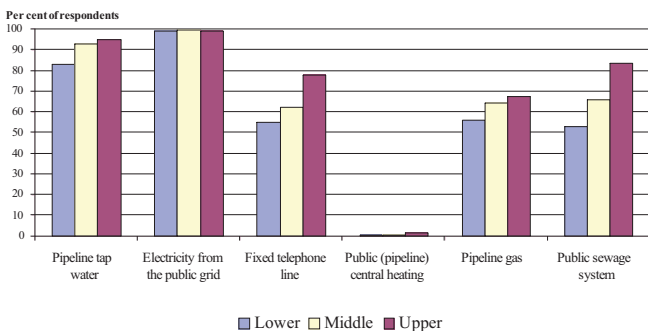
Household ownership of consumer goods, by locality



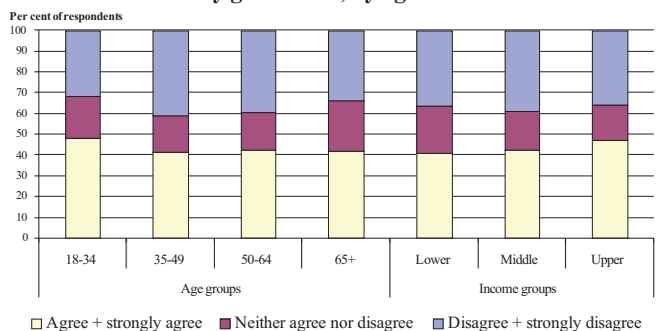
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

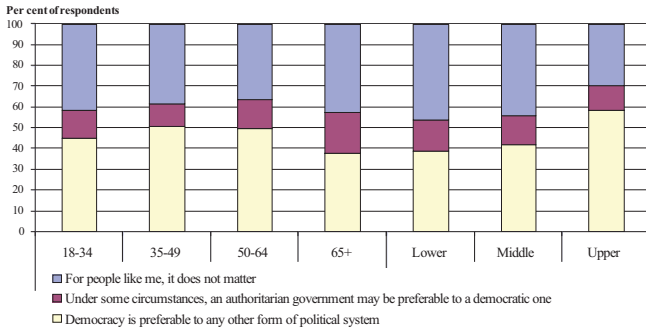


Children who are born now will have a better life than my generation, by age and income

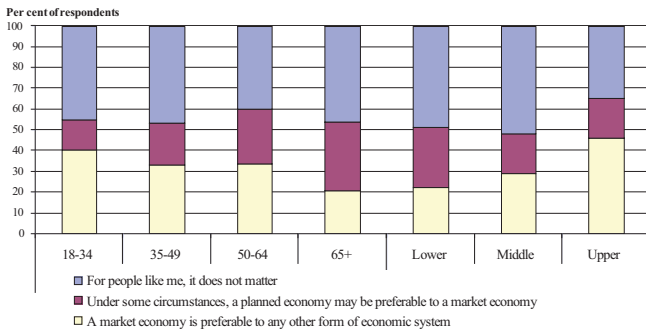


Values and priorities

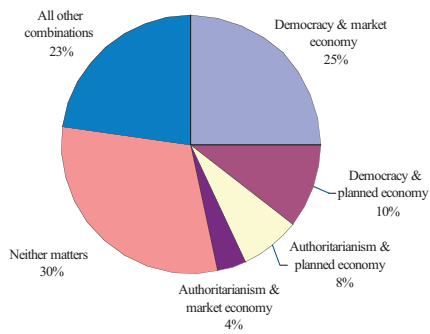
Attitudes to democracy, by age and income



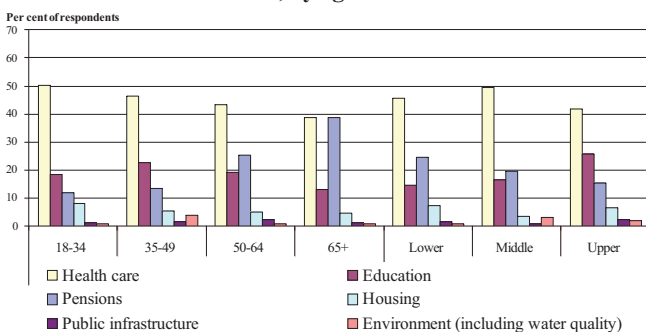
Attitudes to the market, by age and income



Preferences for political and economic systems

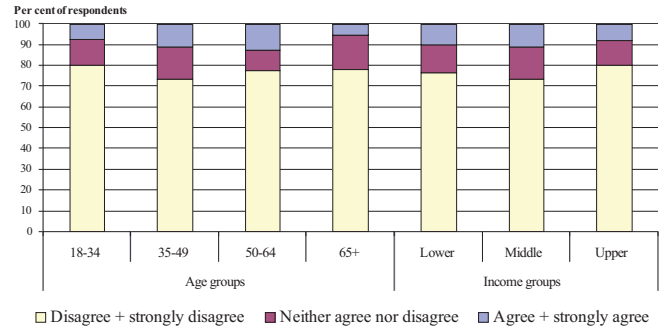


First priorities for extra (government) investment, by age and income

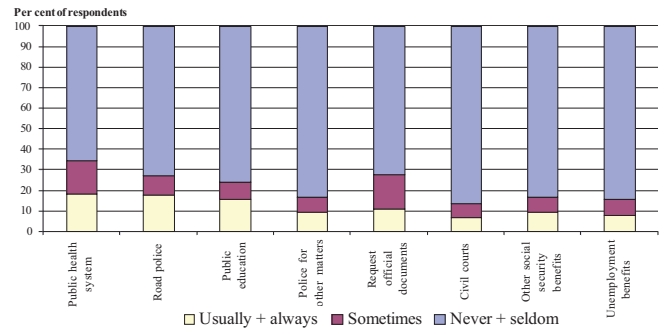


Corruption and trust

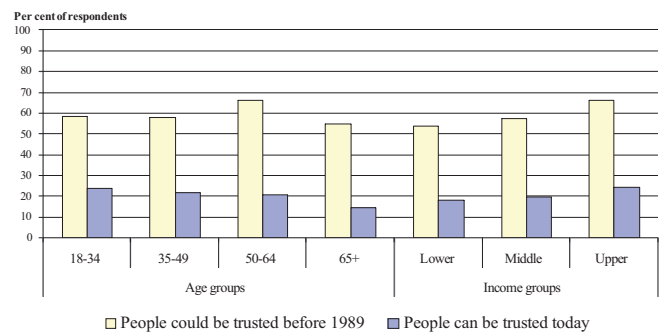
There is less corruption now than around 1989, by age and income



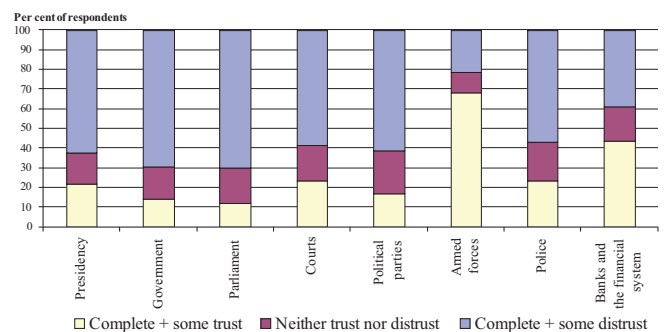
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

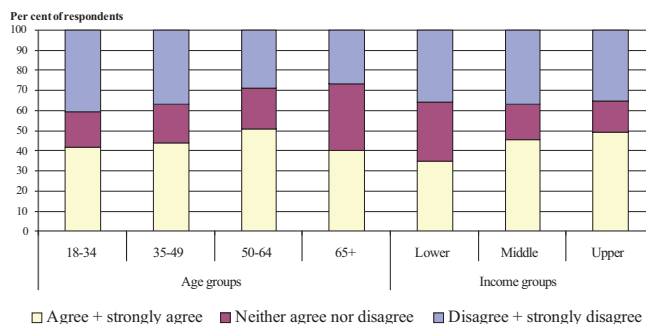


Azerbaijan

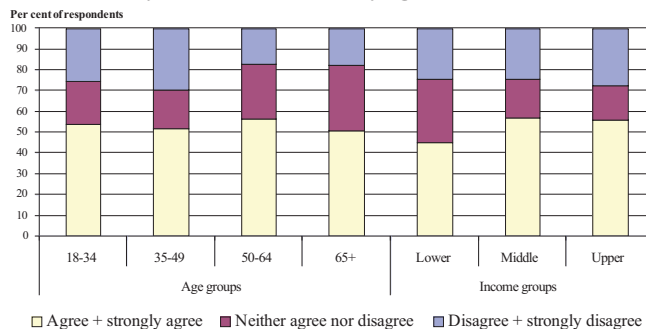
- Ownership of consumer goods is low by CIS+M standards. Fewer than one in five households owns a car and there is virtually no access to personal financial services.
- Satisfaction with the economic and political situation is relatively strong, particularly among the 50-64 age group, who are also the most satisfied with their lives today.
- Optimism about the future is relatively high, with more than half of the young and middle-aged optimistic about their children’s future.
- Support for democracy and a market economy is high, with the middle-aged the most supportive. However, alienation from the political and economic system is also evident, with four out of ten believing that the type of political/economic system does not matter.
- Trust in the presidency and armed forces is among the highest in the region, and political parties attract a relatively high level of trust by CIS+M standards.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

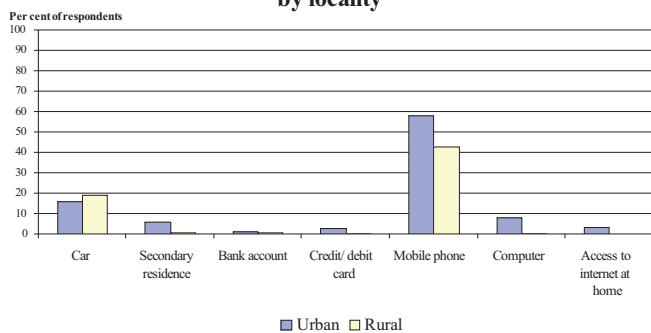


The political situation in this country is better today than around 1989, by age and income

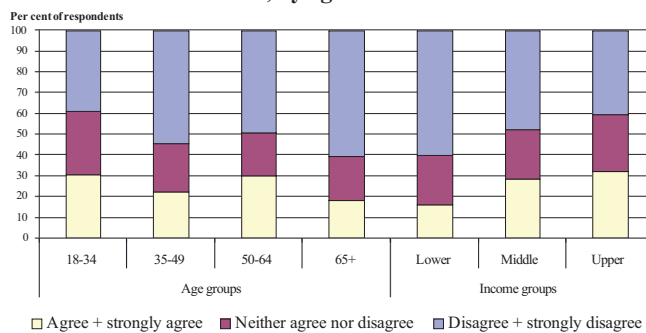


Material well-being

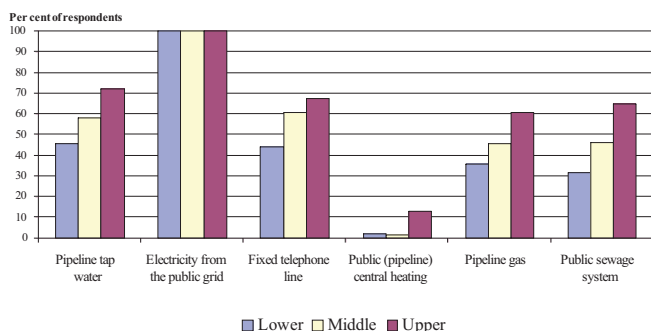
Household ownership of consumer goods, by locality



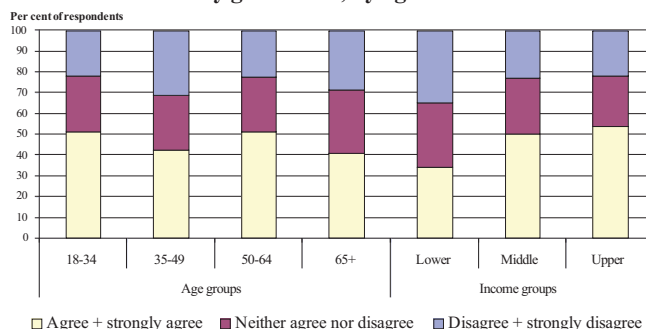
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

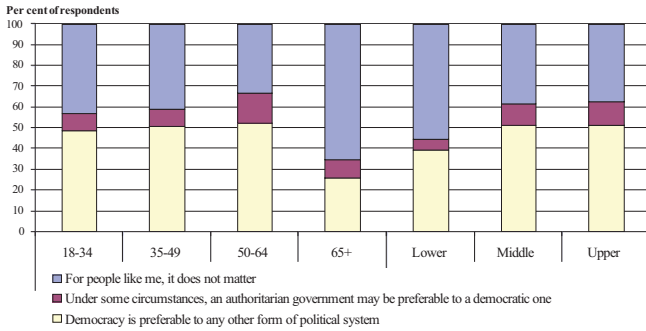


Children who are born now will have a better life than my generation, by age and income

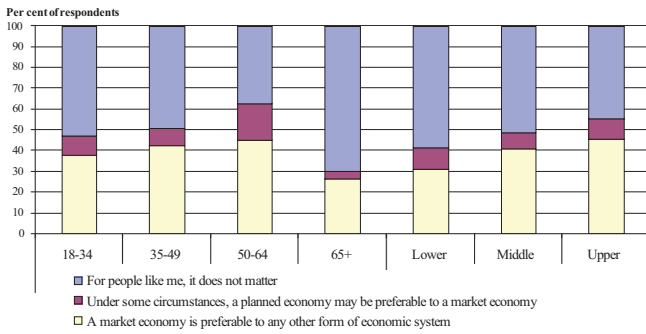


Values and priorities

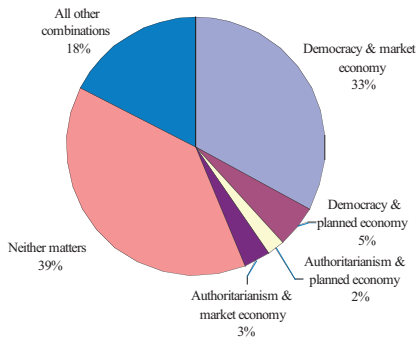
Attitudes to democracy, by age and income



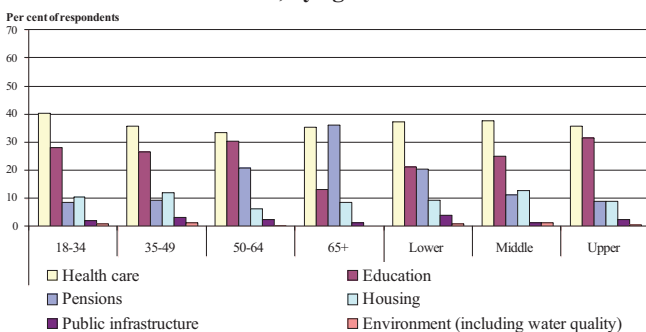
Attitudes to the market, by age and income



Preferences for political and economic systems

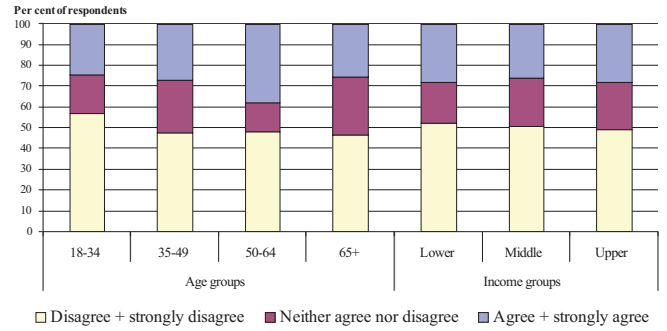


First priorities for extra (government) investment, by age and income

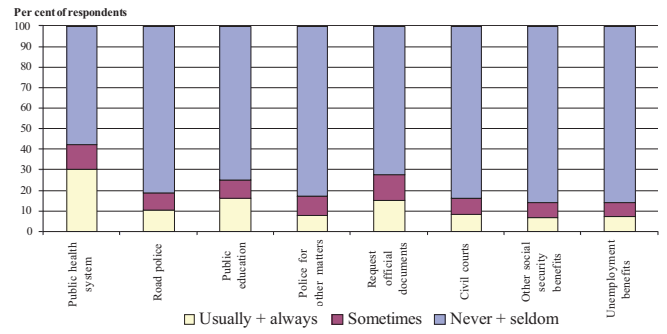


Corruption and trust

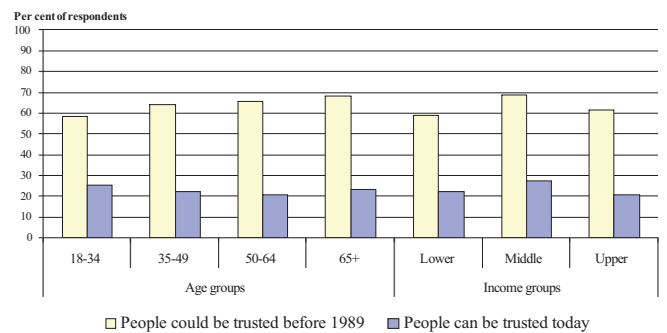
There is less corruption now than around 1989, by age and income



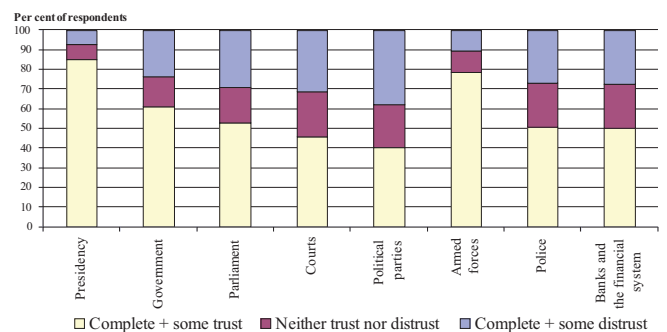
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

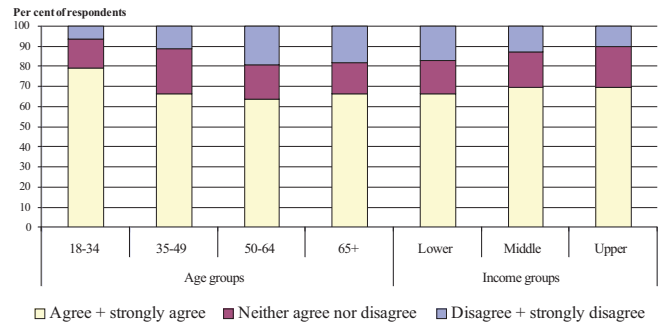


Belarus

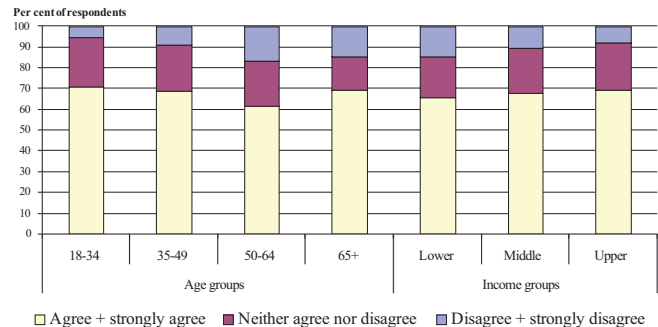
- Access to public services is high by CIS+M standards although poor households have access to fewer public services than their wealthier counterparts. Ownership of consumer goods is low, with the exception of mobile phones among urban households.
- Satisfaction with the economic and political situation is high, with around 70 per cent of those surveyed agreeing that things have improved since 1989. Life satisfaction and optimism about the future are also high.
- There is little variation among age or income groups in terms of their satisfaction with the present situation, perhaps reflecting the low levels of inequality in Belarus.
- Attitudes to democracy and a market economy vary strongly with age and income, with younger and better-off respondents indicating a preference for both.
- Perceived corruption is lower than in many transition countries but trust in society has declined since 1989.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

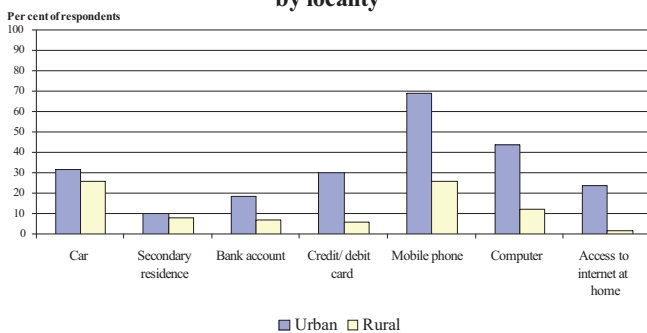


The political situation in this country is better today than around 1989, by age and income

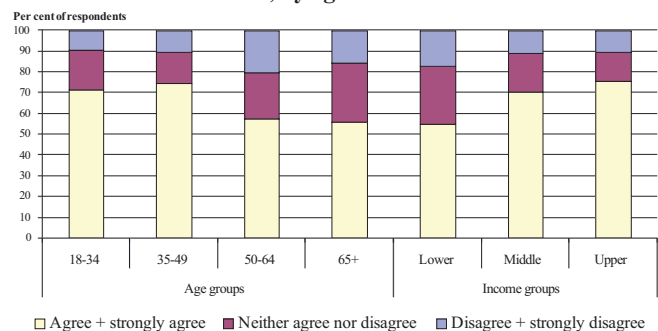


Material well-being

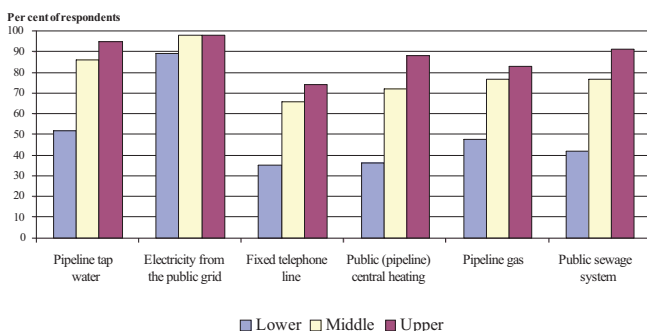
Household ownership of consumer goods, by locality



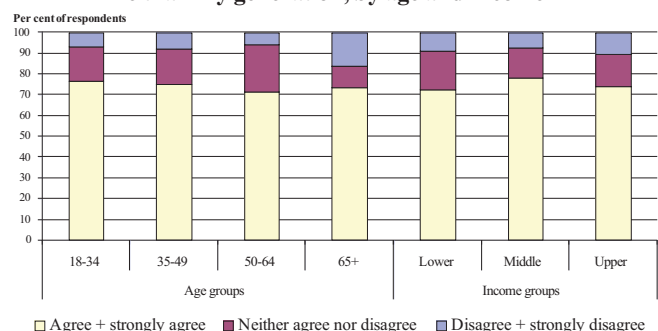
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

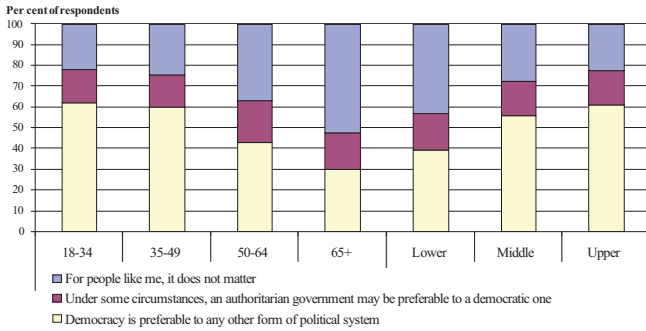


Children who are born now will have a better life than my generation, by age and income

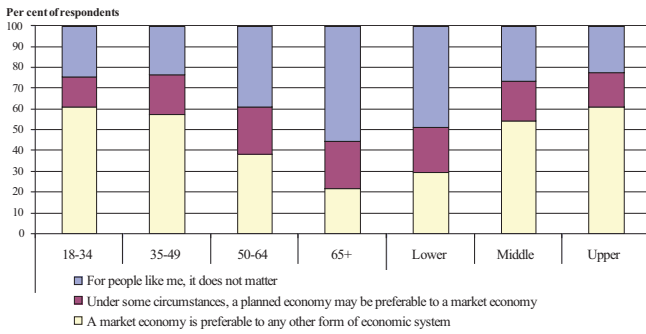


Values and priorities

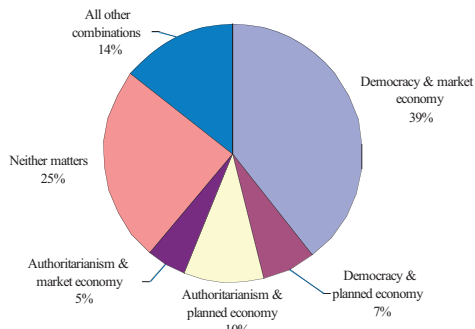
Attitudes to democracy, by age and income



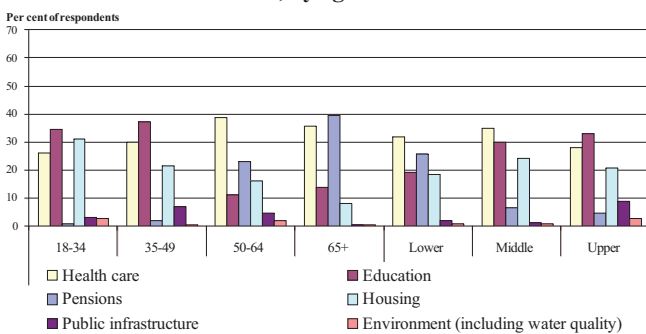
Attitudes to the market, by age and income



Preferences for political and economic systems

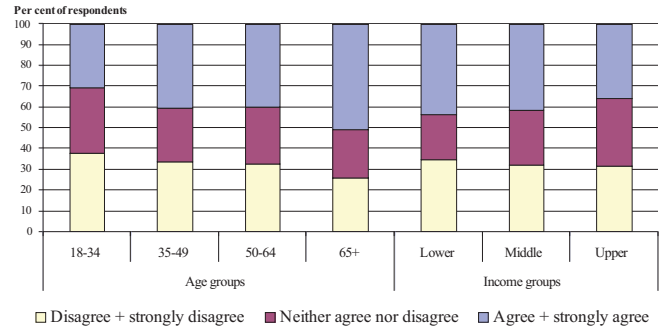


First priorities for extra (government) investment, by age and income

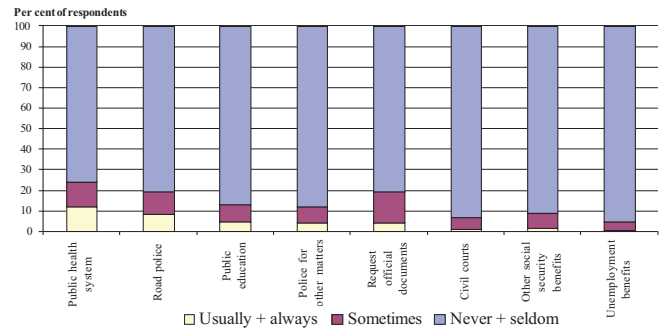


Corruption and trust

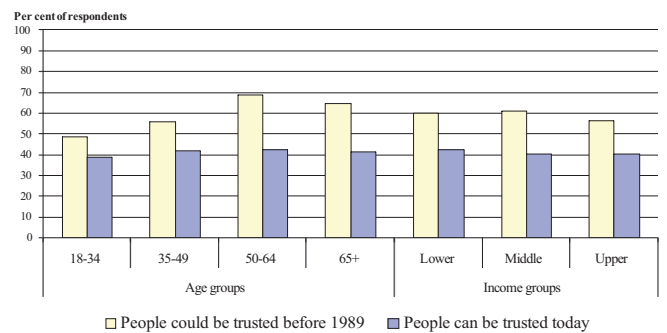
There is less corruption now than around 1989, by age and income



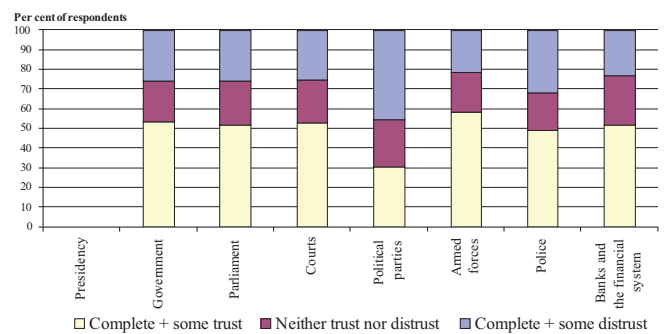
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions



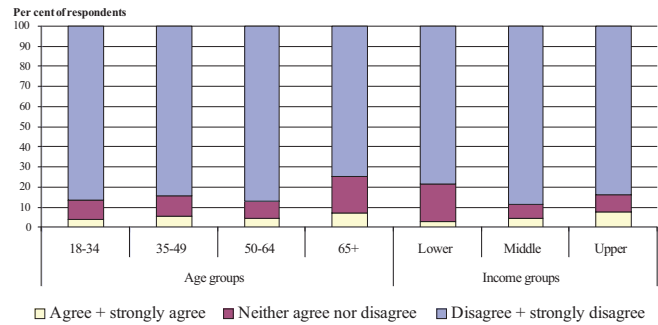
Note: The question on trust in the presidency was not asked.

Bosnia & Herzegovina

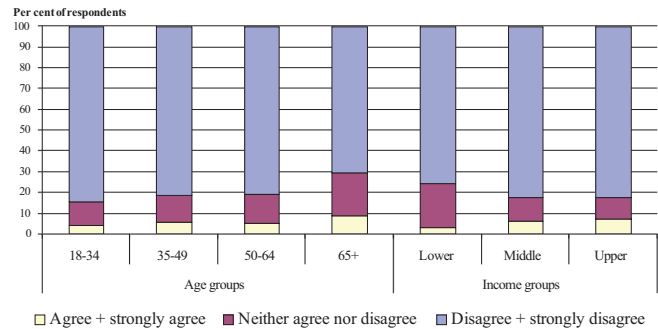
- There is limited difference between urban and rural areas in terms of ownership of consumer goods, and little difference among income groups regarding access to public services.
- People surveyed overwhelmingly believe that the current economic and political situation is worse than in 1989 while opinions are fairly evenly divided about whether life will be better in the future.
- Dissatisfaction with life varies by age and income; there is strong dissatisfaction among older people and in the lower-income group whereas the young and richer are in general much happier.
- People generally support democracy but many favour a planned economy in some circumstances over a market economy.
- Corruption is perceived to be widespread but the frequency of “irregular payments” to public officials is generally low. There is a high level of distrust of public institutions and of people in general.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

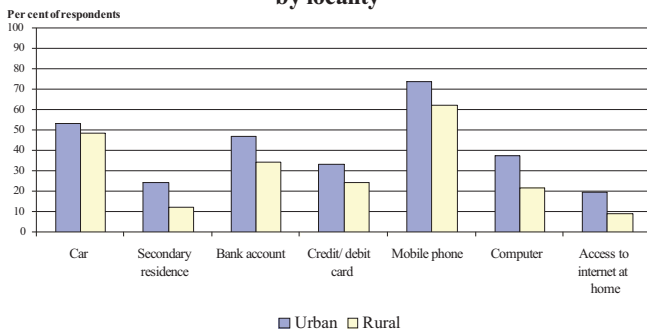


The political situation in this country is better today than around 1989, by age and income

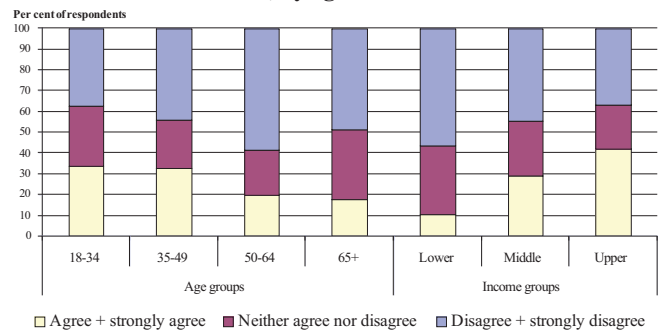


Material well-being

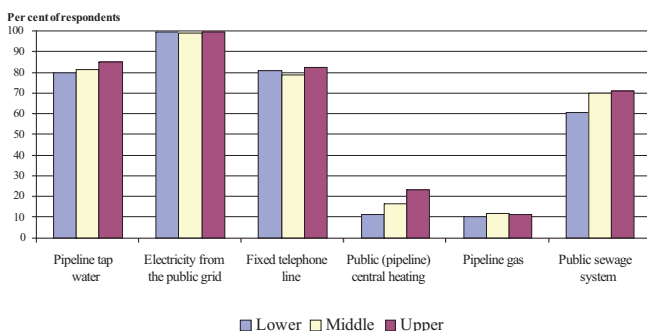
Household ownership of consumer goods, by locality



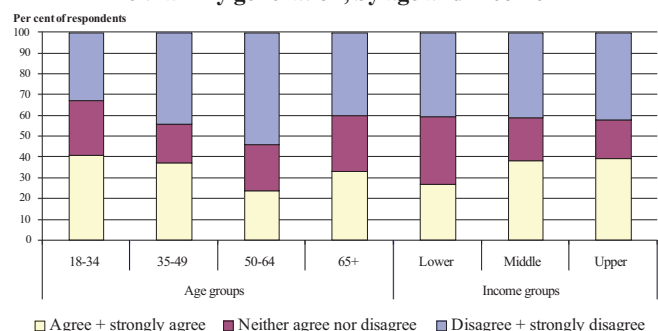
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

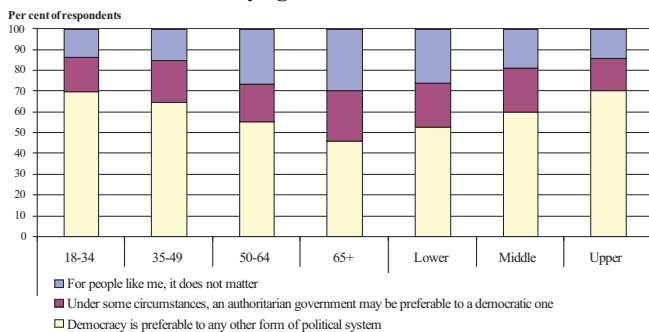


Children who are born now will have a better life than my generation, by age and income

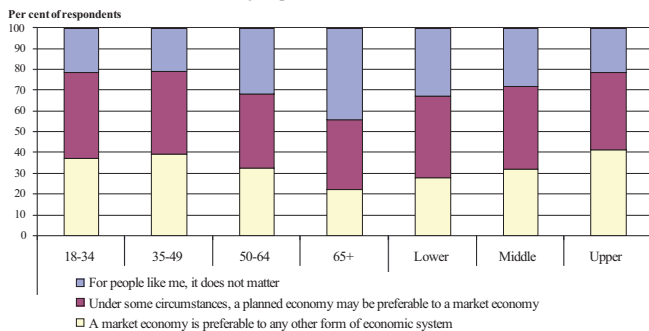


Values and priorities

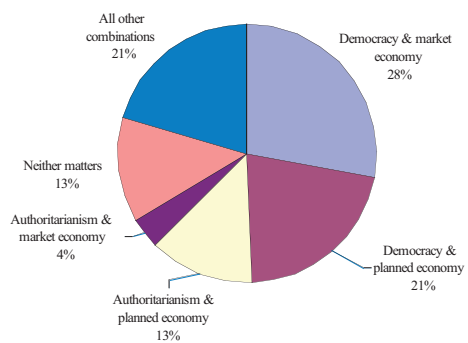
Attitudes to democracy, by age and income



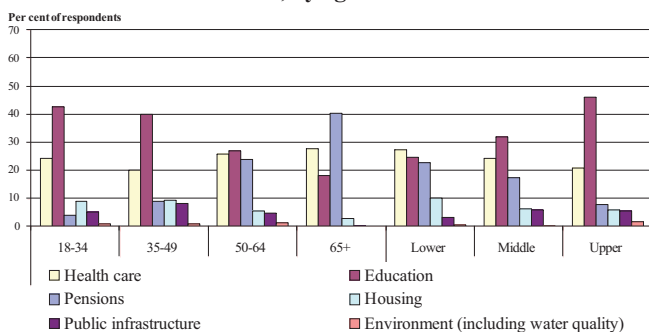
Attitudes to the market, by age and income



Preferences for political and economic systems

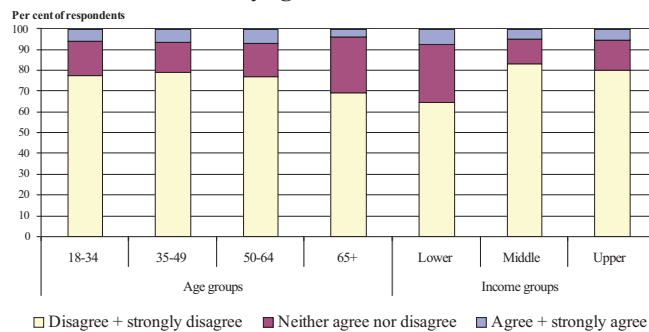


First priorities for extra (government) investment, by age and income

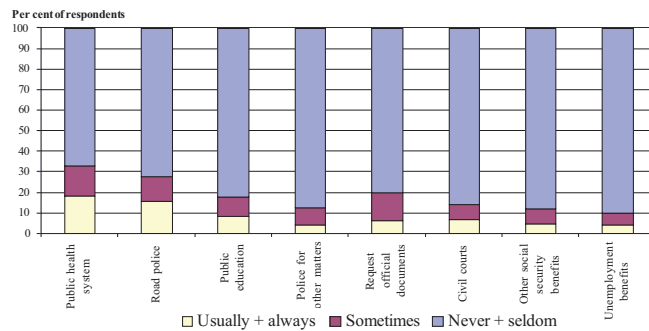


Corruption and trust

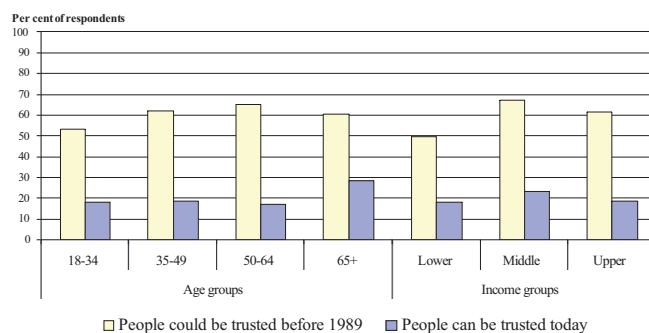
There is less corruption now than around 1989, by age and income



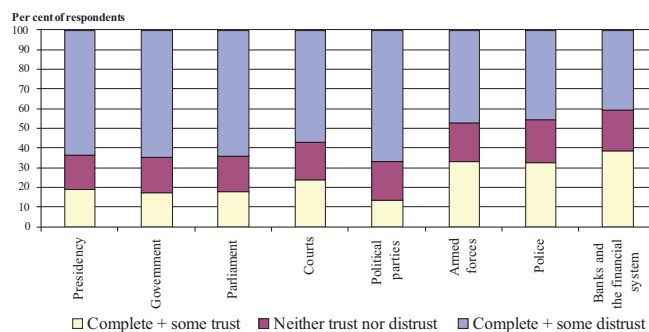
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

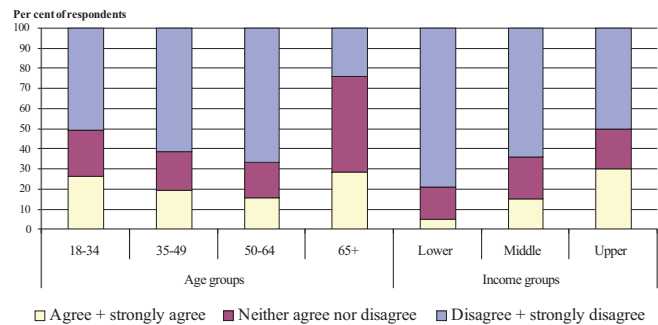


Bulgaria

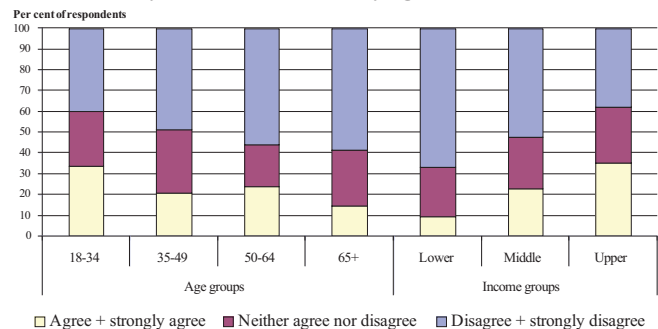
- Rural areas lag behind towns and cities with respect to ownership of most consumer goods, with particularly limited access to financial services and information technology.
- People surveyed are generally dissatisfied with life, especially among older and lower-income groups, and there is a widespread belief that the economic and political situation is worse than it was before the start of the transition process.
- There is general support across different groups for the view that children will have a better life than the current adult population.
- Support for democracy and a market economy is linked strongly with age and income while health care is generally seen as the main priority for extra government investment.
- Levels of corruption and distrust are believed to be much worse than before, with particularly strong distrust in political institutions and the courts.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

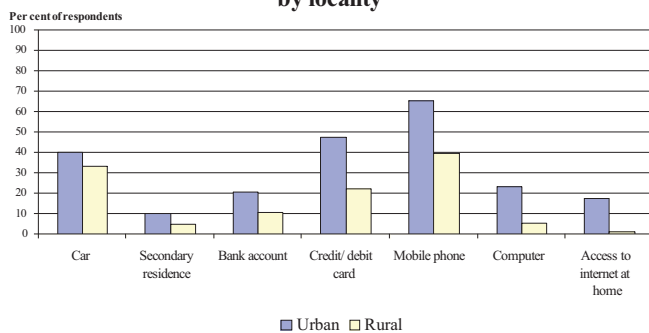


The political situation in this country is better today than around 1989, by age and income

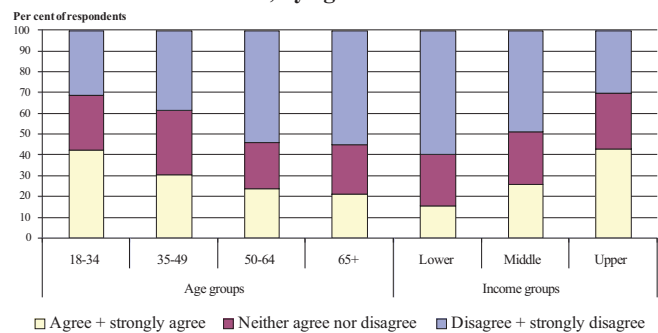


Material well-being

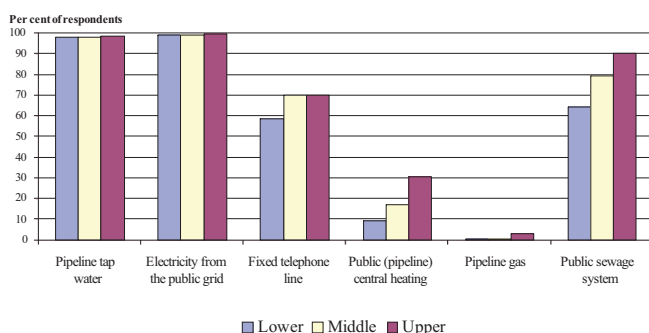
Household ownership of consumer goods, by locality



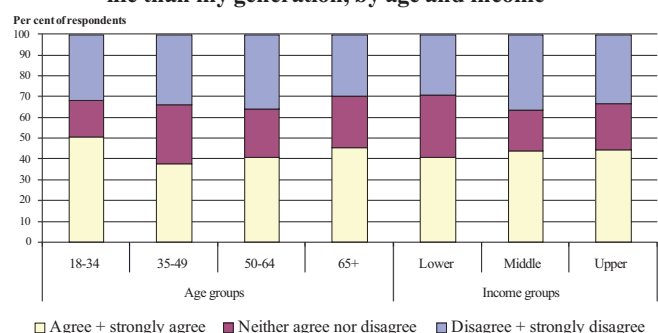
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

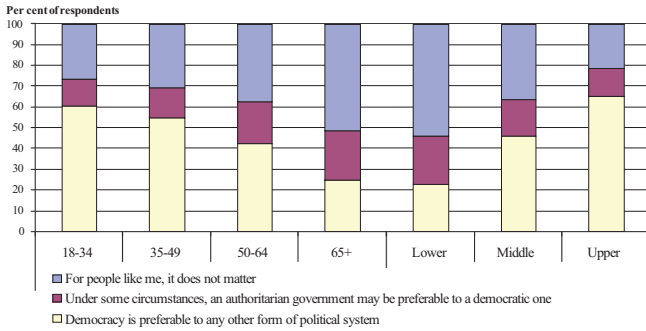


Children who are born now will have a better life than my generation, by age and income

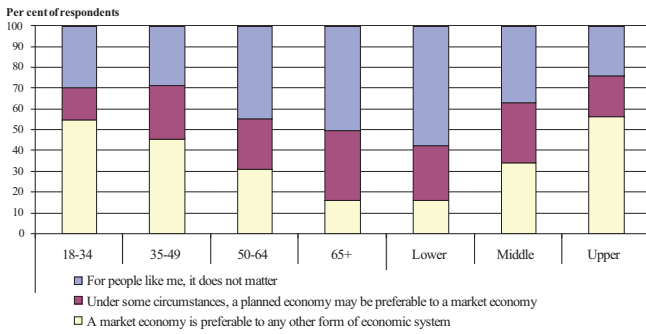


Values and priorities

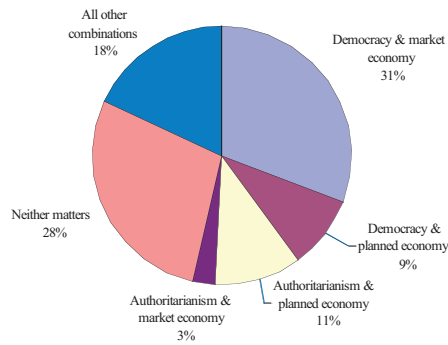
Attitudes to democracy, by age and income



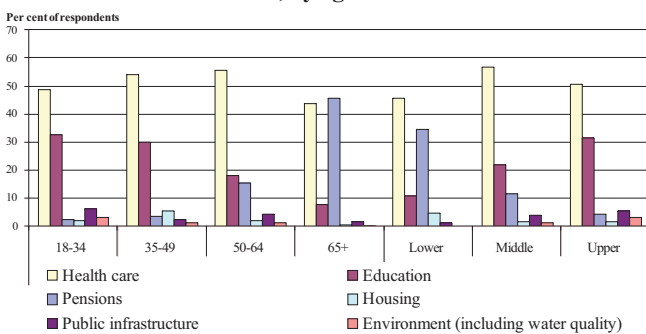
Attitudes to the market, by age and income



Preferences for political and economic systems

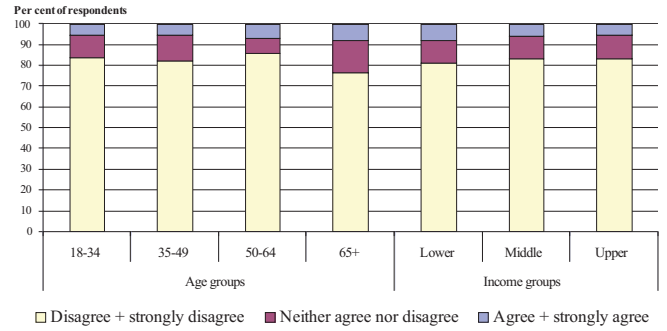


First priorities for extra (government) investment, by age and income

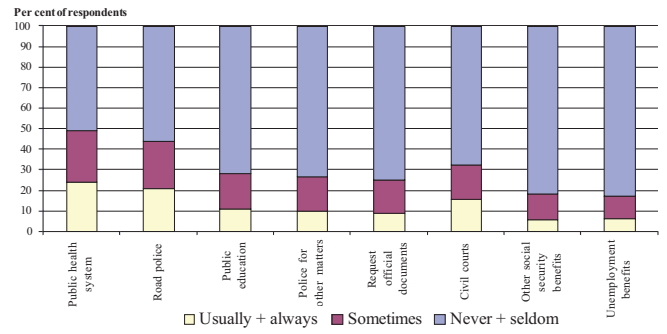


Corruption and trust

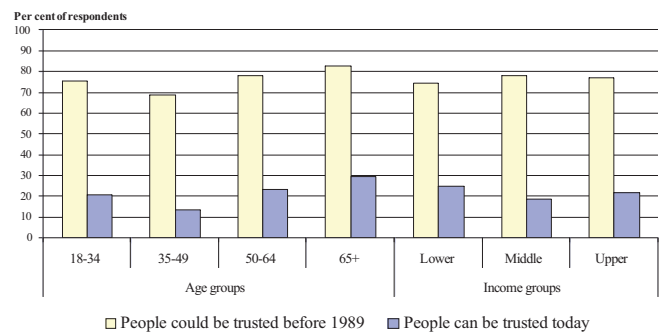
There is less corruption now than around 1989, by age and income



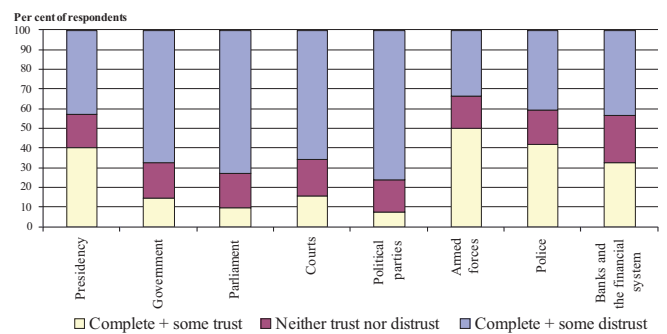
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

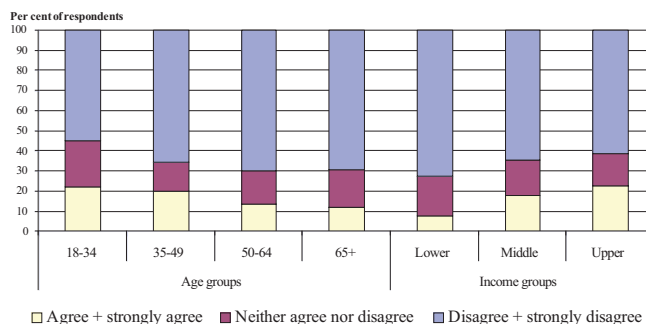


Croatia

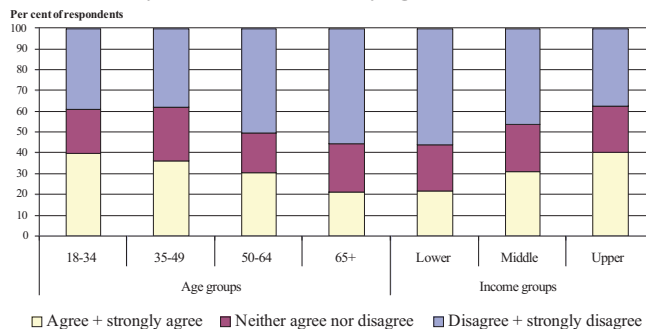
- People surveyed generally have a high degree of ownership of consumer goods relative to the SEE average as well as good access to public services.
- There is little support for the view that the economic situation is better now than in 1989 but more support for the view that the political situation has improved.
- People interviewed are generally satisfied with their lives, especially the young, and there is a strong degree of optimism about future prospects.
- Democracy attracts strong support but attitudes to the market economy are mixed. Regarding priorities for government expenditure, education stands out as important for those under 50 and among middle- and upper-income groups.
- Corruption and distrust are perceived to be significantly worse than before the start of the transition process but "irregular payments" to public officials are generally infrequent.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

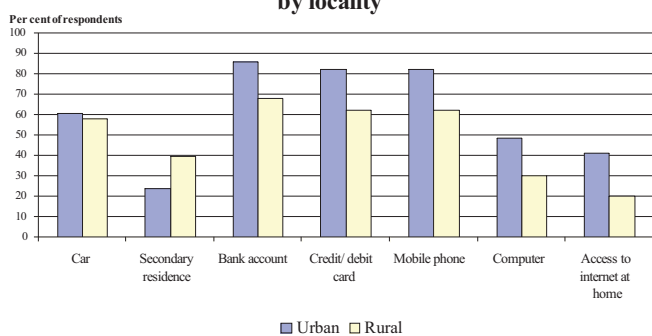


The political situation in this country is better today than around 1989, by age and income

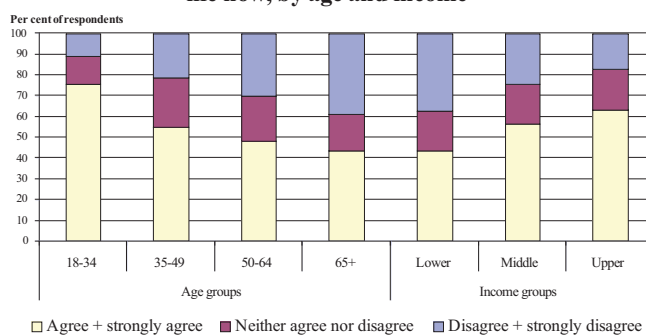


Material well-being

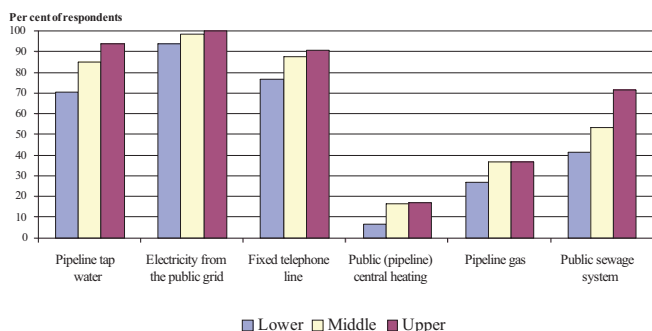
Household ownership of consumer goods, by locality



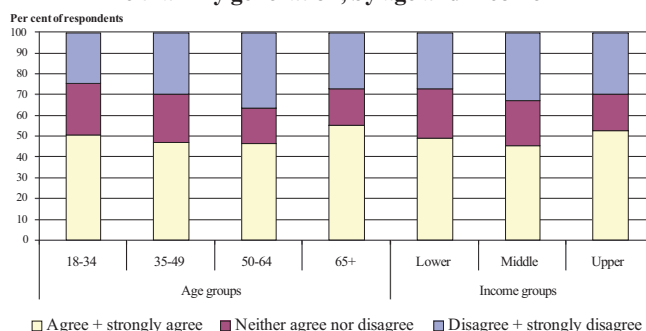
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

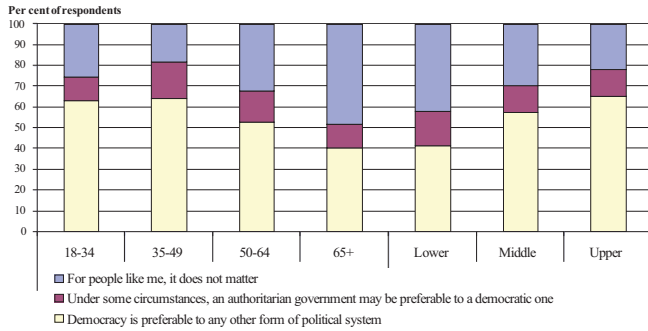


Children who are born now will have a better life than my generation, by age and income

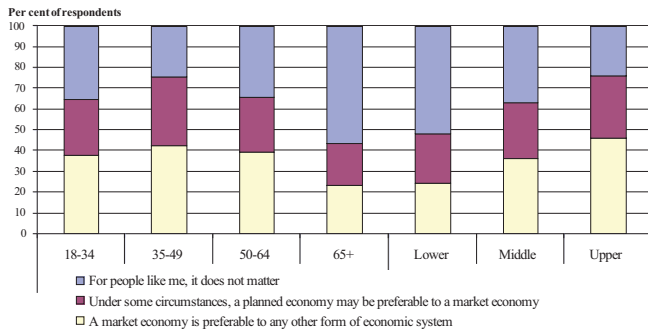


Values and priorities

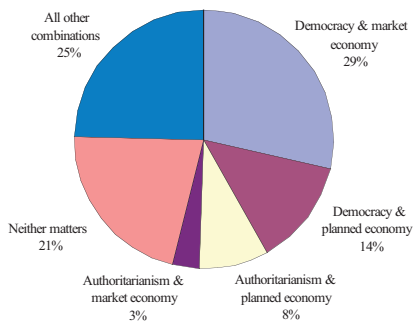
Attitudes to democracy, by age and income



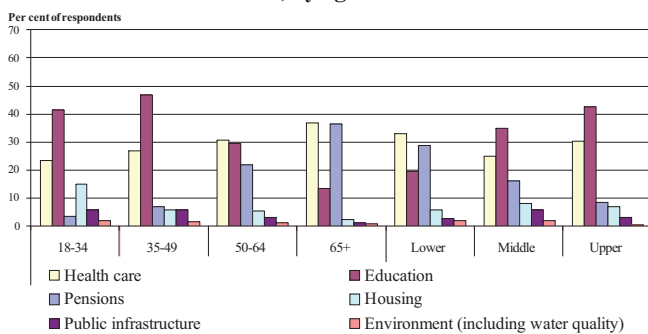
Attitudes to the market, by age and income



Preferences for political and economic systems

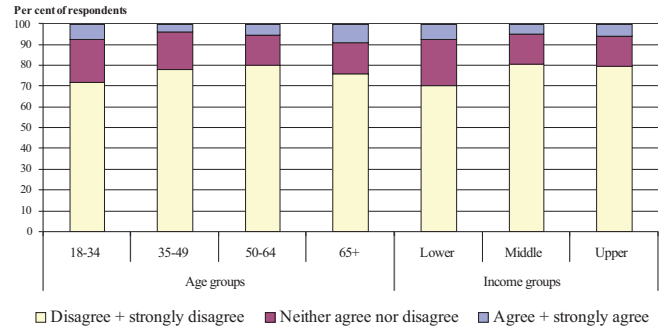


First priorities for extra (government) investment, by age and income

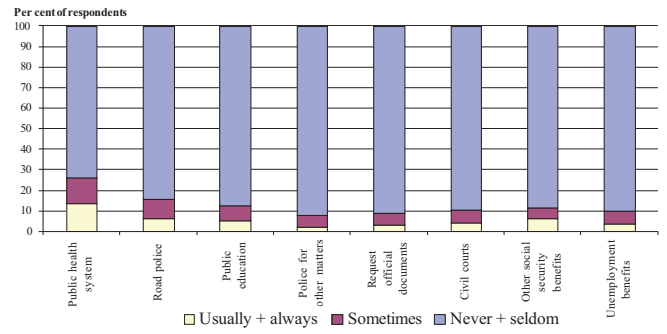


Corruption and trust

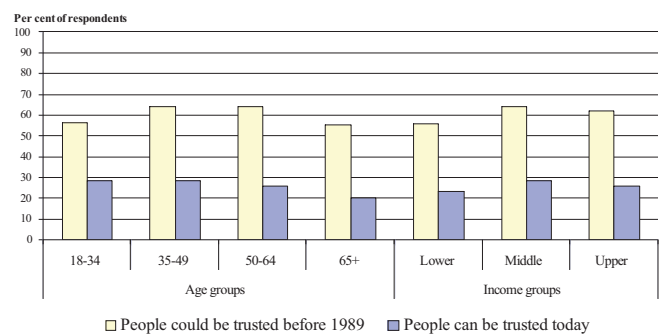
There is less corruption now than around 1989, by age and income



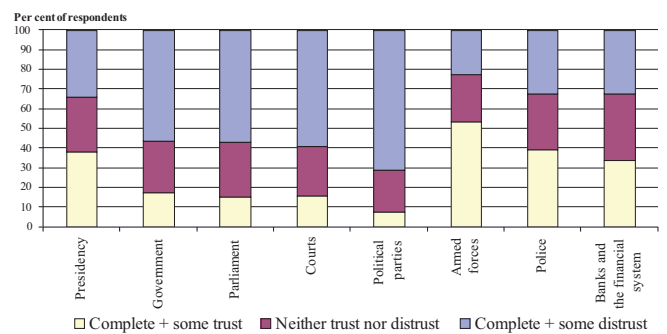
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

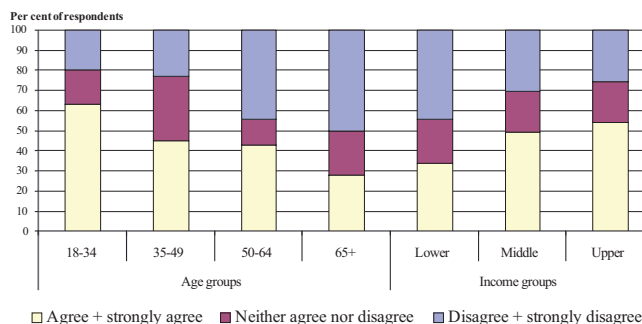


Czech Republic

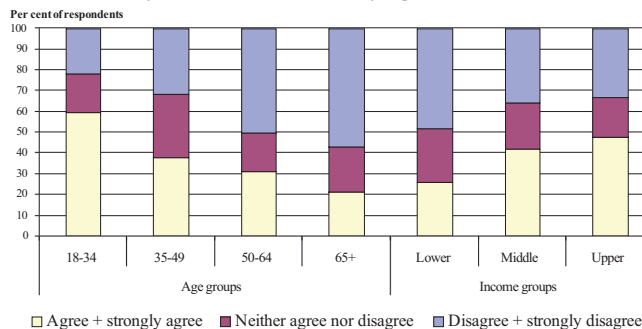
- Household access to public services is fairly high, even among the lower-income groups. There is little difference between urban and rural residents in terms of ownership of consumer goods, except for the ownership of a secondary residence.
- People are more positive in general about the economic changes than the political alterations that have taken place since 1989.
- In general, people surveyed are satisfied with their lives and optimistic about the future.
- There is strong support for a market economy and democracy. The youngest and the better-off are the most upbeat in their attitudes.
- People rarely make “irregular payments” to public officials. Trust in society has not fallen significantly since 1989. The highest degree of trust is commanded by the financial system, followed closely by the presidency and the armed forces.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

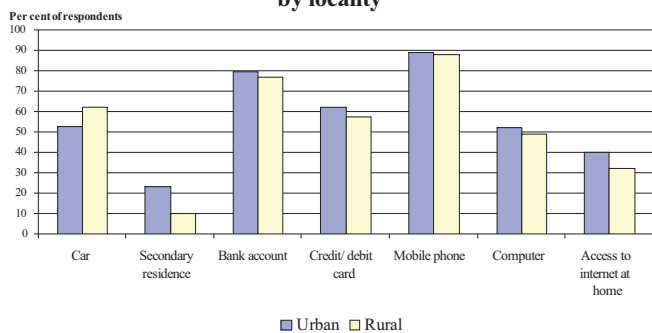


The political situation in this country is better today than around 1989, by age and income

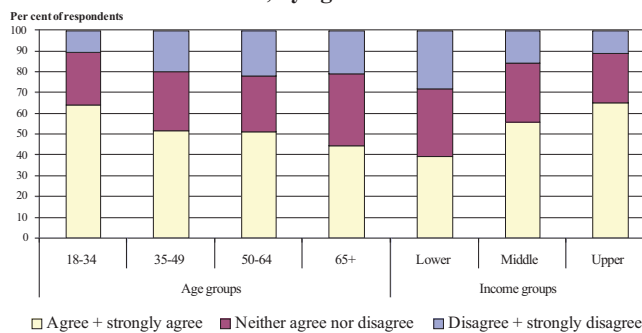


Material well-being

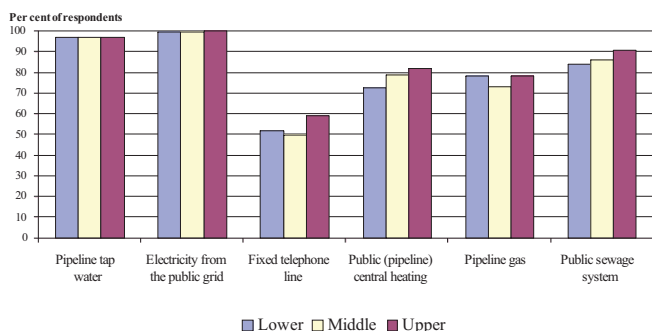
Household ownership of consumer goods, by locality



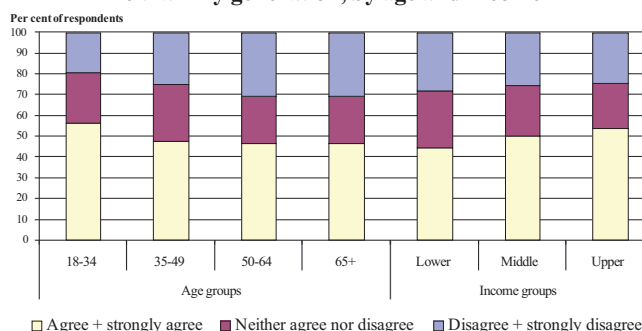
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

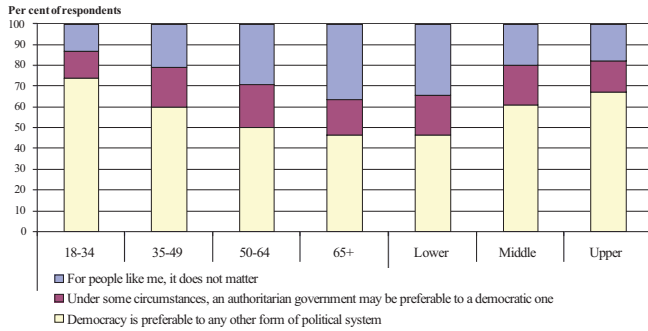


Children who are born now will have a better life than my generation, by age and income

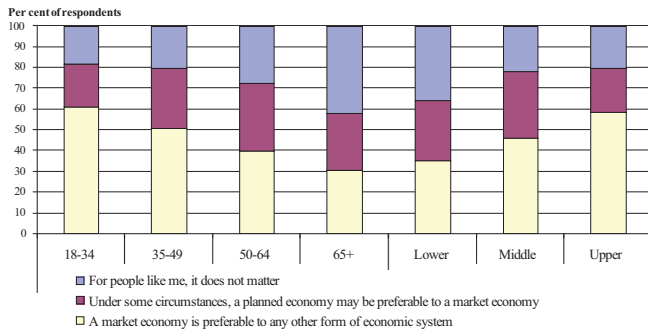


Values and priorities

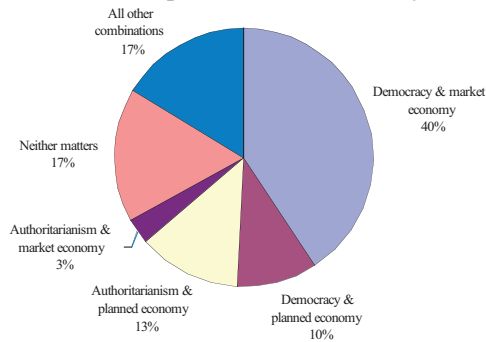
Attitudes to democracy, by age and income



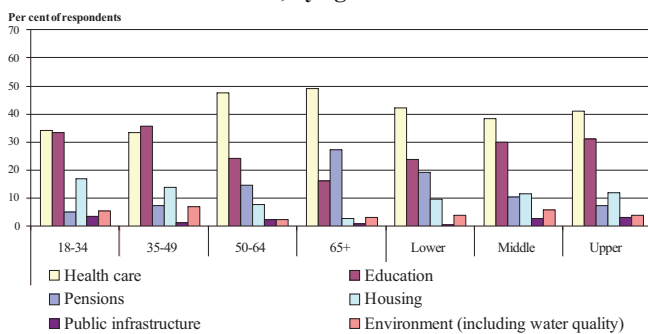
Attitudes to the market, by age and income



Preferences for political and economic systems

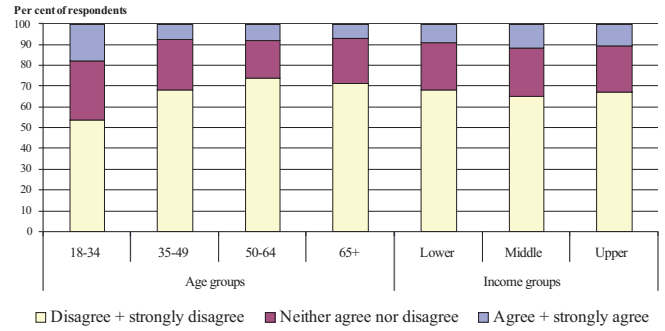


First priorities for extra (government) investment, by age and income

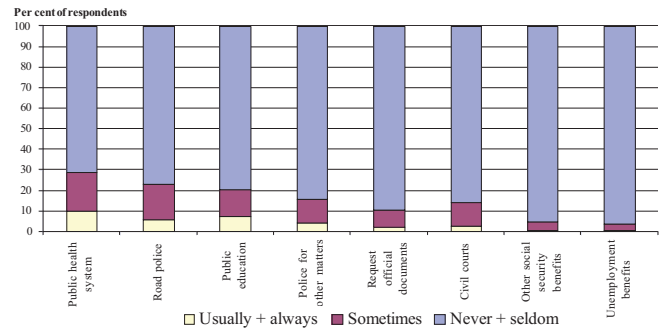


Corruption and trust

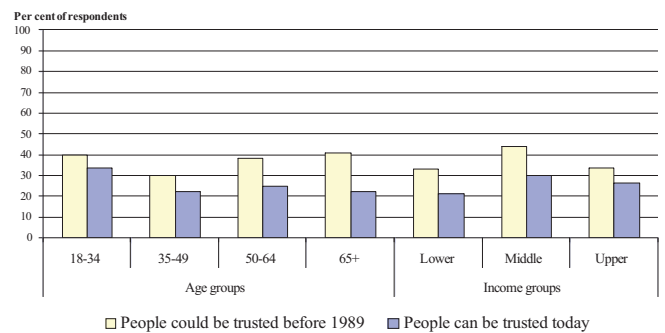
There is less corruption now than around 1989, by age and income



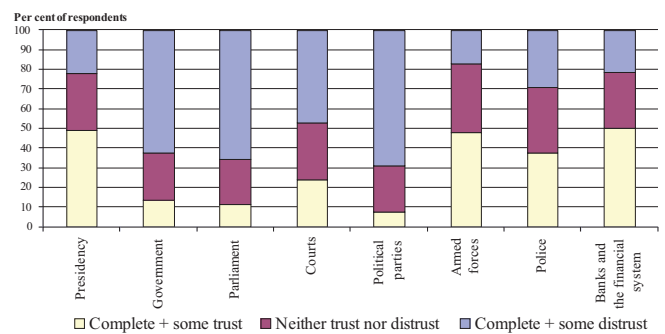
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

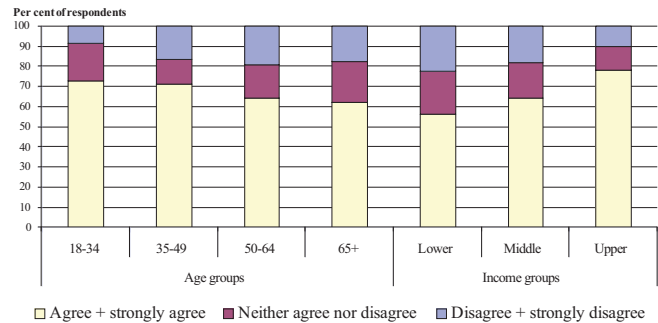


Estonia

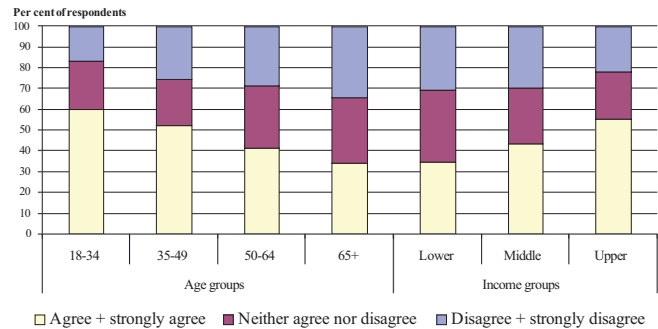
- Household ownership of consumer goods varies little by locality and there is reasonably good access overall to most public services.
- People surveyed generally rate the economic and political situation as better now than in 1989.
- Most people interviewed are satisfied with their lives and are optimistic about the future, regardless of age and income.
- There is generally strong support for democracy and a market economy although the over-65s tend to be the least supportive of a market economy. A combination of the two is supported by more than 40 per cent of the people surveyed.
- “Irregular payments” to public officials are rare. Although trust in society is slightly lower today than in 1989, it is high compared with the rest of the CEB region. The financial system enjoys the highest degree of trust, followed closely by the armed forces and the police.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

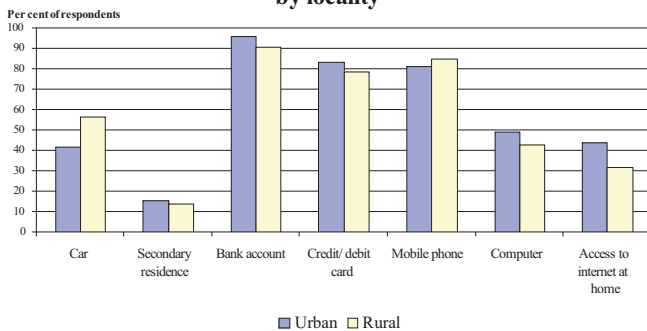


The political situation in this country is better today than around 1989, by age and income

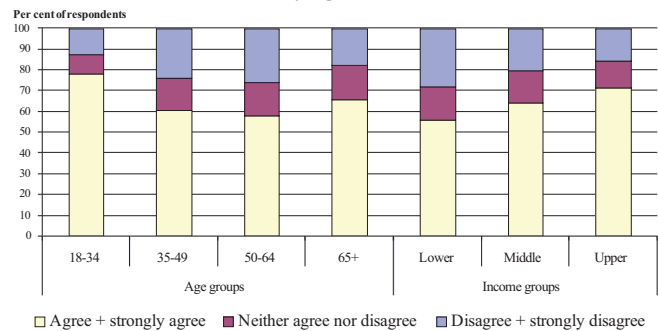


Material well-being

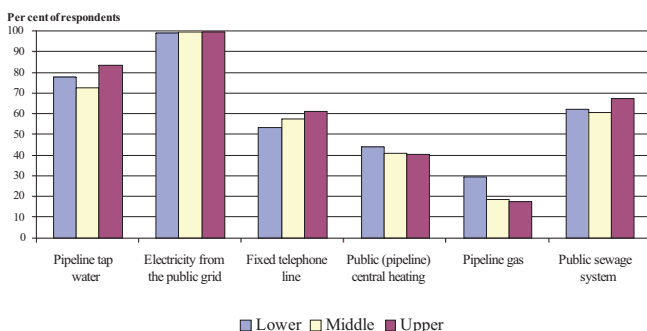
Household ownership of consumer goods, by locality



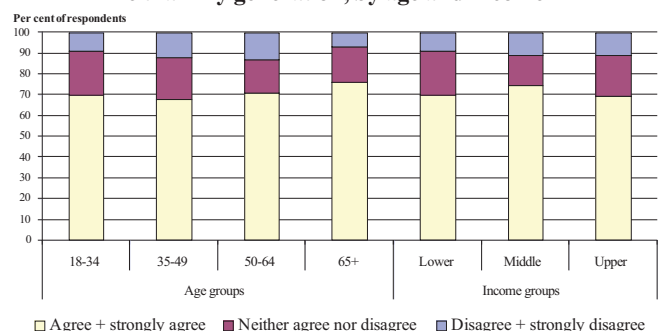
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

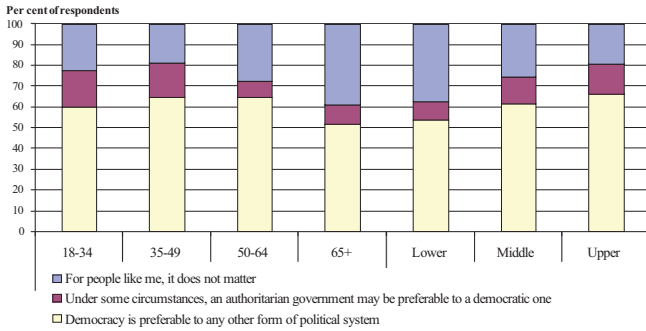


Children who are born now will have a better life than my generation, by age and income

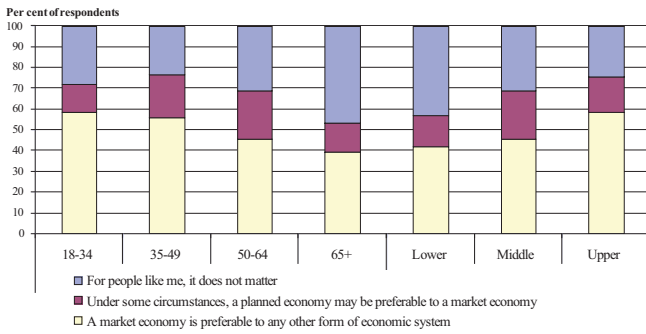


Values and priorities

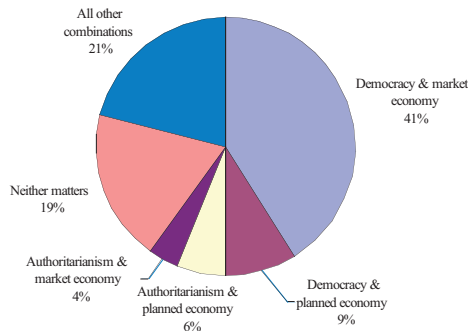
Attitudes to democracy, by age and income



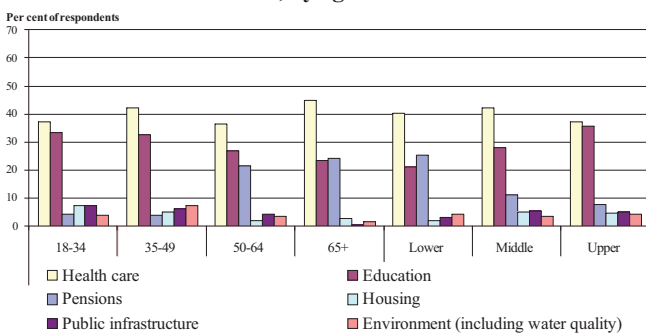
Attitudes to the market, by age and income



Preferences for political and economic systems

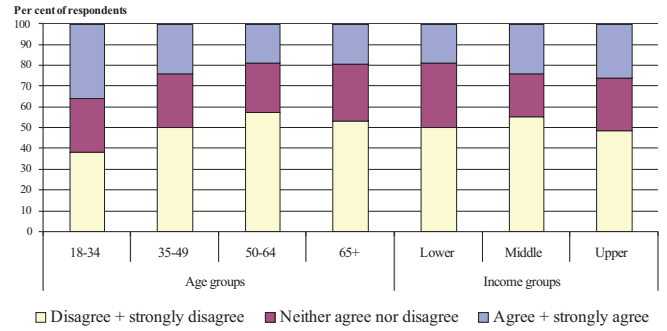


First priorities for extra (government) investment, by age and income

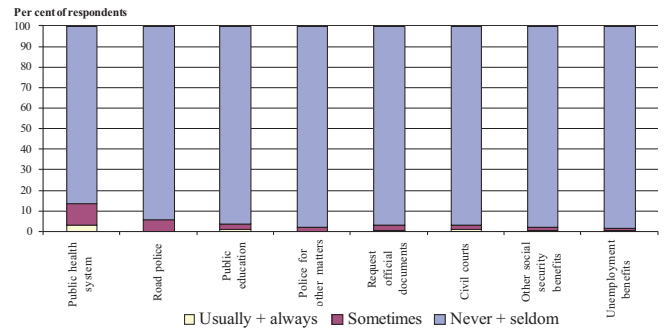


Corruption and trust

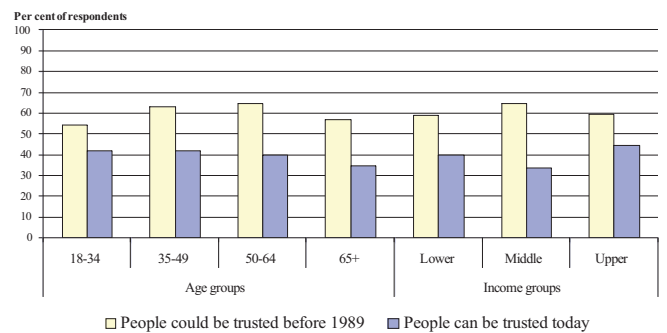
There is less corruption now than around 1989, by age and income



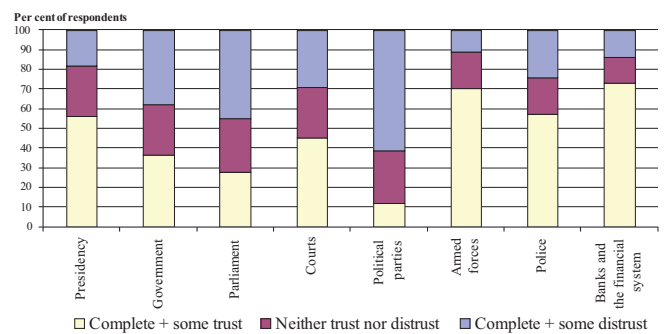
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

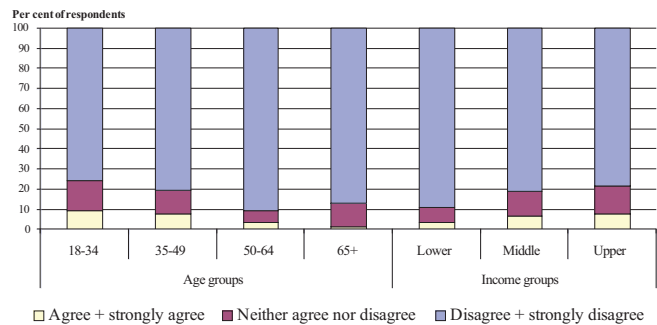


FYR Macedonia

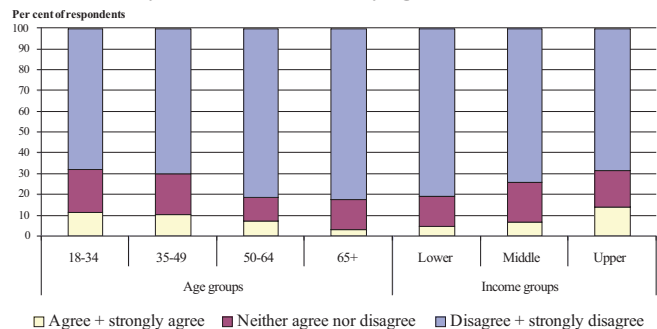
- Household ownership of consumer goods is generally low by SEE standards, especially regarding financial assets, while access to public services appears to be unrelated to income levels.
- There is an overwhelming belief that the economic and political situation is worse now than in 1989.
- Dissatisfaction with life is generally high, especially among older people and lower-income groups, while views about the future are more or less evenly divided between those who foresee a better life for today's children and those who disagree with this view.
- Democracy generally attracts support but a significant number favour a state-controlled planned economy under some circumstances. Education and health care are seen as priorities for extra government spending.
- Trust in society has dropped sharply and very few people surveyed believe corruption has declined since 1989.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

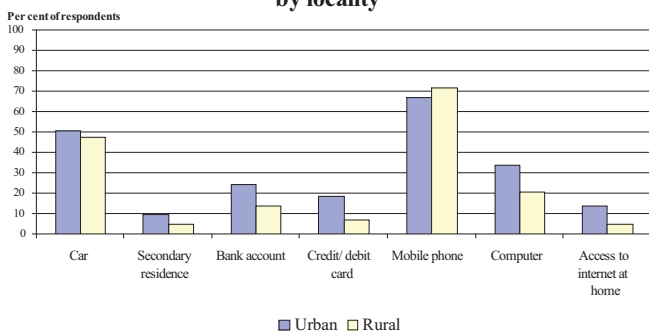


The political situation in this country is better today than around 1989, by age and income

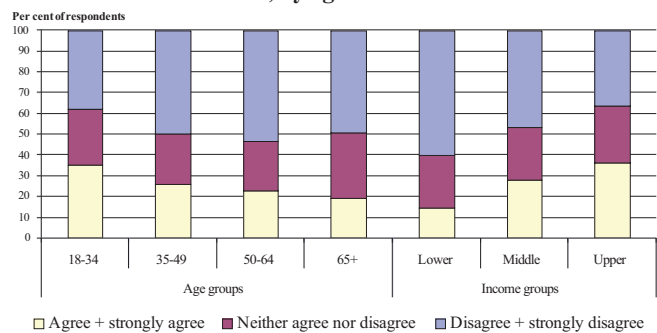


Material well-being

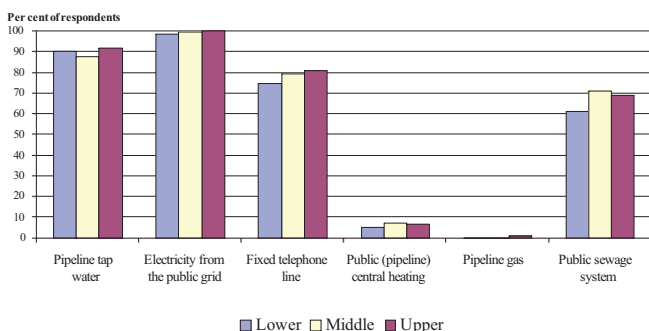
Household ownership of consumer goods, by locality



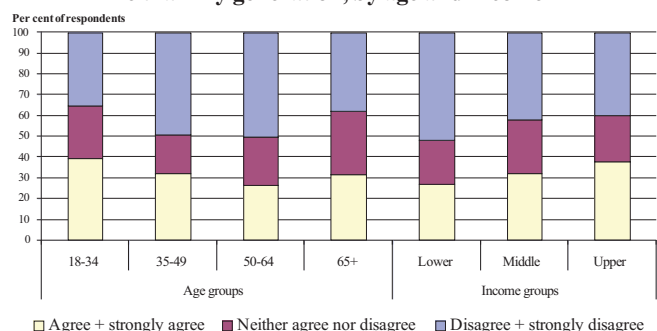
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

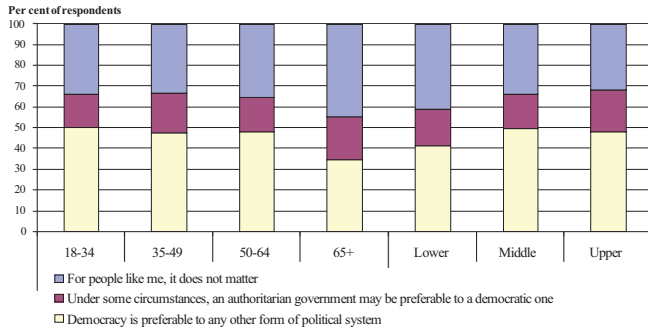


Children who are born now will have a better life than my generation, by age and income

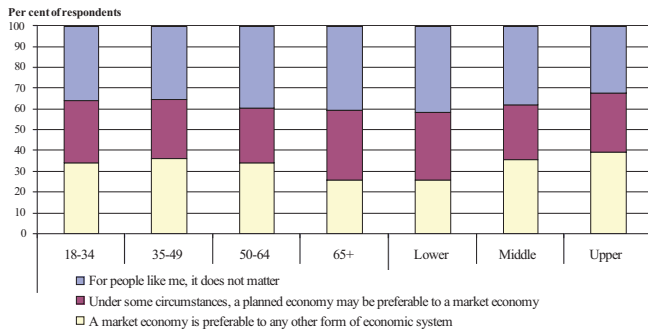


Values and priorities

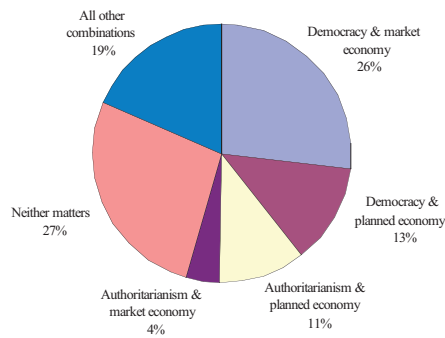
Attitudes to democracy, by age and income



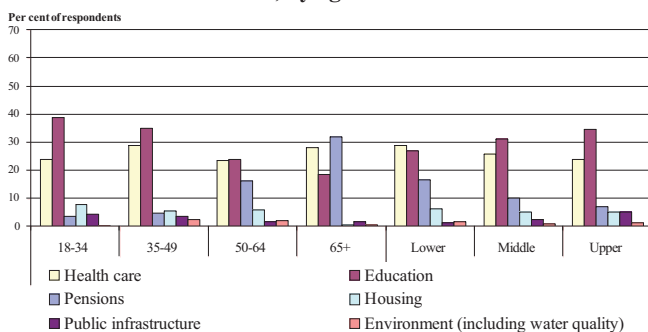
Attitudes to the market, by age and income



Preferences for political and economic systems

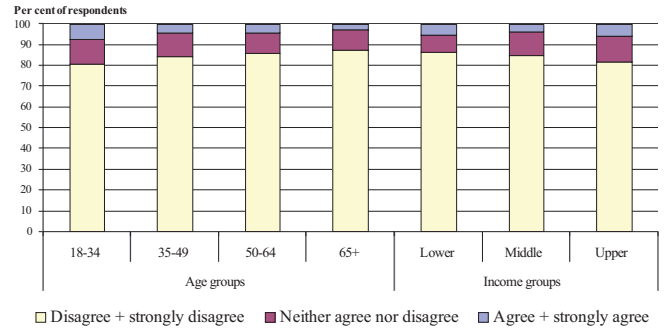


First priorities for extra (government) investment, by age and income

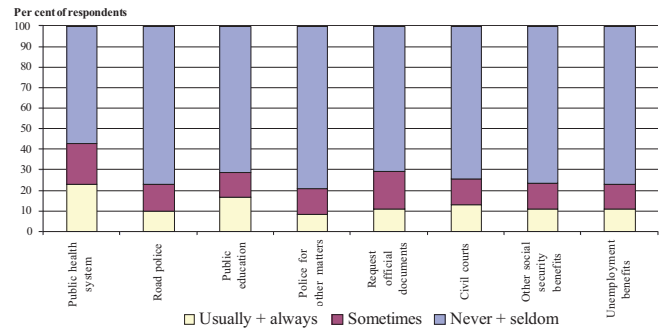


Corruption and trust

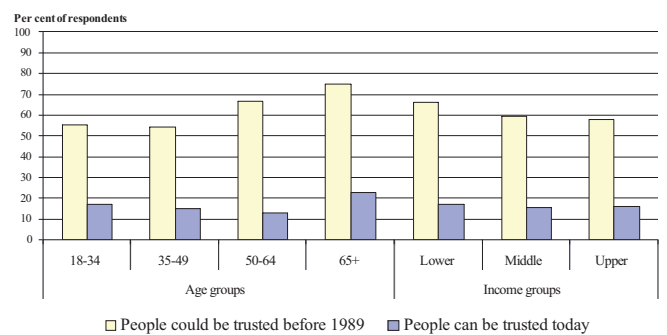
There is less corruption now than around 1989, by age and income



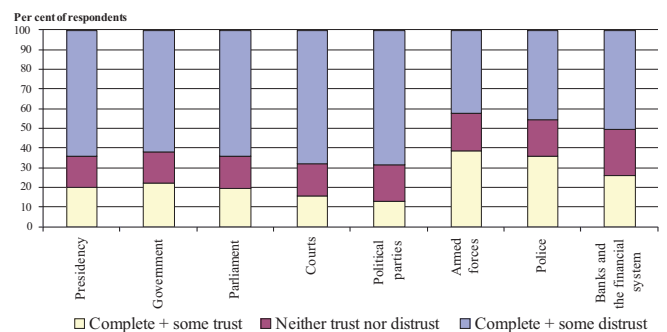
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

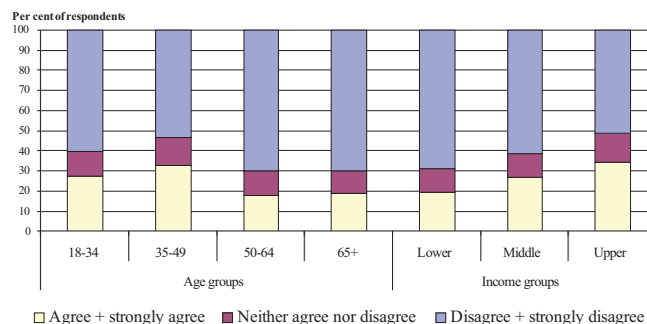


Georgia

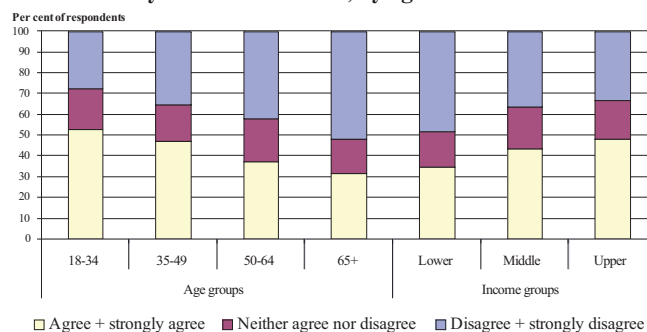
- Ownership by households of consumer goods and access to public services are close to the average for CIS+M but ownership of computers and home internet access is lower. The better-off have greater access to public services.
- Satisfaction with life is low, even by CIS+M standards. Only 12 per cent of those aged 50-64 are satisfied with their lives now. However, almost 70 per cent of those surveyed believe that their children’s lives will be better than their own.
- Dissatisfaction with the economic situation is widespread but more than 40 per cent believe that the political situation has improved since 1989.
- There are high levels of support for democracy, but less for a market economy, with those aged over 65 the most strongly opposed to both.
- Corruption has declined since 1989 and the frequency of “irregular payments” to public officials is significantly lower than elsewhere in the CIS+M region.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

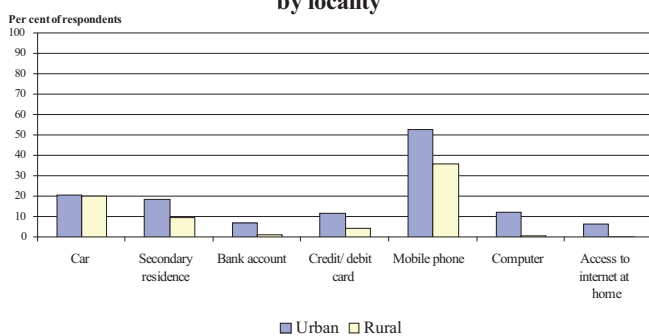


The political situation in this country is better today than around 1989, by age and income

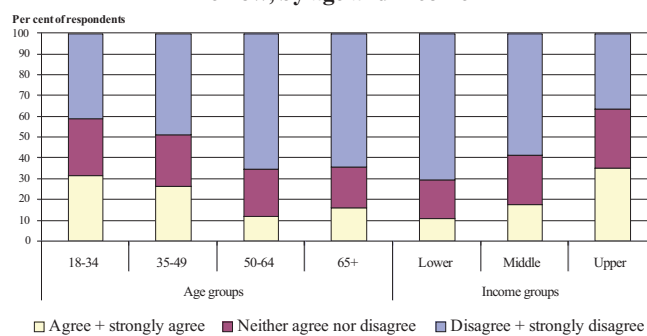


Material well-being

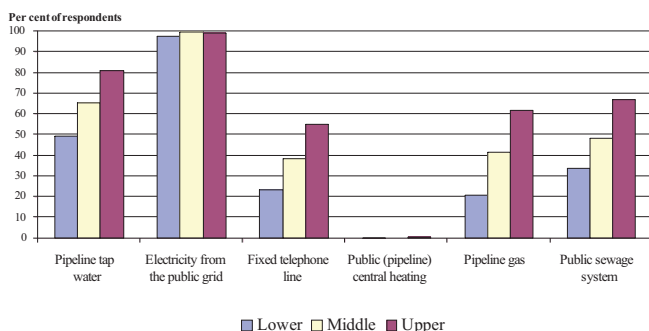
Household ownership of consumer goods, by locality



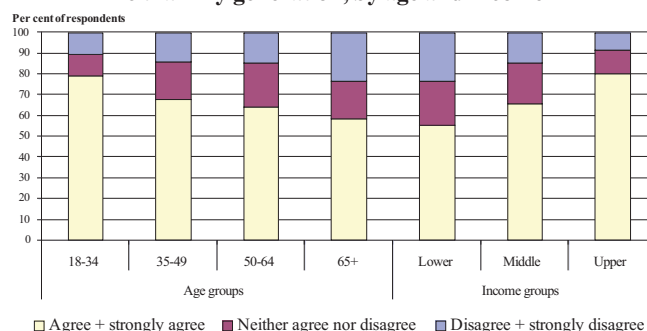
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

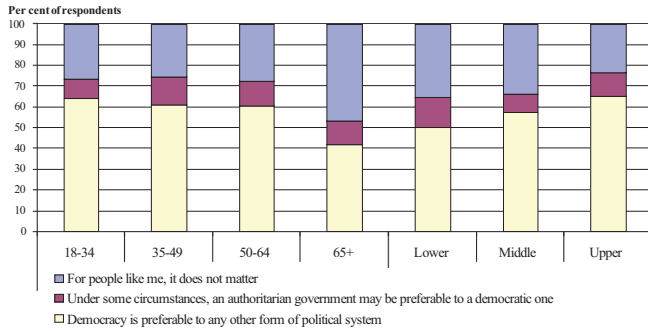


Children who are born now will have a better life than my generation, by age and income

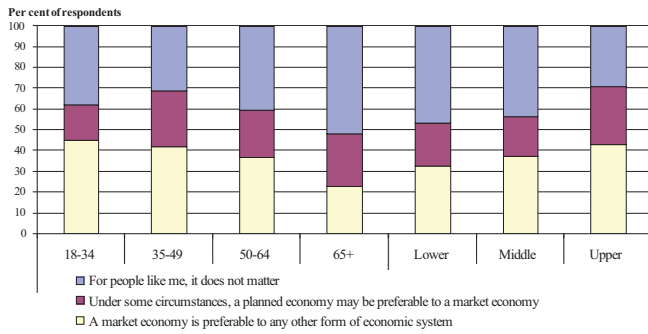


Values and priorities

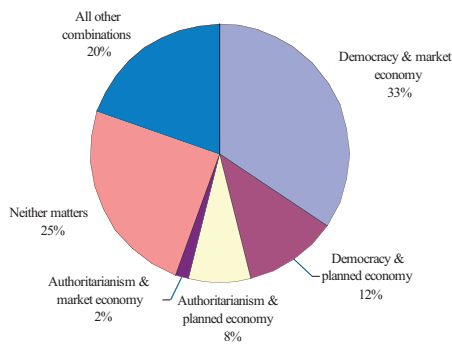
Attitudes to democracy, by age and income



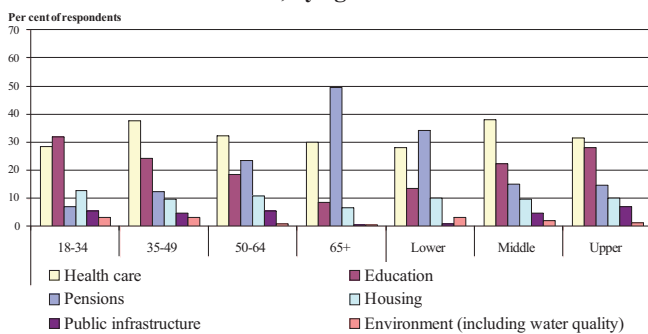
Attitudes to the market, by age and income



Preferences for political and economic systems

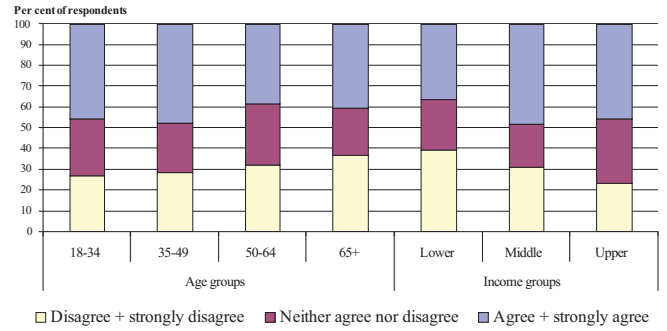


First priorities for extra (government) investment, by age and income

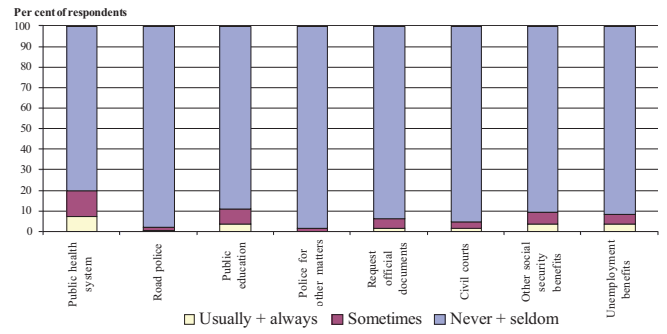


Corruption and trust

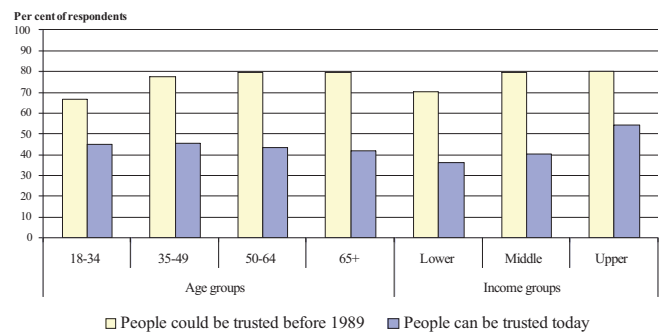
There is less corruption now than around 1989, by age and income



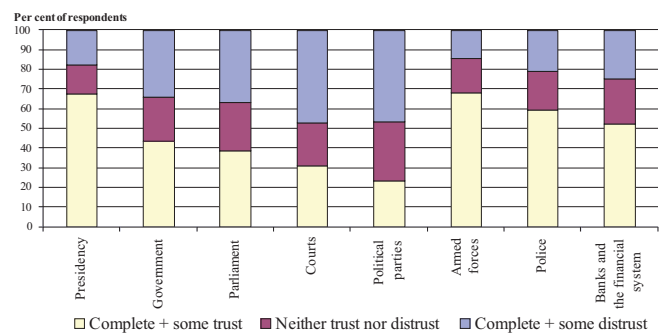
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

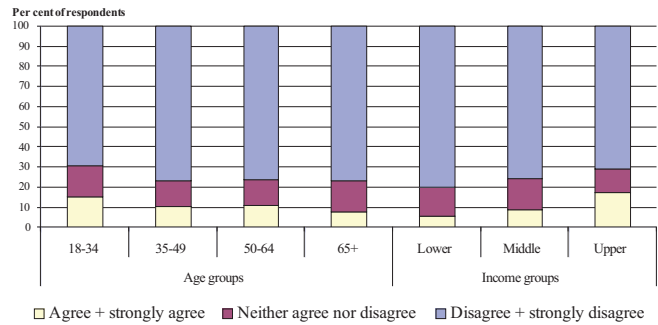


Hungary

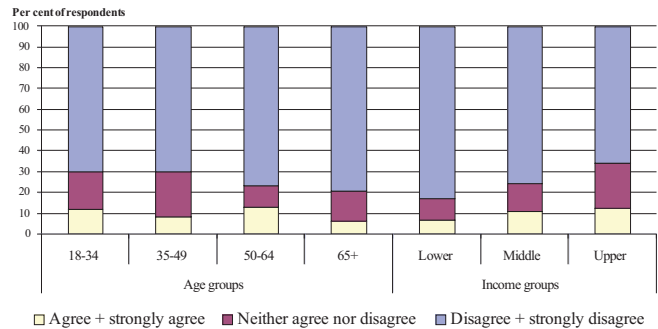
- Household access to public services is widespread and ownership of consumer goods is high by regional standards.
- People surveyed have a generally unfavourable assessment of the current economic and political situation compared with before 1989.
- Satisfaction with life and optimism for the future are among the lowest in the CEB region.
- Roughly one-third of people surveyed support a combination of democracy and a market economy. However, attitudes towards democracy are more positive than attitudes towards a market economy.
- Although most people in the sample think that there is more corruption today than in 1989, "irregular payments" to public officials are fairly infrequent. The exception to this is public health care. Trust in society has declined sharply since 1989 and there are low levels of trust in political parties, government and parliament.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

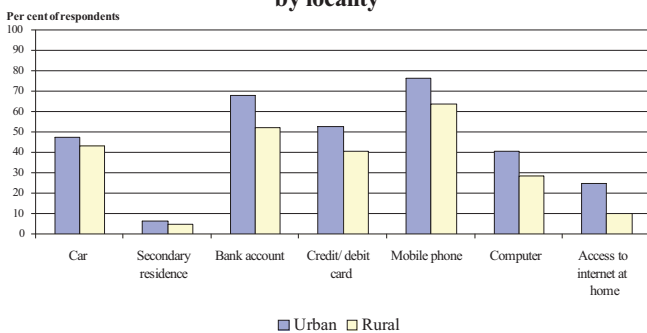


The political situation in this country is better today than around 1989, by age and income

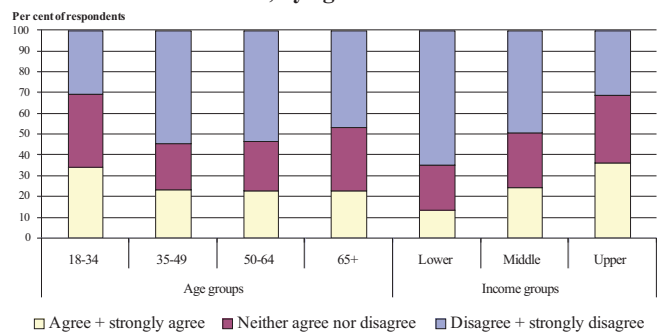


Material well-being

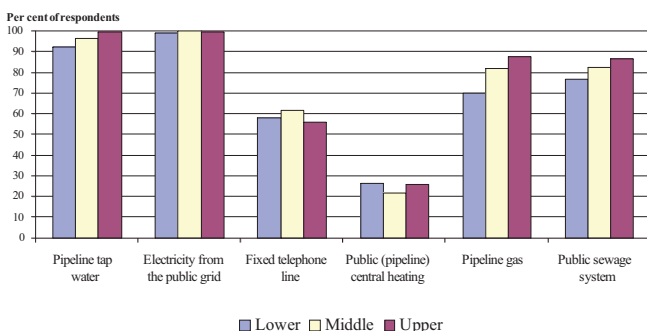
Household ownership of consumer goods, by locality



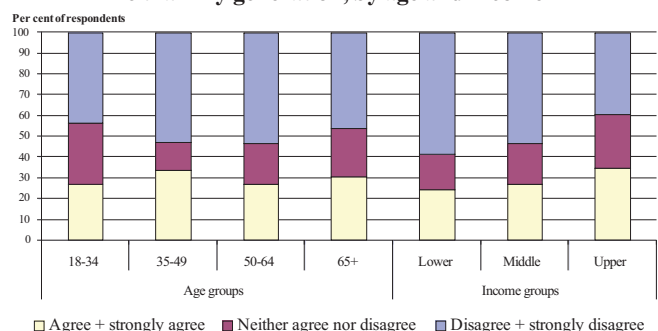
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

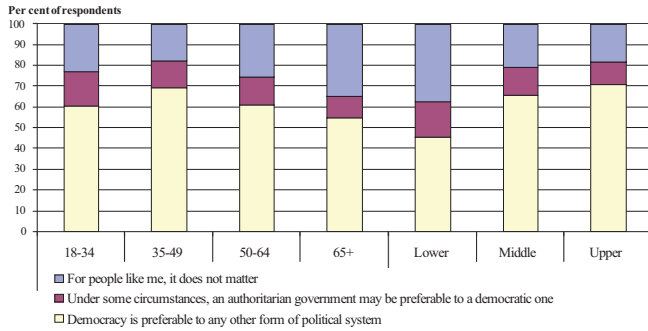


Children who are born now will have a better life than my generation, by age and income

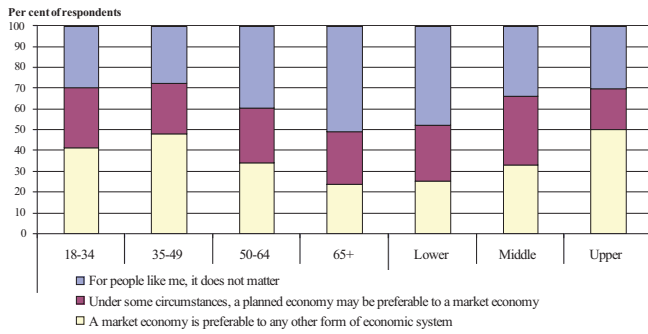


Values and priorities

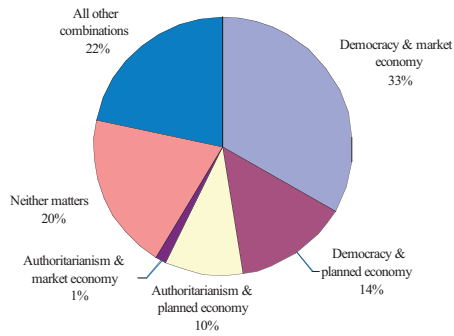
Attitudes to democracy, by age and income



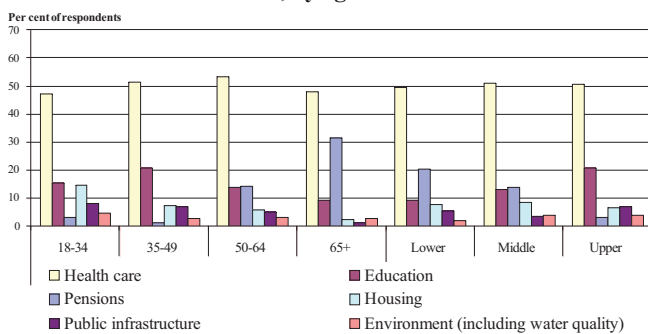
Attitudes to the market, by age and income



Preferences for political and economic systems

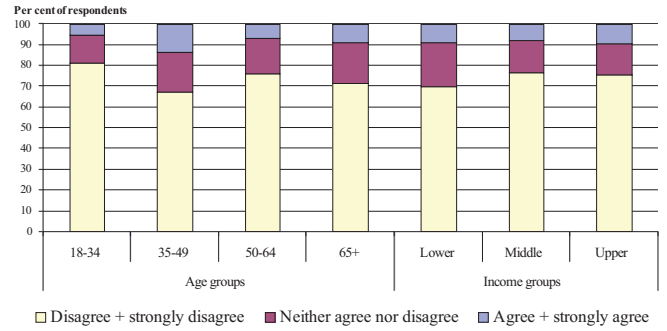


First priorities for extra (government) investment, by age and income

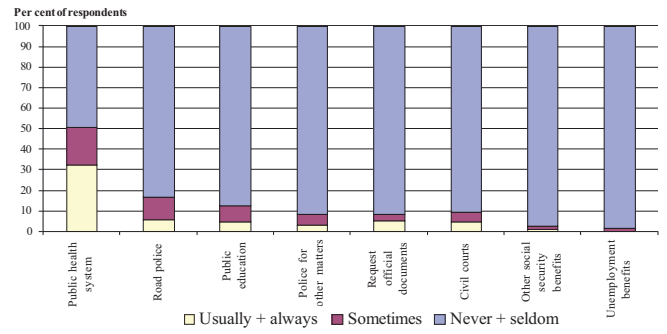


Corruption and trust

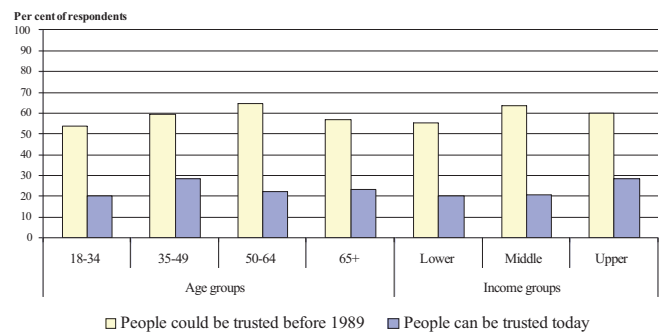
There is less corruption now than around 1989, by age and income



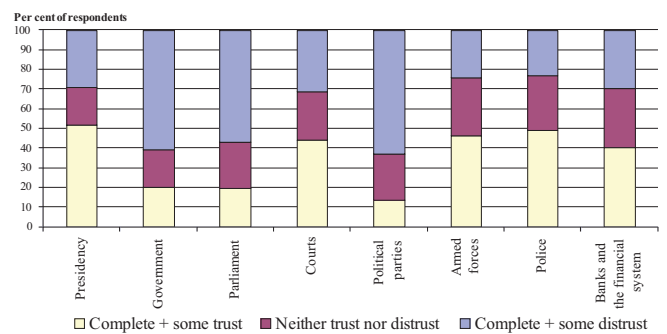
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

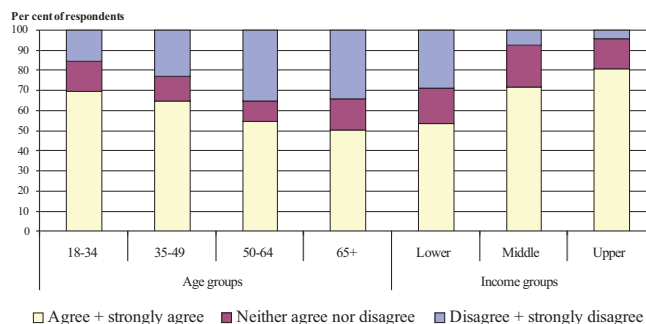


Kazakhstan

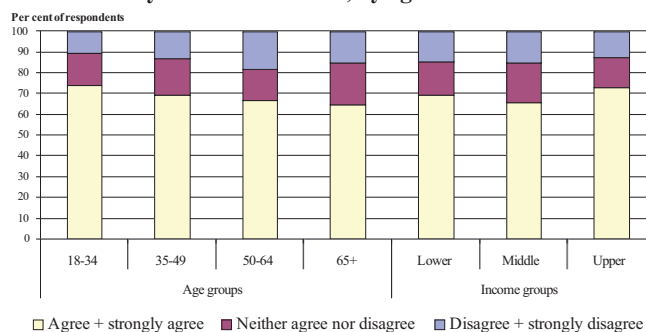
- Despite the strong growth of recent years, ownership of consumer goods is lower than in households in CEB or SEE.
- People surveyed are more satisfied with their way of life than those in CEB and SEE. The young and better-off are very positive about the economic situation and optimistic that their children will have a better life.
- About 70 per cent of people surveyed, across all age and income groups, think that the political situation is better than in 1989, reflecting the stability of the current regime. This is also reflected in very high trust in the presidency (83 per cent).
- A large proportion of people questioned stated that a state-controlled planned economy may be preferable to a market economy. This view attracts particularly strong support among those aged over 65.
- Trust in society is high when compared with the rest of the CIS+M and especially when compared with CEB and SEE.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

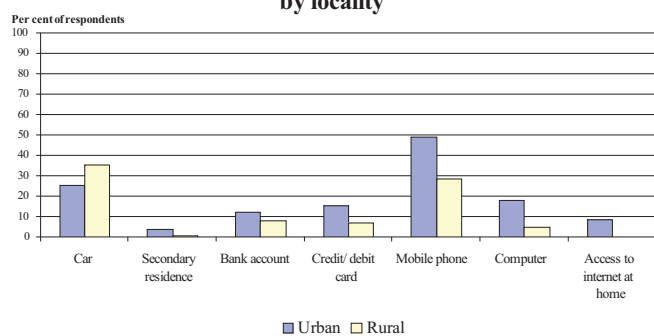


The political situation in this country is better today than around 1989, by age and income

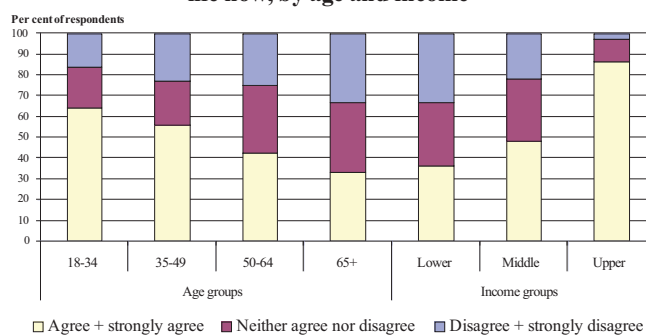


Material well-being

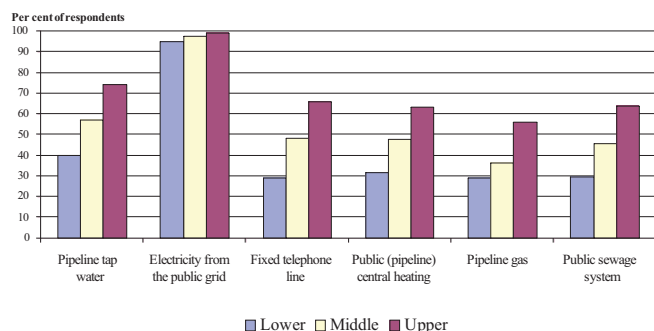
Household ownership of consumer goods, by locality



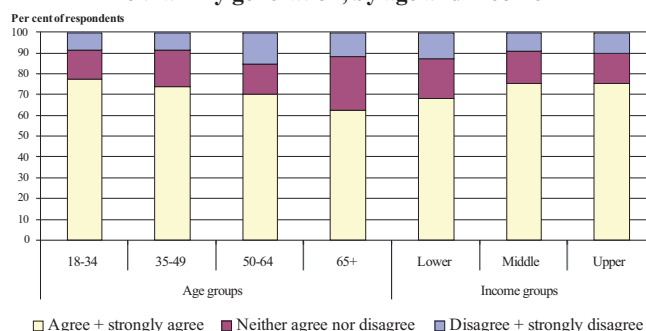
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

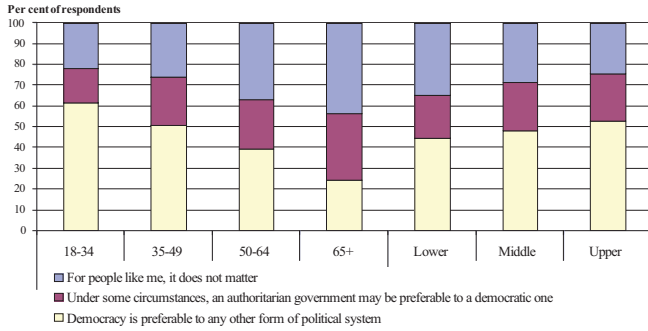


Children who are born now will have a better life than my generation, by age and income

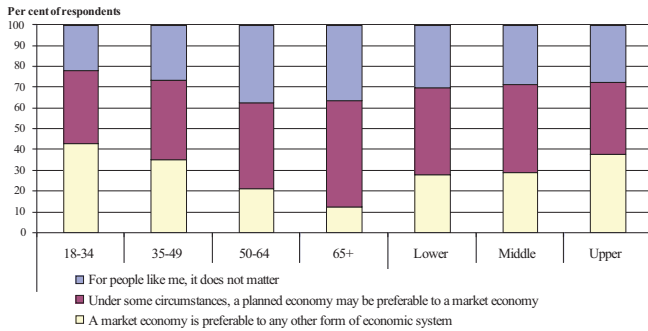


Values and priorities

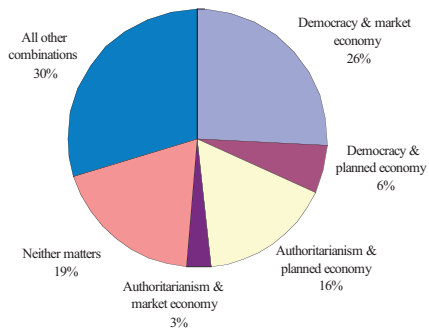
Attitudes to democracy, by age and income



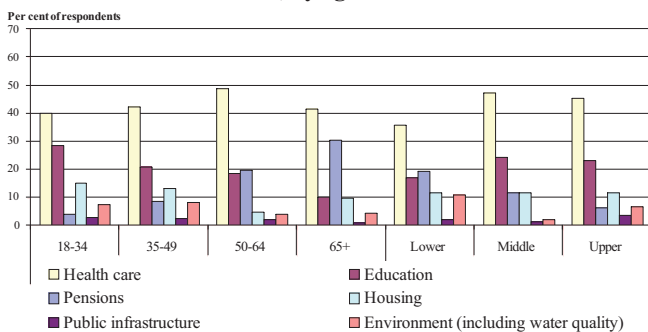
Attitudes to the market, by age and income



Preferences for political and economic systems

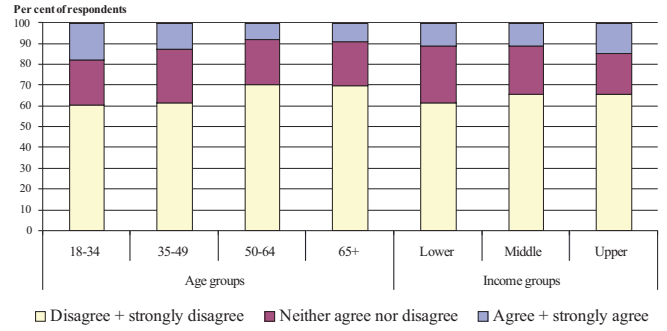


First priorities for extra (government) investment, by age and income

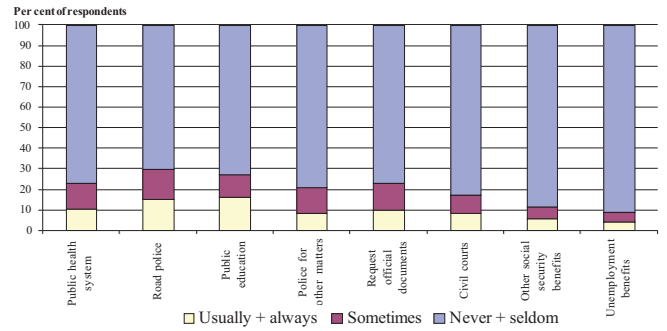


Corruption and trust

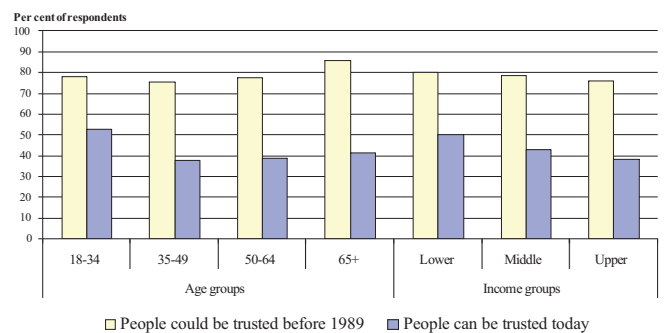
There is less corruption now than around 1989, by age and income



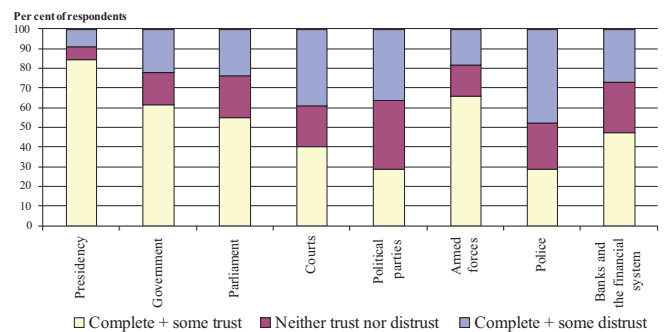
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

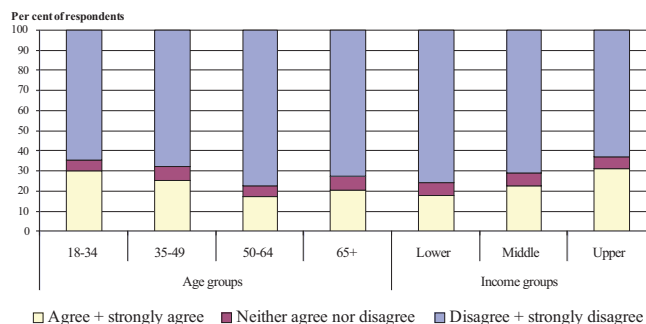


Kyrgyz Republic

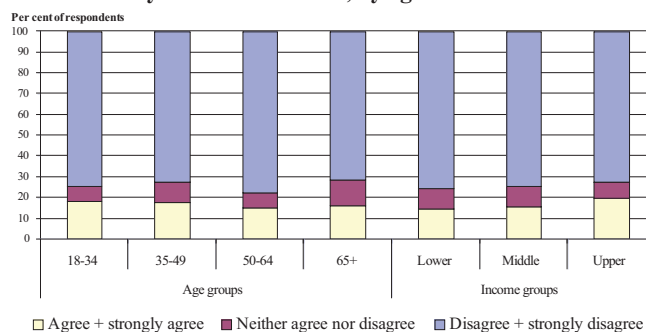
- Ownership of consumer goods and access to public services are among the lowest in the transition region although access to mains electricity is almost universal.
- Most people surveyed believe that both the economic and political situations have worsened since 1989.
- Satisfaction with life – at 60 per cent of those surveyed – and optimism for the future – at 70 per cent – are both high by transition country standards, and even higher than the CEB average.
- Support for a market economy is close to the average for the CIS+M region and varies strongly with age. Support for democracy is slightly lower than average but only the over-65s are not, on balance, in favour of democracy.
- Corruption is perceived to have worsened considerably since 1989, making it among the worst in the region. Most “irregular payments” to public officials are made to public health services, education services and the road police.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

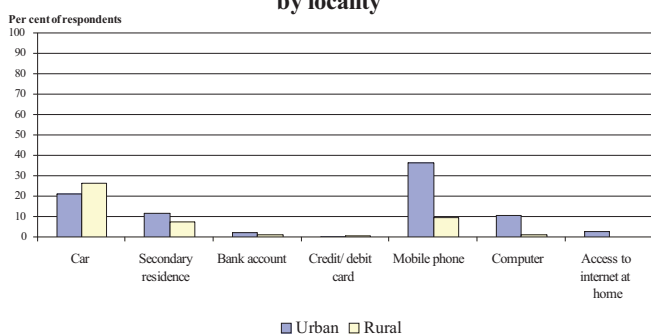


The political situation in this country is better today than around 1989, by age and income

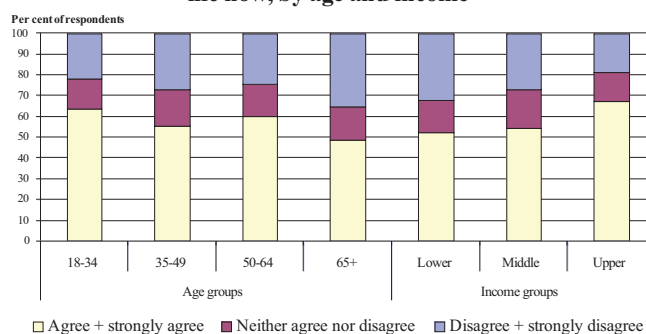


Material well-being

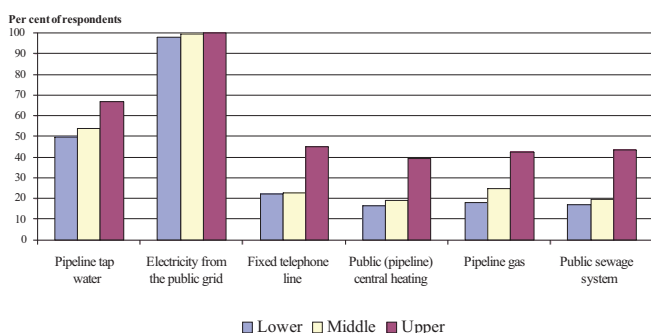
Household ownership of consumer goods, by locality



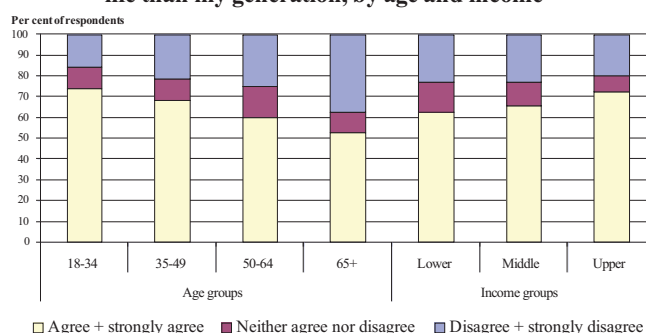
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

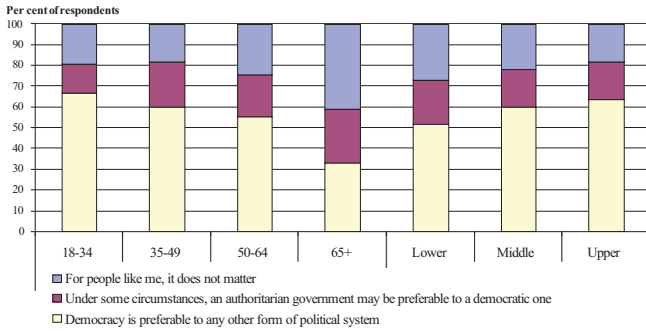


Children who are born now will have a better life than my generation, by age and income

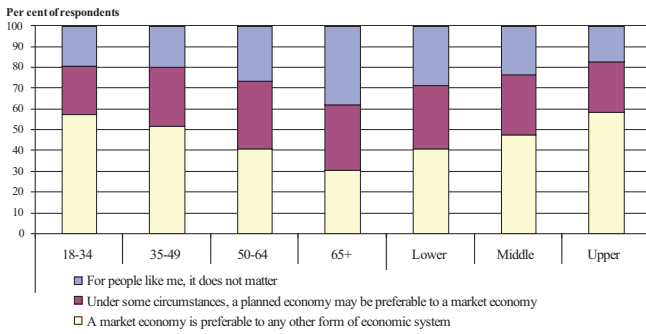


Values and priorities

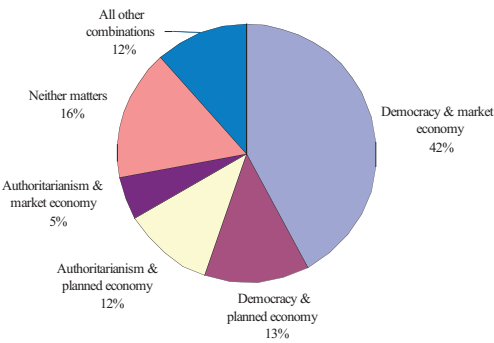
Attitudes to democracy, by age and income



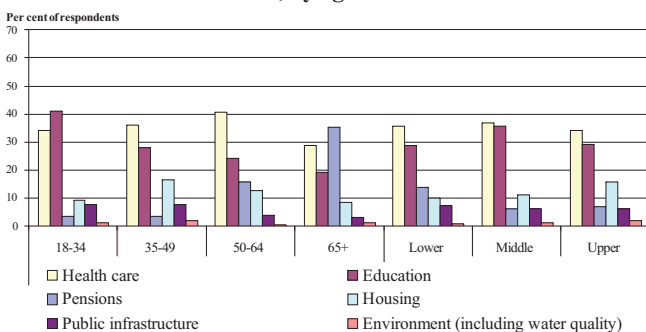
Attitudes to the market, by age and income



Preferences for political and economic systems

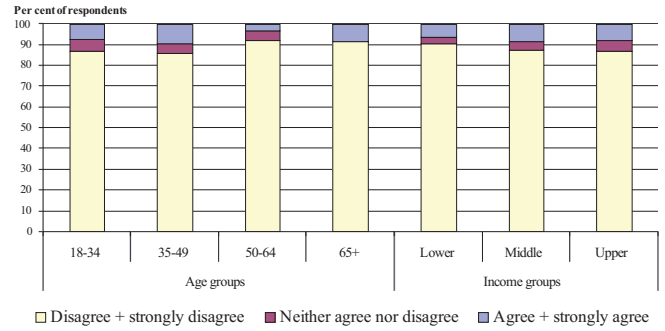


First priorities for extra (government) investment, by age and income

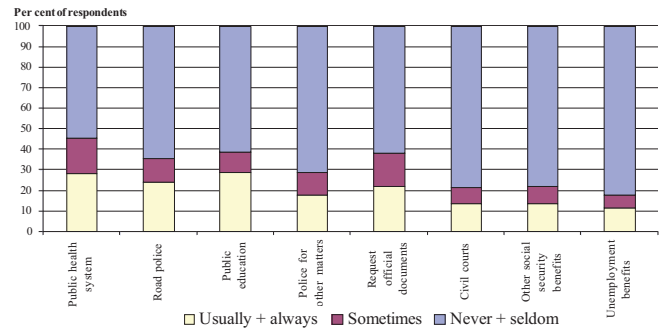


Corruption and trust

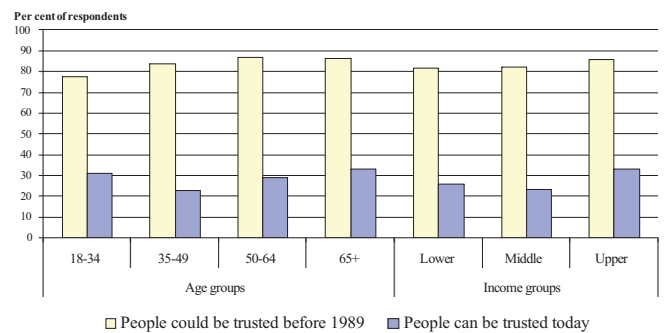
There is less corruption now than around 1989, by age and income



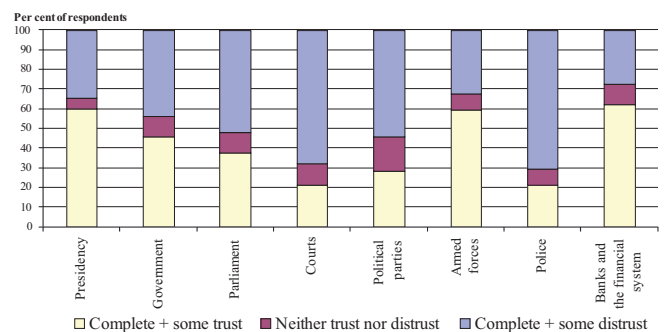
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

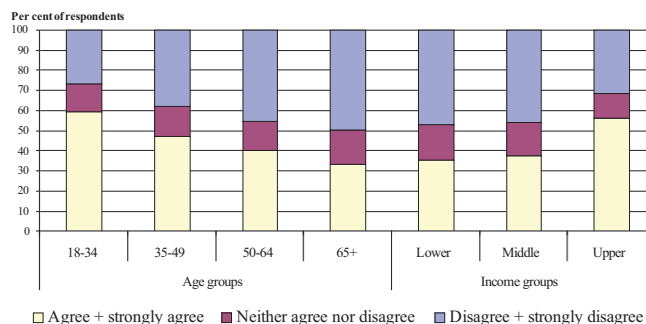


Latvia

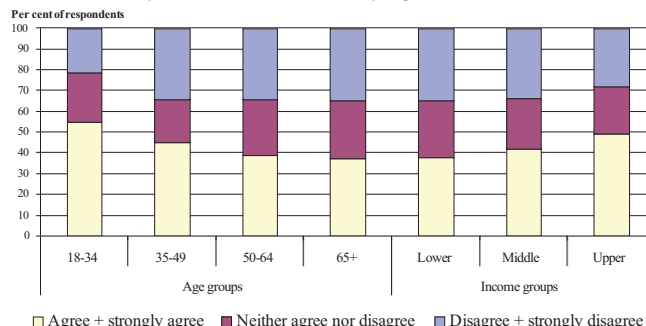
- Household ownership of consumer goods is high by CEB standards in both urban and rural areas. Levels of access to public services are high and rise slightly with income.
- People surveyed generally have a positive view of the economic and political changes since 1989. The youngest age group is particularly supportive of the current situation.
- Satisfaction with life and optimism for the future are both very high, again led by the upbeat assessments of the youngest age group.
- There is widespread support for democracy and a market economy, with more people supporting the former than the latter.
- “Irregular payments” to public officials are infrequent apart from in the public health system. Trust in society has dropped markedly over time but the financial system draws broad trust today, followed by the presidency and the armed forces.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

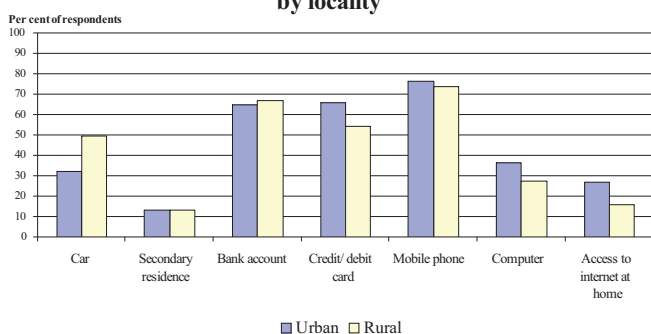


The political situation in this country is better today than around 1989, by age and income

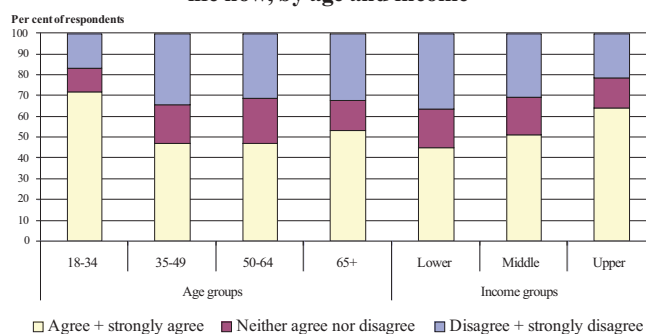


Material well-being

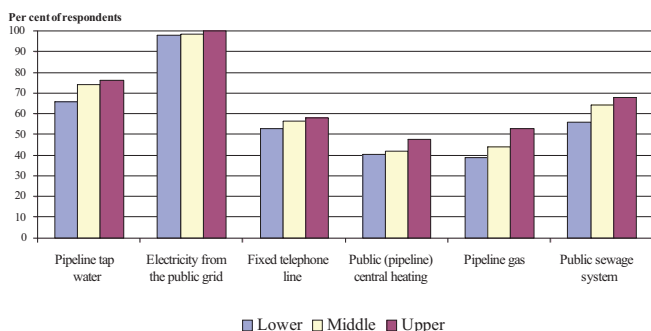
Household ownership of consumer goods, by locality



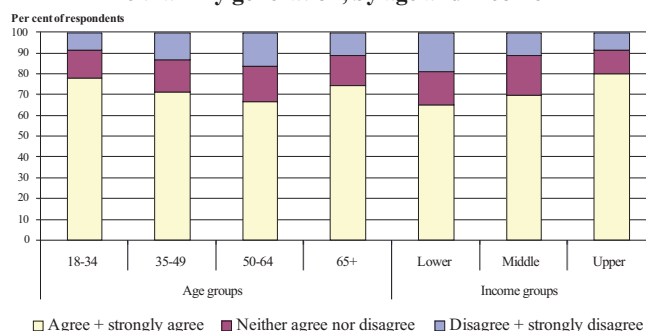
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

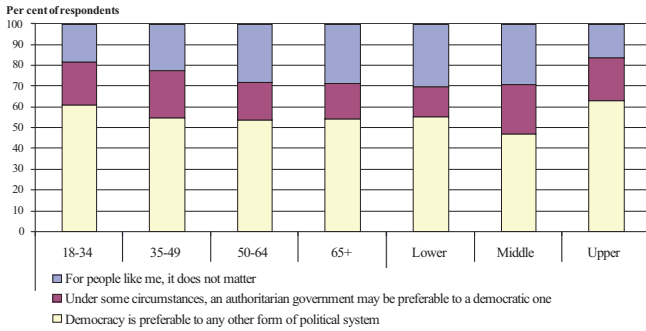


Children who are born now will have a better life than my generation, by age and income

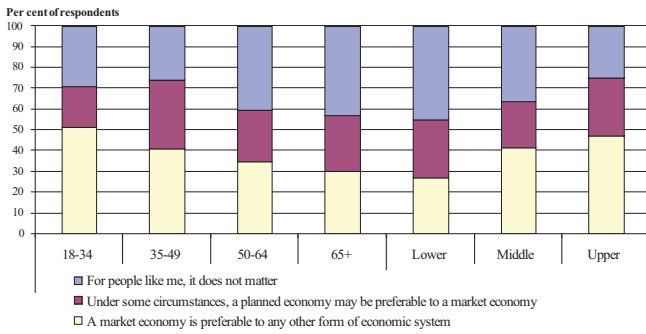


Values and priorities

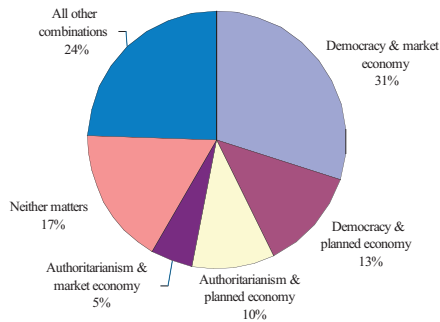
Attitudes to democracy, by age and income



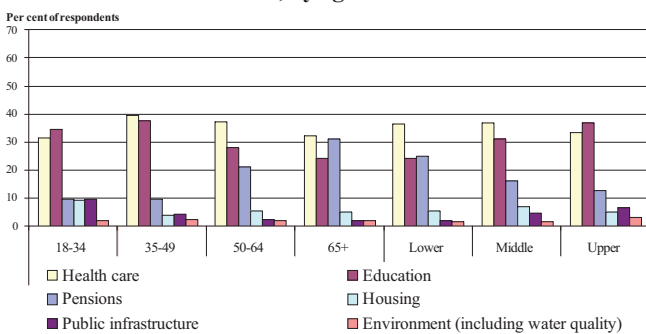
Attitudes to the market, by age and income



Preferences for political and economic systems

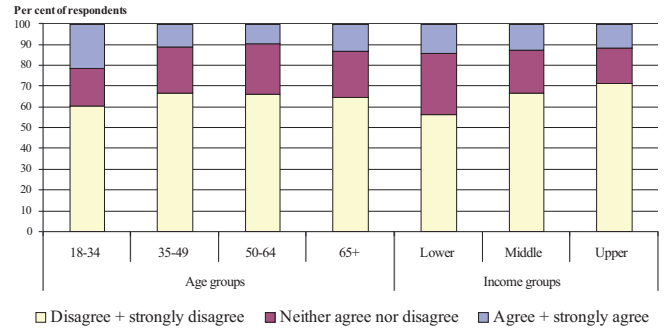


First priorities for extra (government) investment, by age and income

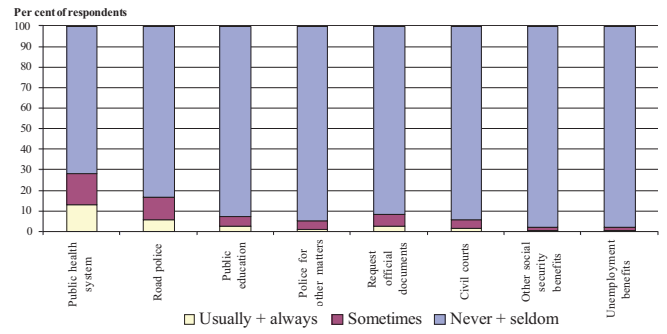


Corruption and trust

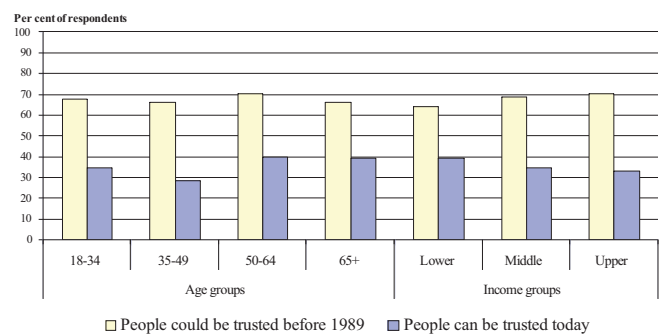
There is less corruption now than around 1989, by age and income



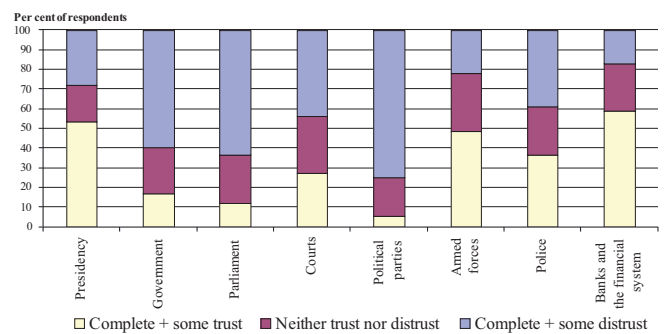
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

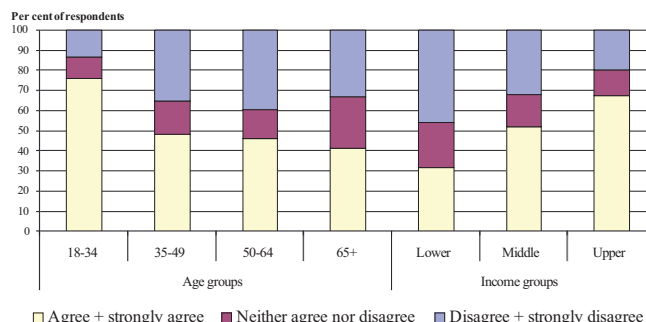


Lithuania

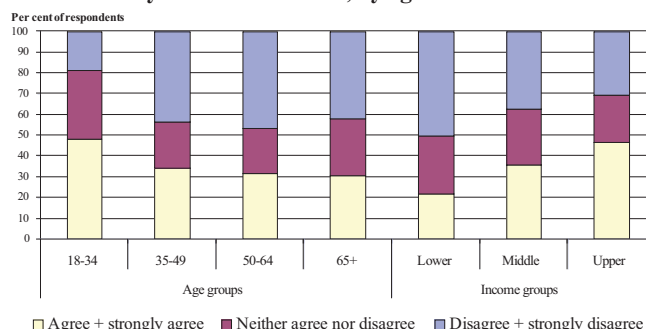
- Households in urban areas own more consumer goods than those in rural areas. Access to public services is closely linked to income.
- Views on the economic and political situation vary significantly by income and age group, with the wealthiest and youngest being the most upbeat about the current economic situation.
- People surveyed are mostly satisfied with their lives and there is broad-based optimism for the future.
- More than one-third of the sample supports a combination of democracy and a market economy. These attitudes are most prevalent among younger and higher-income groups.
- “Irregular payments” to public officials are infrequent, except in the public health system. Trust in society has fallen sharply since 1989, from a fairly high base. There is much higher trust in the financial system than in political parties, which attract generally low levels of trust.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

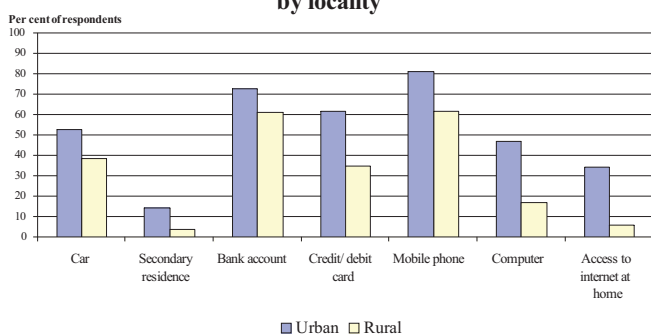


The political situation in this country is better today than around 1989, by age and income

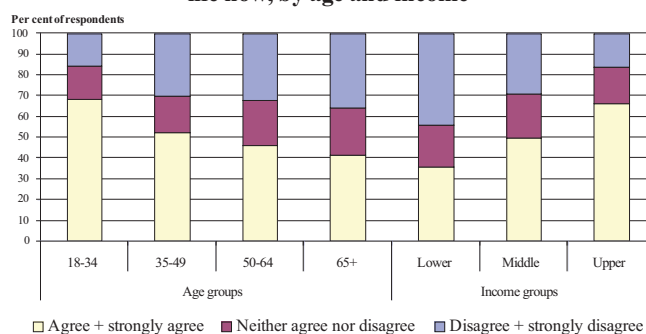


Material well-being

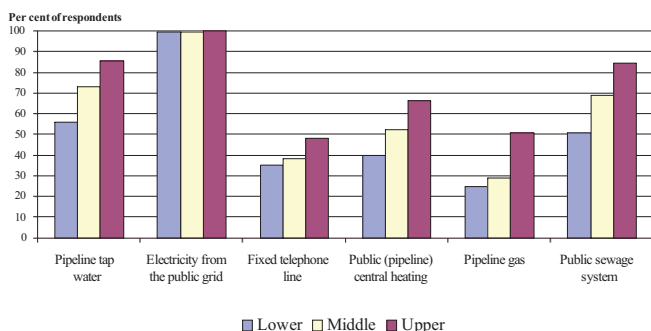
Household ownership of consumer goods, by locality



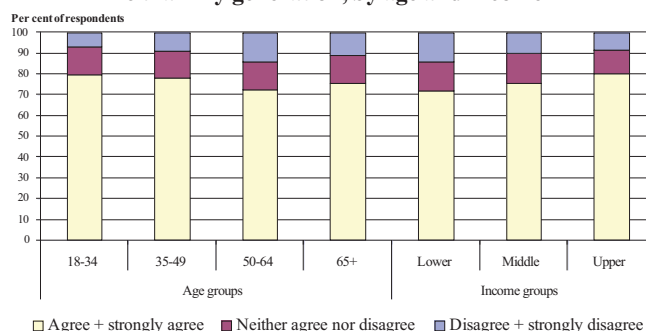
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

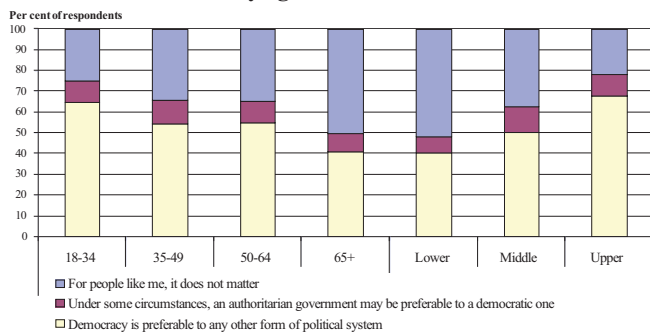


Children who are born now will have a better life than my generation, by age and income

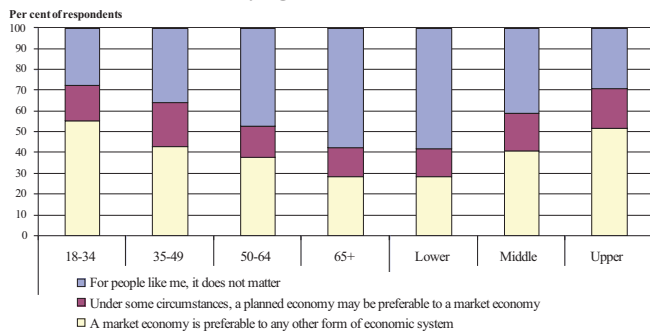


Values and priorities

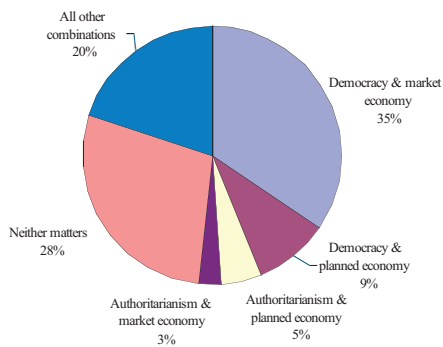
Attitudes to democracy, by age and income



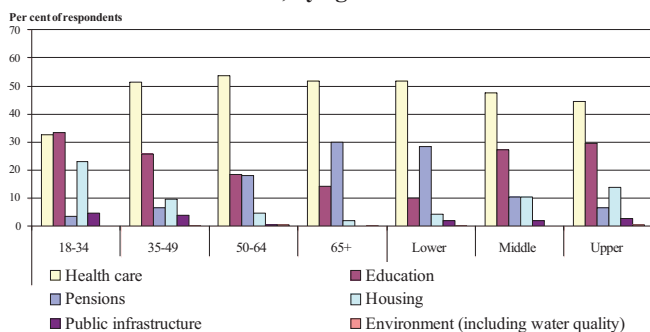
Attitudes to the market, by age and income



Preferences for political and economic systems

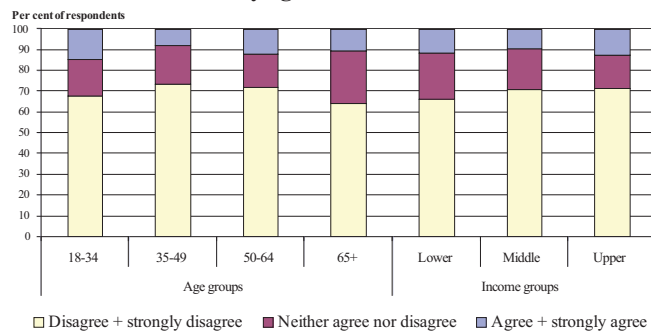


First priorities for extra (government) investment, by age and income

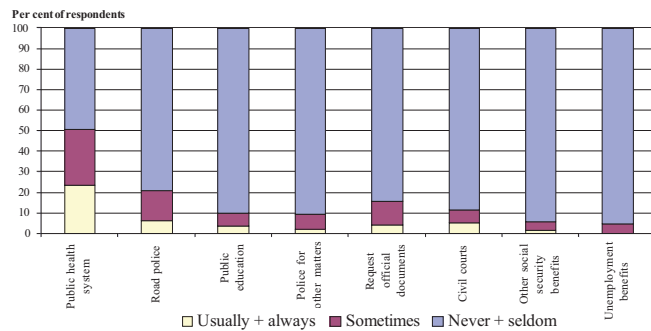


Corruption and trust

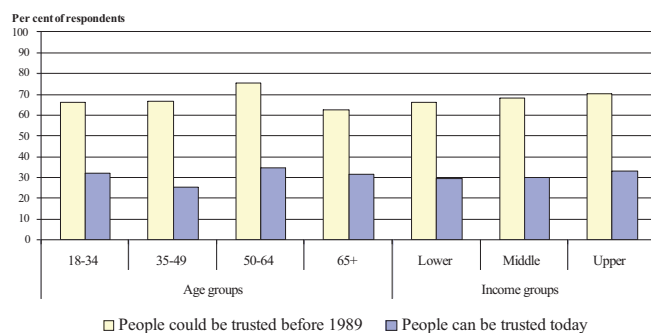
There is less corruption now than around 1989, by age and income



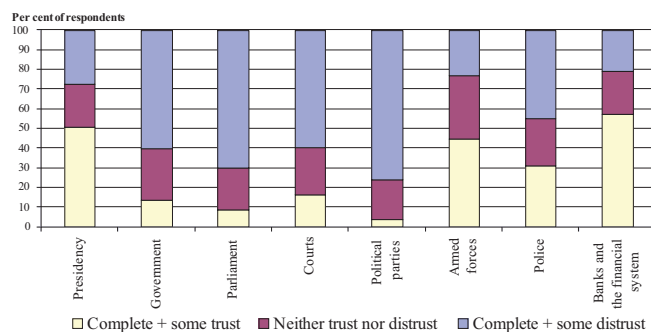
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

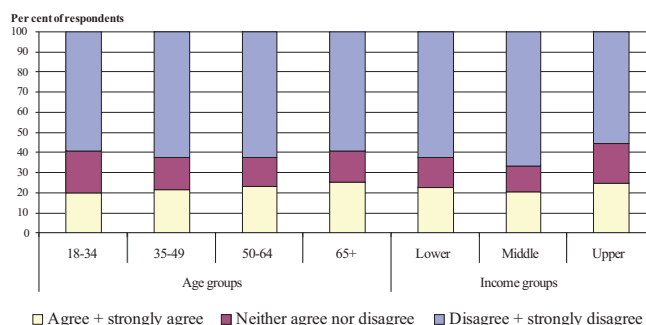


Moldova

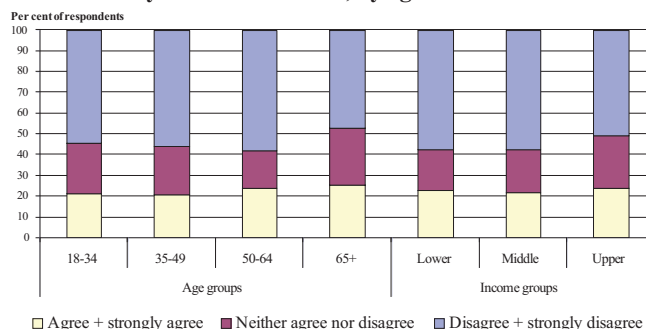
- Ownership of consumer goods is low. There is a large divide between urban and rural dwellers. Access to public services is generally better than in other transition countries with comparable levels of income.
- People surveyed report high levels of dissatisfaction, with little variation across age and income groups.
- Young people and the better-off are more satisfied with the present and more confident about the future than the poor, middle-income and older people.
- More people support a combination of democracy and a market economy than any other option. However, almost a quarter of people indicate that the form of political and economic system does not matter to them.
- Corruption is perceived as a major problem, particularly among the poor. People have relatively low levels of trust in all public institutions, particularly in their elected representatives.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

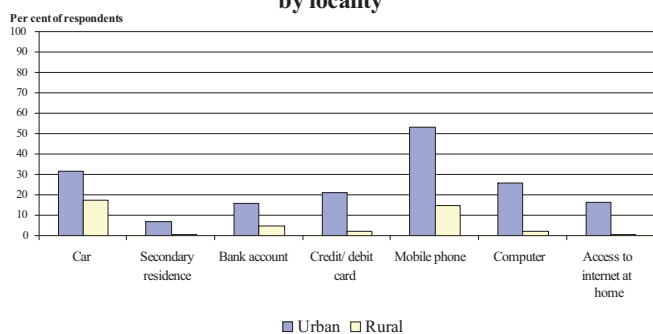


The political situation in this country is better today than around 1989, by age and income

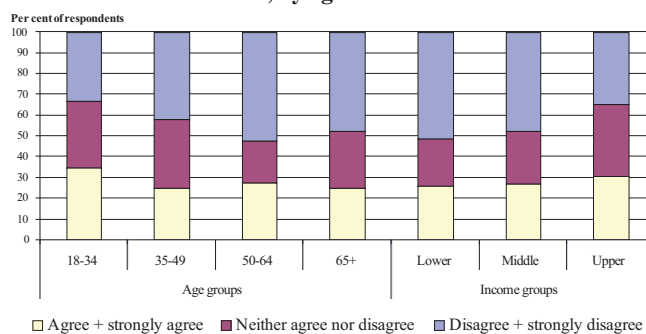


Material well-being

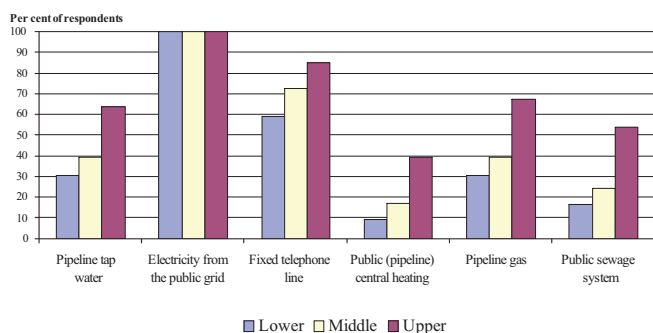
Household ownership of consumer goods, by locality



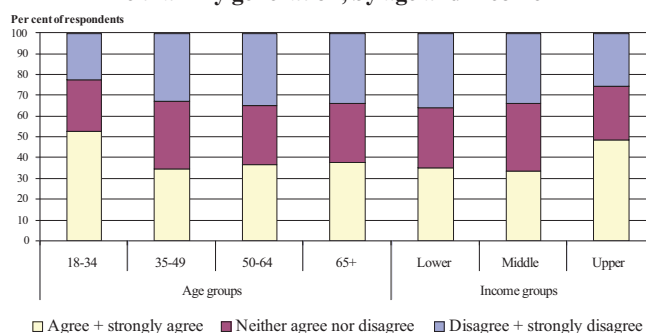
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

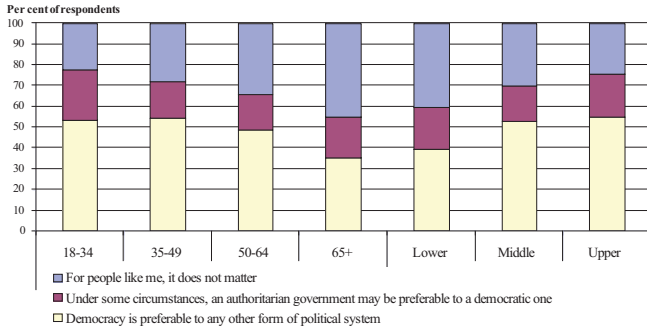


Children who are born now will have a better life than my generation, by age and income

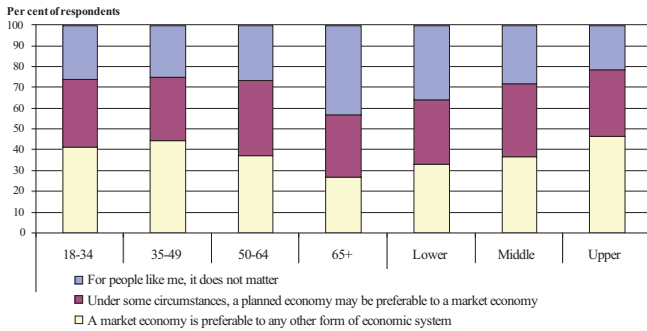


Values and priorities

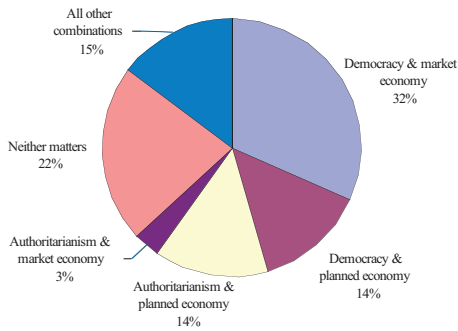
Attitudes to democracy, by age and income



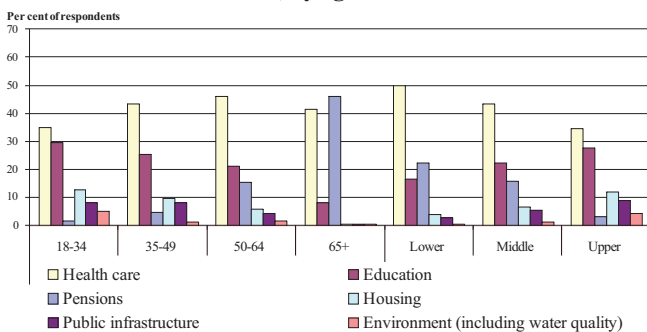
Attitudes to the market, by age and income



Preferences for political and economic systems

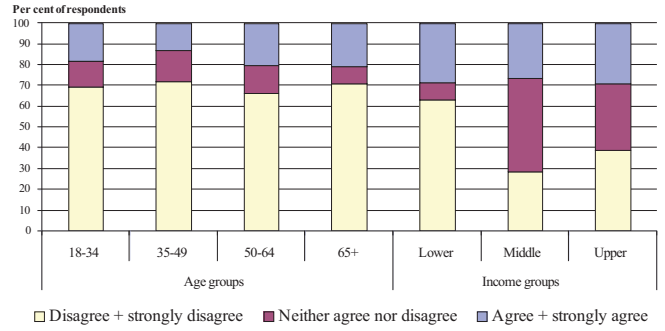


First priorities for extra (government) investment, by age and income

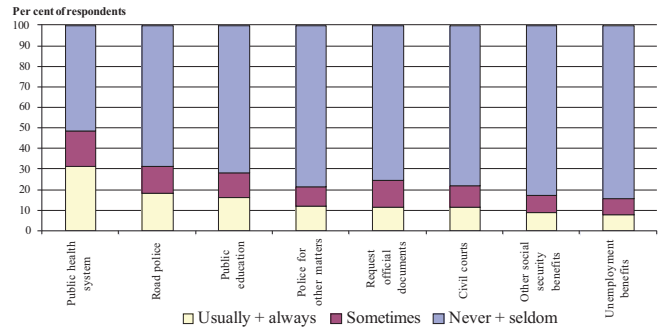


Corruption and trust

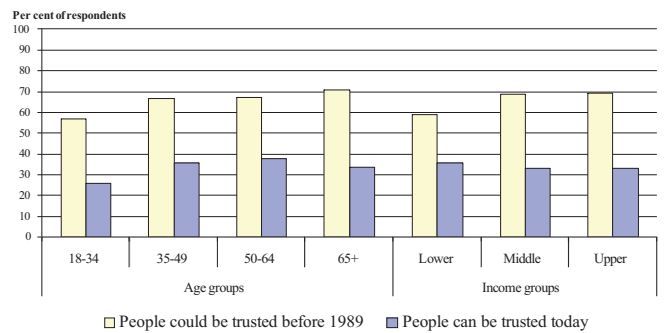
There is less corruption now than around 1989, by age and income



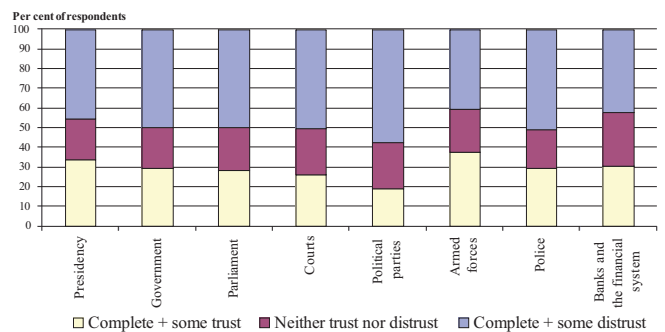
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

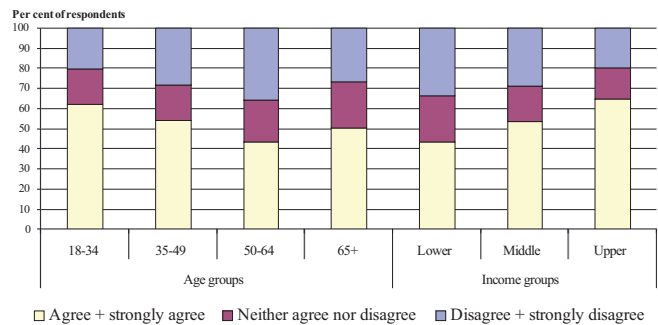


Mongolia

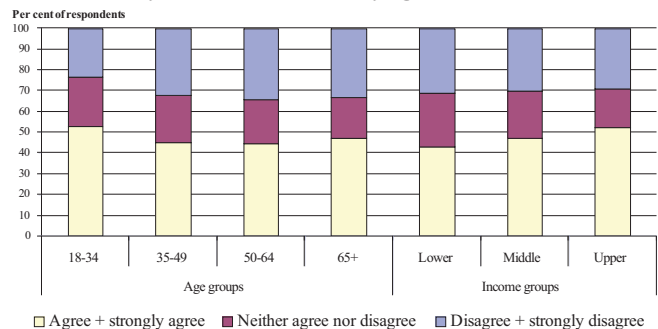
- Households surveyed in urban areas own more credit/debit cards, cars, mobile phones and computers than those from rural areas. Access to public services rises with income.
- People surveyed view the current economic situation more positively than the current political situation.
- In general, the survey suggests that people are not satisfied with their lives but there is widespread optimism about the future.
- There is broad support for democracy and the market economy. A combination of the two is preferred to any other alternatives by more than 60 per cent of people surveyed.
- Corruption is perceived to be relatively widespread across a range of sectors. A significant drop in the levels of trust in society has occurred since 1989. Among institutions, the financial system enjoys relatively high levels of trust followed by the armed forces and the presidency.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

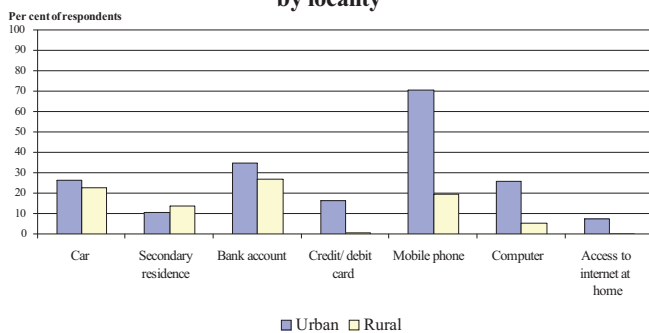


The political situation in this country is better today than around 1989, by age and income

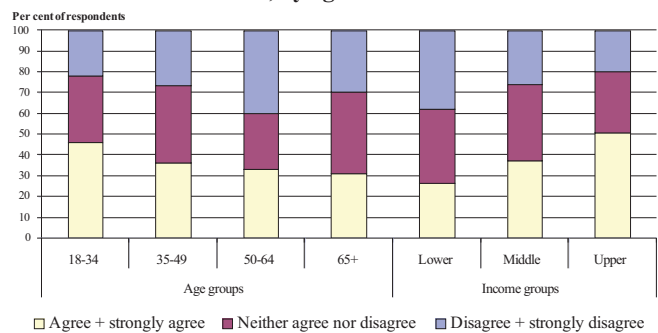


Material well-being

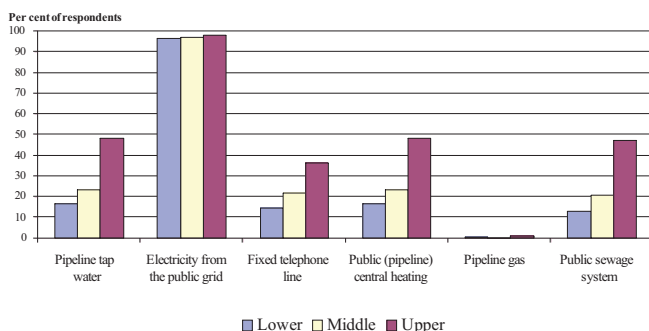
Household ownership of consumer goods, by locality



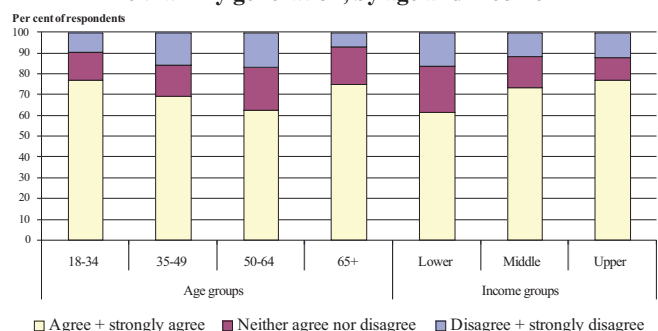
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

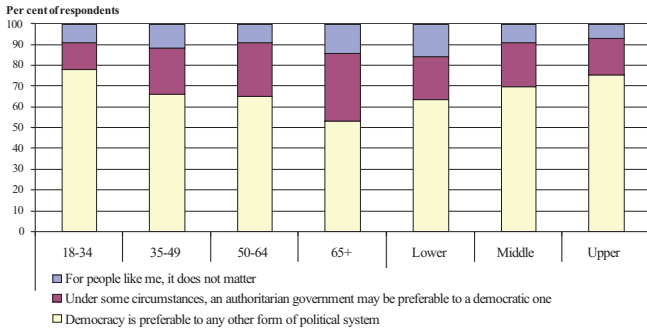


Children who are born now will have a better life than my generation, by age and income

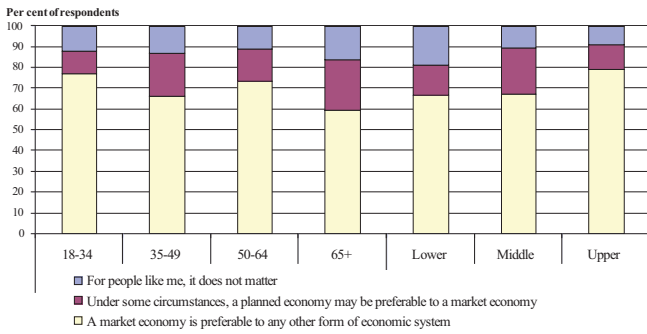


Values and priorities

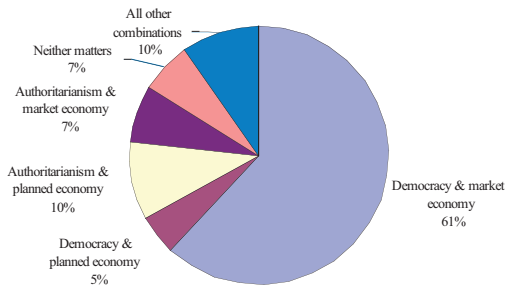
Attitudes to democracy, by age and income



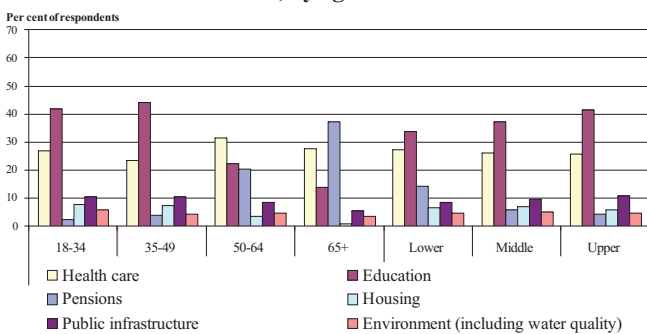
Attitudes to the market, by age and income



Preferences for political and economic systems

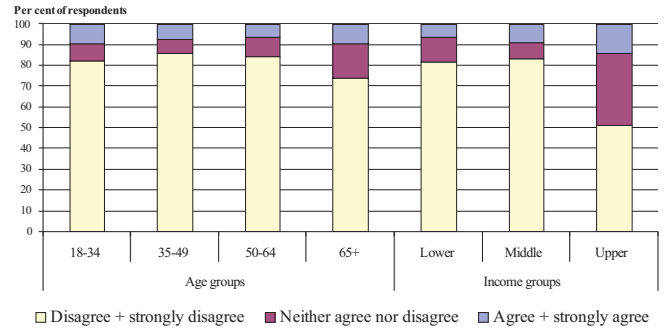


First priorities for extra (government) investment, by age and income

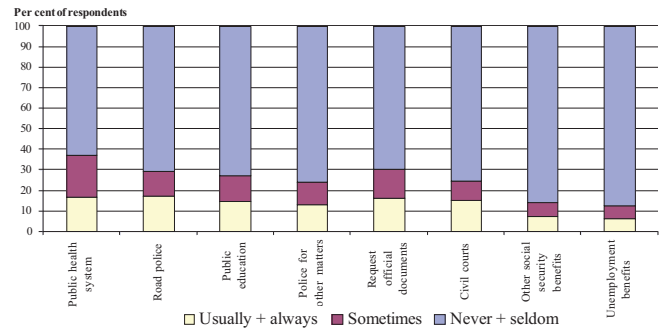


Corruption and trust

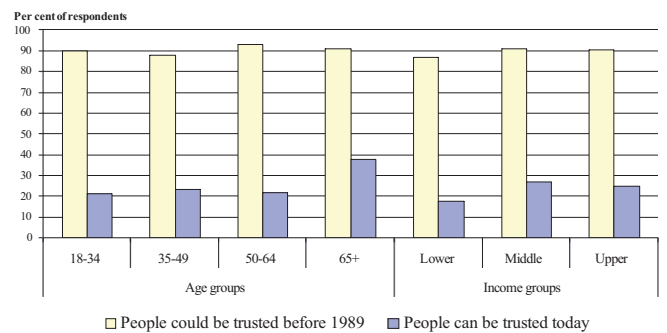
There is less corruption now than around 1989, by age and income



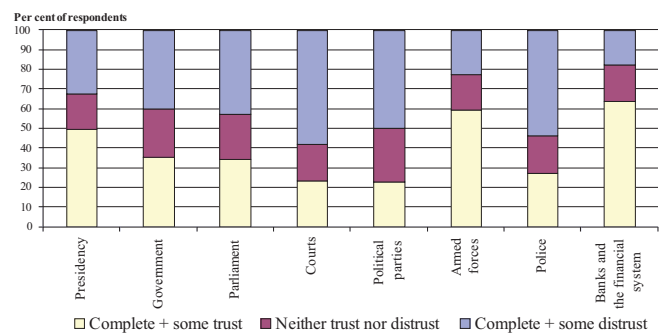
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

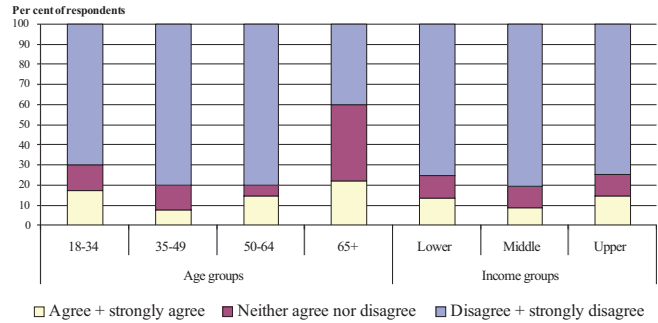


Montenegro

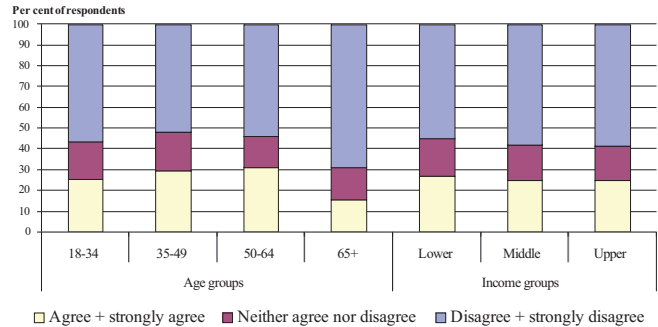
- There is little difference between urban and rural areas in terms of household ownership of consumer goods in general, and mobile phones and cars in particular.
- There is a very strong consensus that the economic situation is worse than in 1989, and less strong agreement that the political situation is also worse.
- More people surveyed are dissatisfied than satisfied with their lives, in all age and income groups, but there is strong support, especially among older people, for the view that today's children will have a better life than their parents.
- Democracy attracts very strong support (less so for the market economy) and health care is viewed among all age groups as the main priority for extra government spending.
- Corruption is generally believed to be worse than in 1989 but levels of "irregular payments" to public officials are relatively low. People surveyed show a reasonable degree of trust in public institutions.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

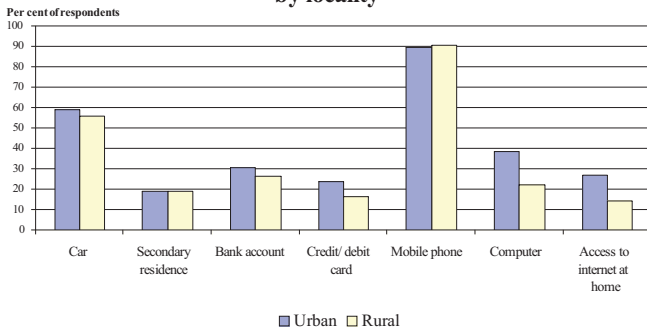


The political situation in this country is better today than around 1989, by age and income

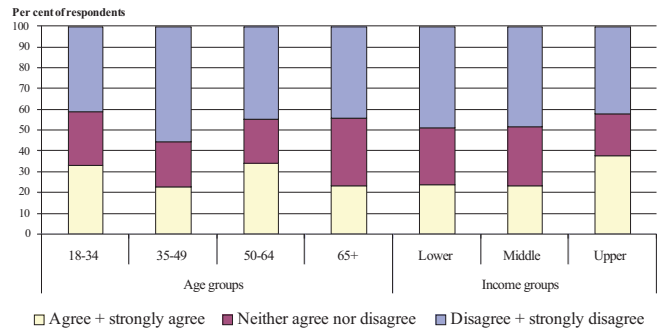


Material well-being

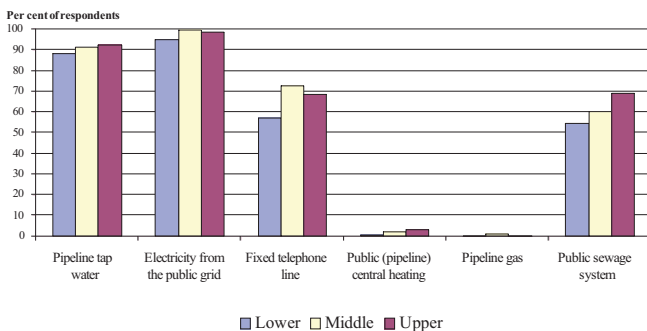
Household ownership of consumer goods, by locality



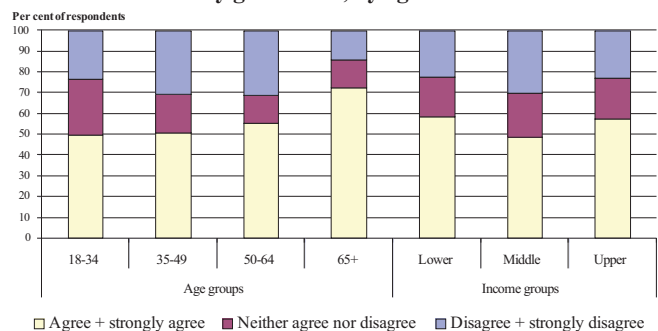
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

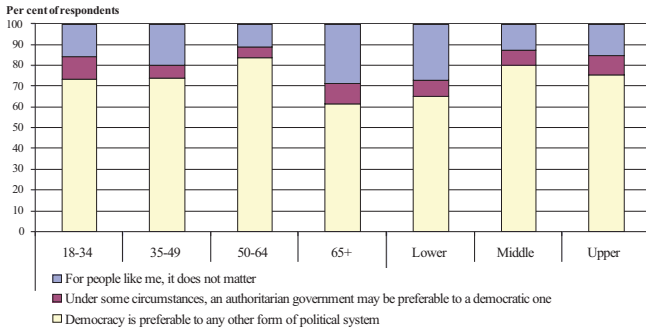


Children who are born now will have a better life than my generation, by age and income

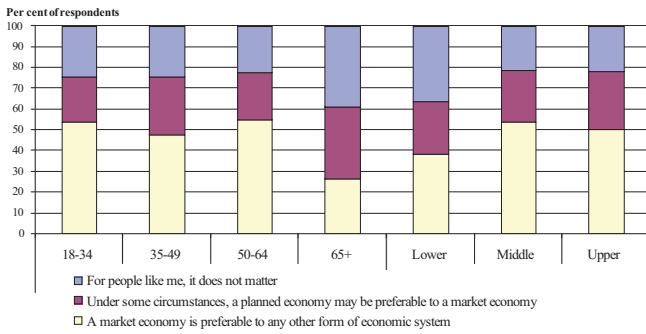


Values and priorities

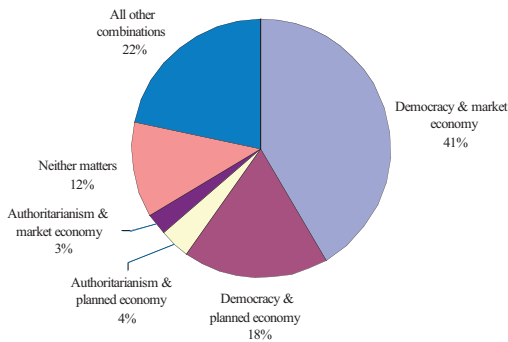
Attitudes to democracy, by age and income



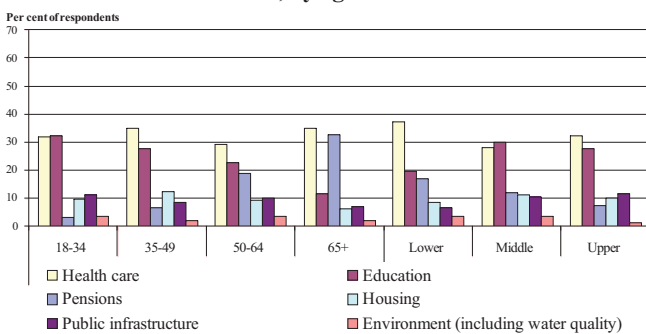
Attitudes to the market, by age and income



Preferences for political and economic systems

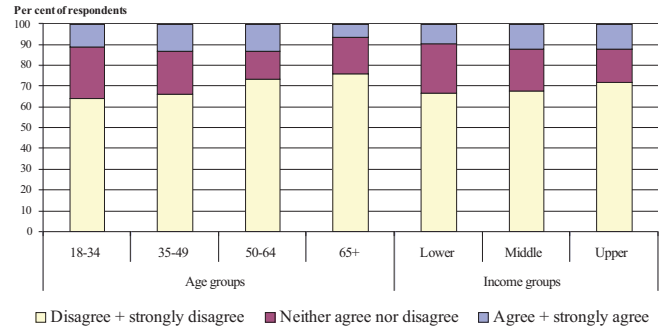


First priorities for extra (government) investment, by age and income

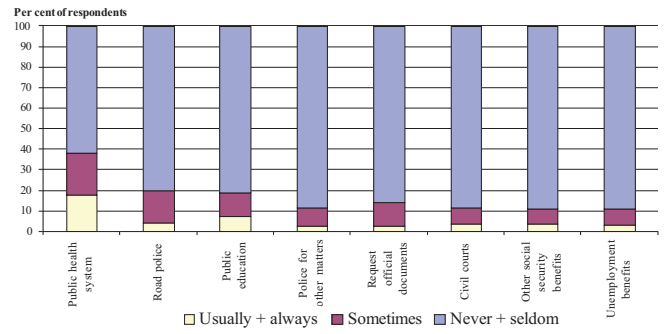


Corruption and trust

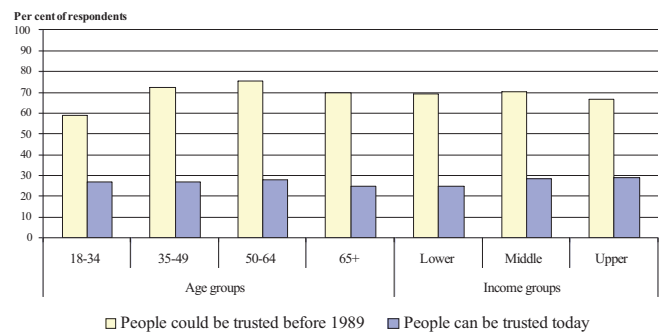
There is less corruption now than around 1989, by age and income



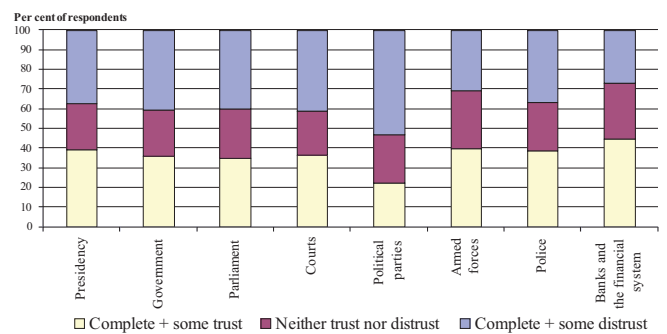
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

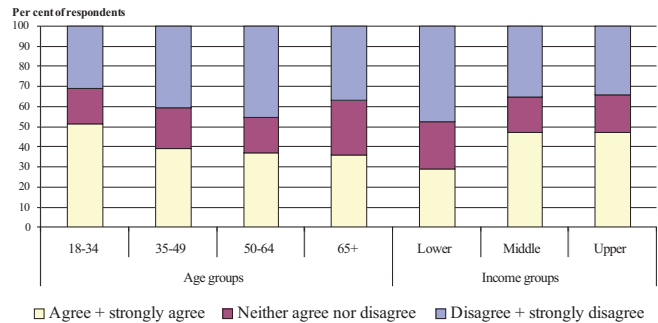


Poland

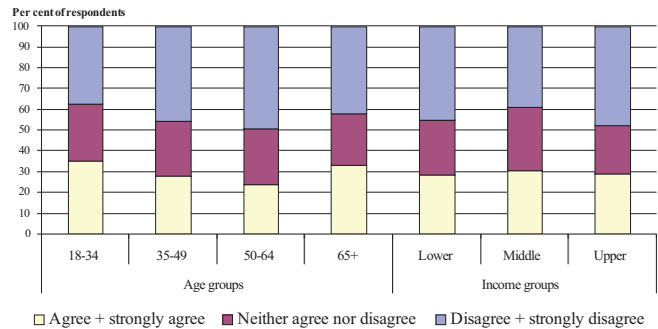
- Urban dwellers are generally better-off in terms of ownership of consumer goods. Access to public services, apart from tap water and electricity, tends to increase in line with income.
- Compared with 1989, people surveyed view the political situation much less favourably than the economic situation today.
- People interviewed are reasonably satisfied with their lives but they are not particularly optimistic that life will get better.
- One-third of the sample supports a combination of democracy and a market economy while the former draws far more support than the latter.
- “Irregular payments” to public officials are fairly infrequent, except in the public health system. Trust in society has dropped sharply since 1989, but not among the youngest age group. Among public institutions, only the armed forces enjoy the trust of more than half of the people surveyed.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

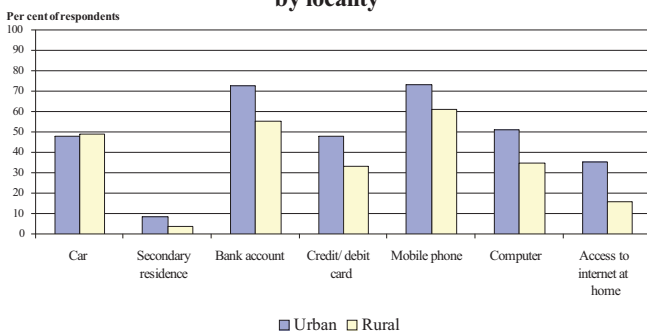


The political situation in this country is better today than around 1989, by age and income

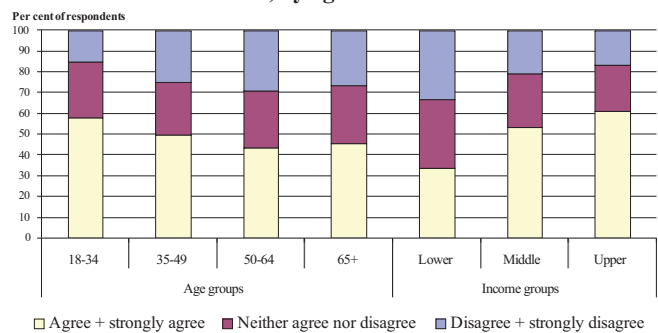


Material well-being

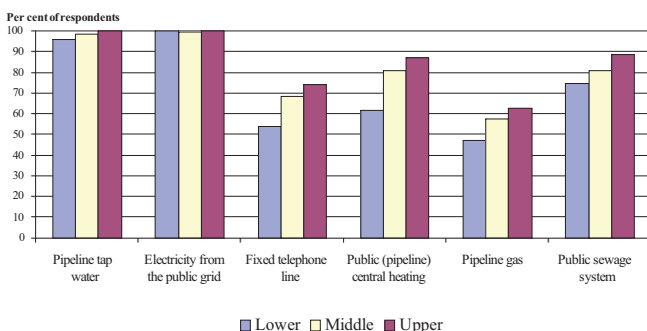
Household ownership of consumer goods, by locality



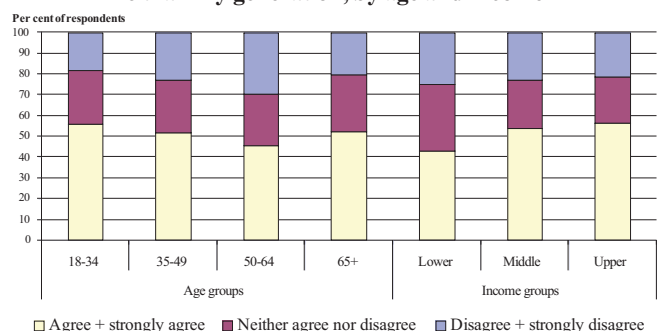
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

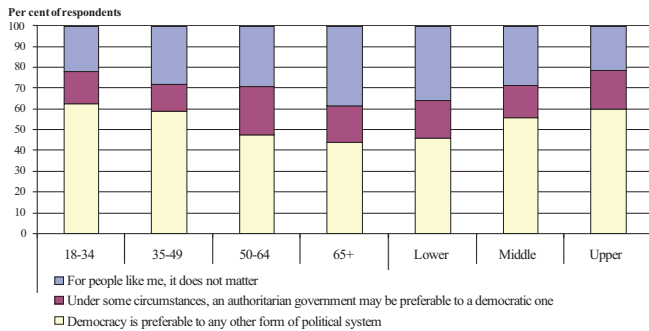


Children who are born now will have a better life than my generation, by age and income

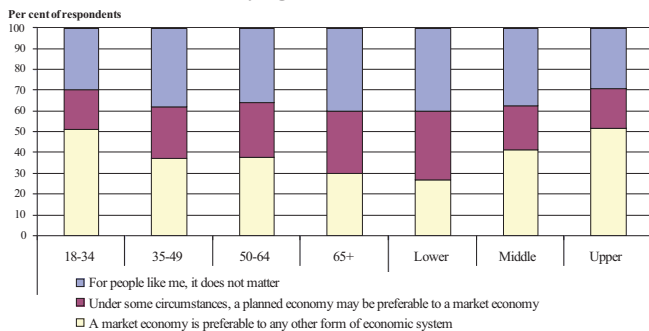


Values and priorities

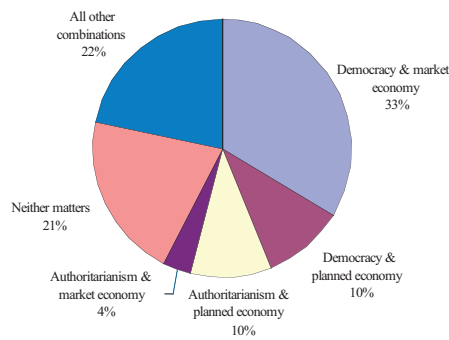
Attitudes to democracy, by age and income



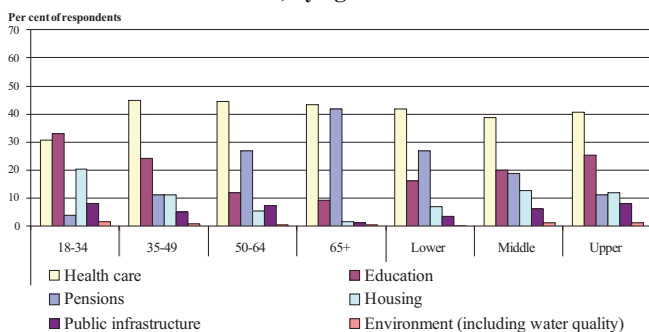
Attitudes to the market, by age and income



Preferences for political and economic systems

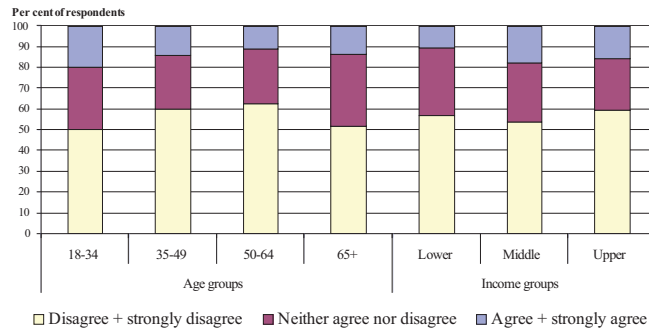


First priorities for extra (government) investment, by age and income

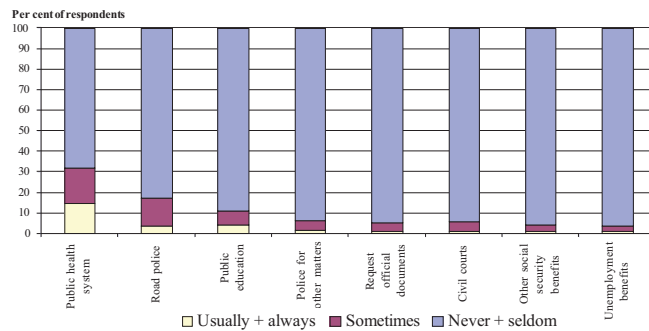


Corruption and trust

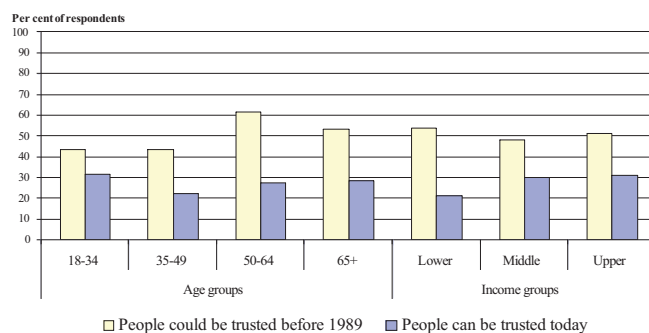
There is less corruption now than around 1989, by age and income



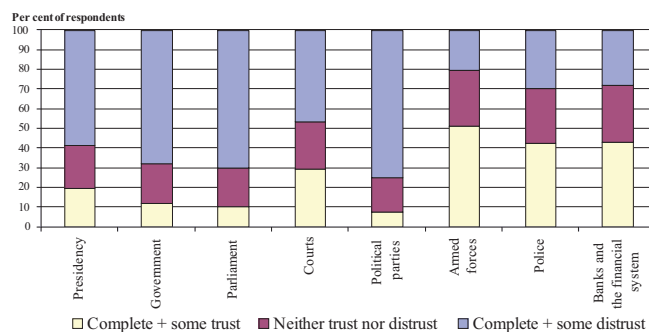
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

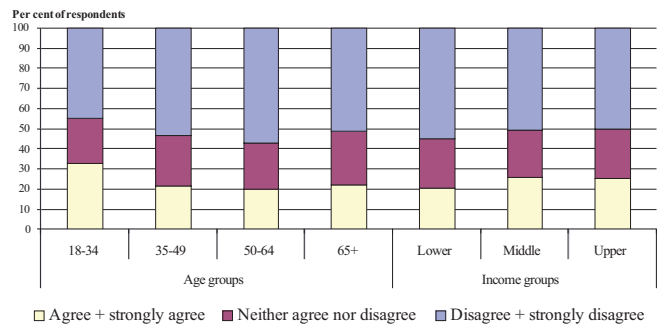


Romania

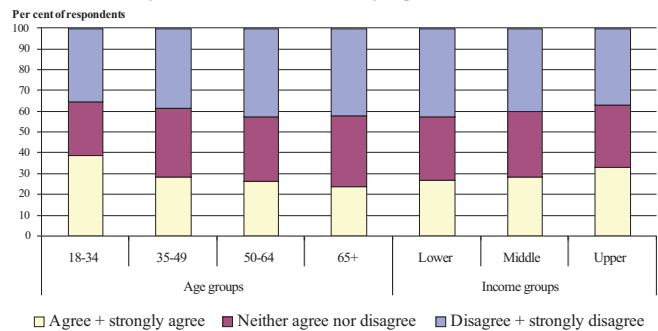
- A notable urban/rural divide exists in the ownership of consumer goods, with very limited access to bank accounts or credit/debit cards in rural areas. Access to public services other than electricity is strongly linked to income levels.
- More people disagree than agree that the economic situation is better today than in 1989 while views are fairly evenly split on the political situation now *vis-à-vis* 1989.
- There is a strong degree of satisfaction with life among the young and upper-income groups and general optimism about the future across all age and income groups.
- A market economy and democracy attract fairly strong support and health care is seen as the main priority for extra government spending.
- “Irregular payments” in the public health system are quite common by SEE standards. Trust in the armed forces and the police is strong but trust in political parties and parliament is weak.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

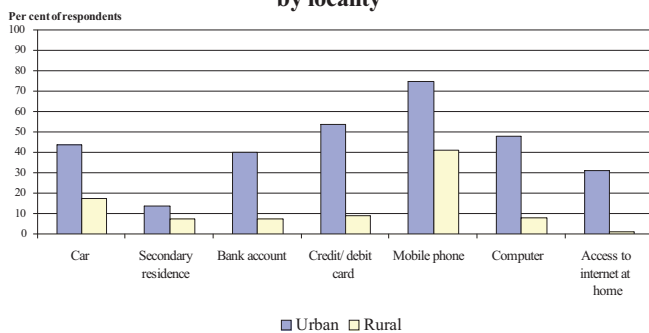


The political situation in this country is better today than around 1989, by age and income

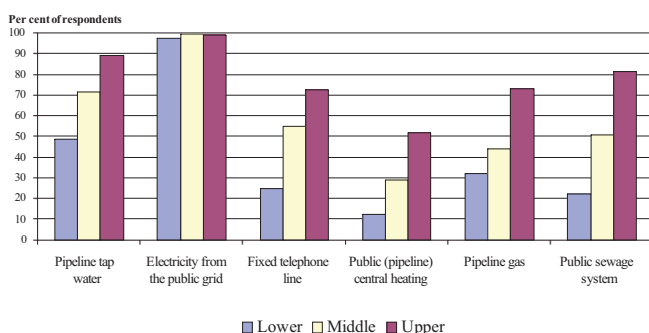


Material well-being

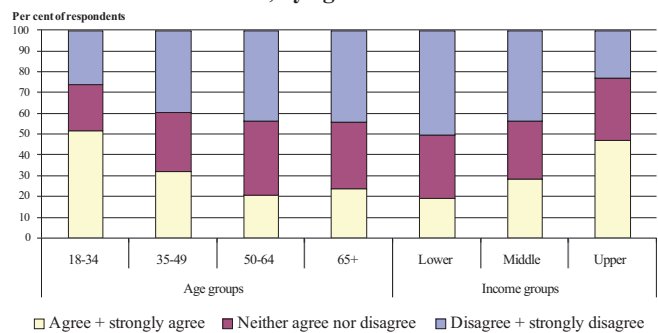
Household ownership of consumer goods, by locality



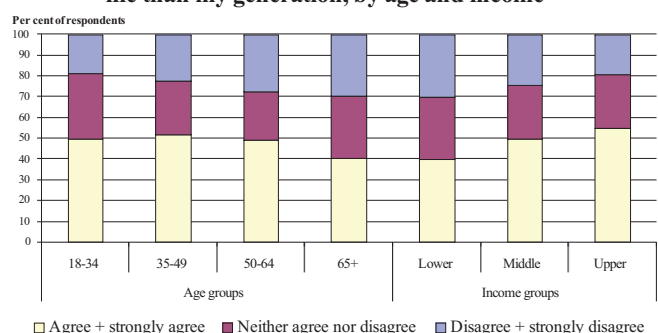
Household access to public services, by income



All things considered, I am satisfied with my life now, by age and income

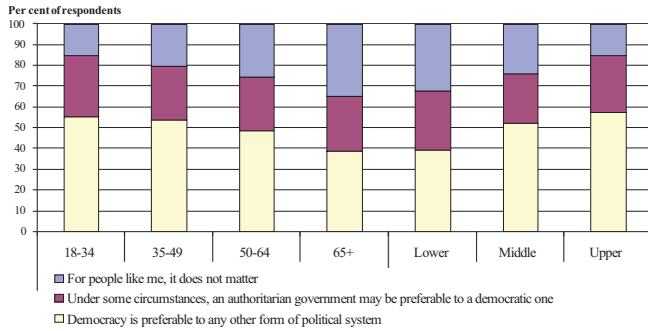


Children who are born now will have a better life than my generation, by age and income

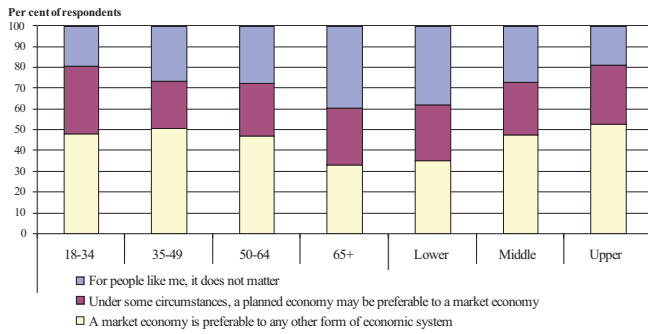


Values and priorities

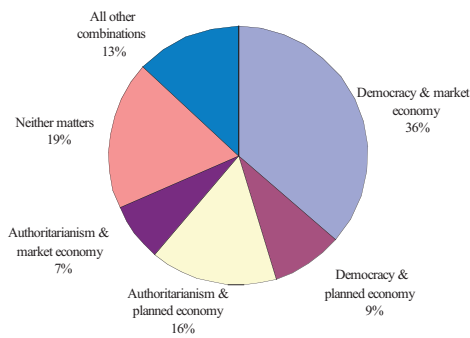
Attitudes to democracy, by age and income



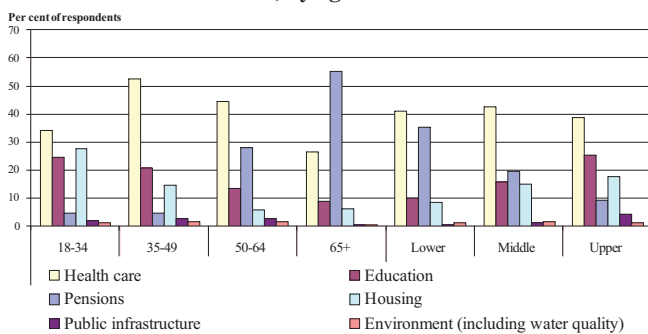
Attitudes to the market, by age and income



Preferences for political and economic systems

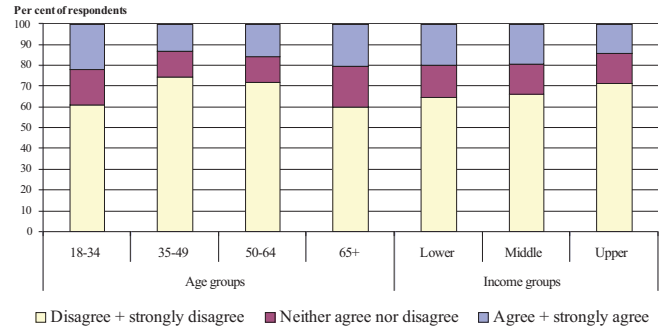


First priorities for extra (government) investment, by age and income

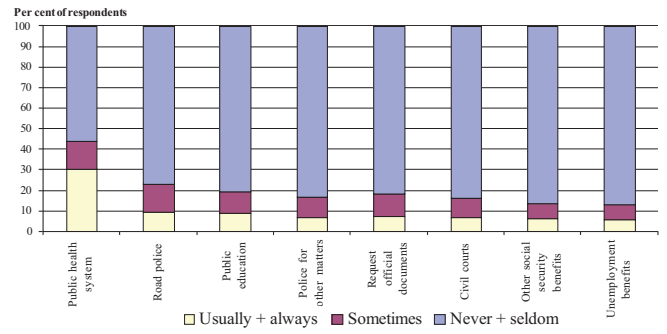


Corruption and trust

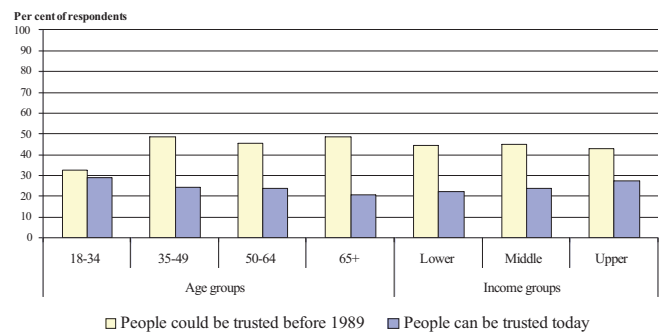
There is less corruption now than around 1989, by age and income



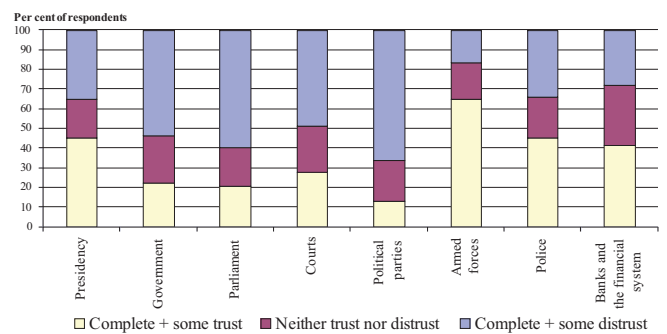
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

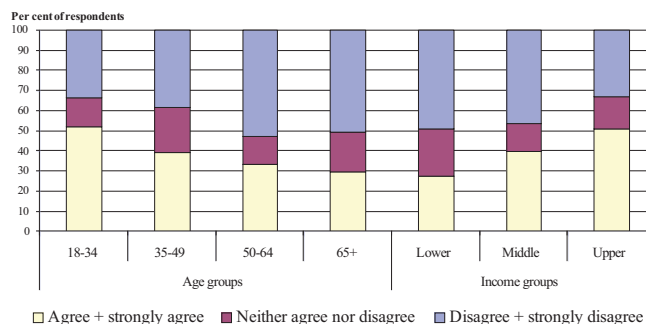


Russia

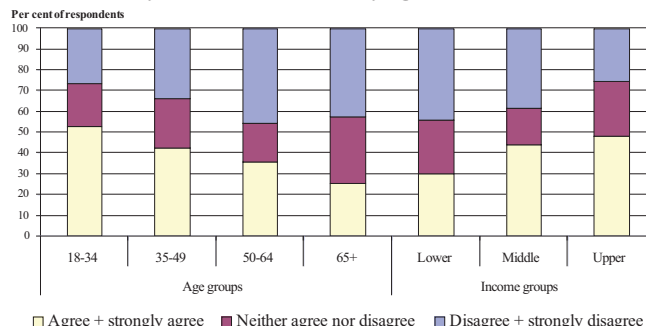
- Household ownership of consumer goods and access to public services are significantly higher than the CIS+M average, especially for financial services.
- A larger than average proportion of people surveyed feels that the economic and political situation has deteriorated since 1989.
- Younger people and the better-off are more positive about the current situation, are more satisfied with their lives and are more optimistic about their children’s future.
- Support for democracy and a market economy is low by CIS+M standards, with only 19 per cent supporting a combination of the two. About one in five believes that neither the economic nor the political system matters to them.
- Trust in society has deteriorated significantly since 1989. In terms of public institutions, only the presidency enjoys the trust of more than 50 per cent.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

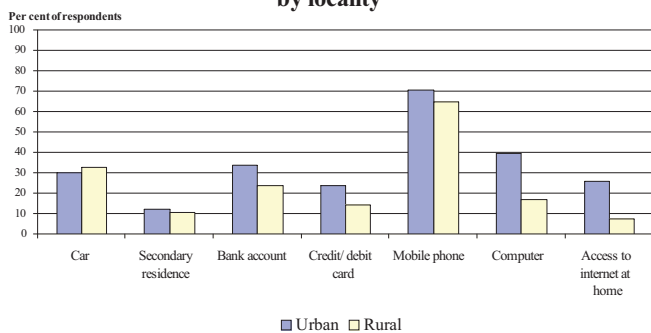


The political situation in this country is better today than around 1989, by age and income

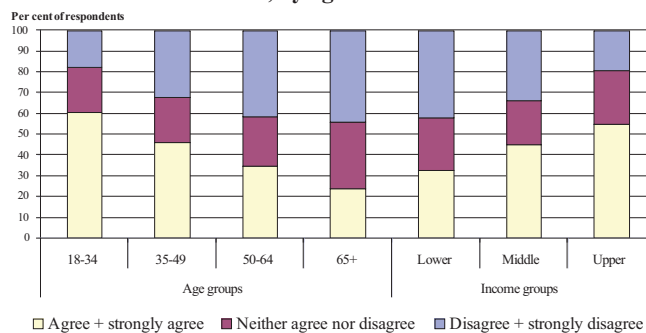


Material well-being

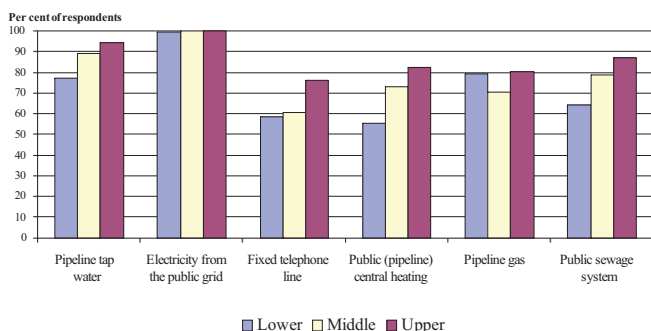
Household ownership of consumer goods, by locality



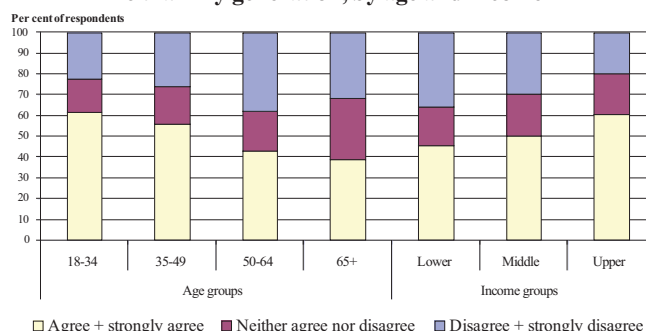
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

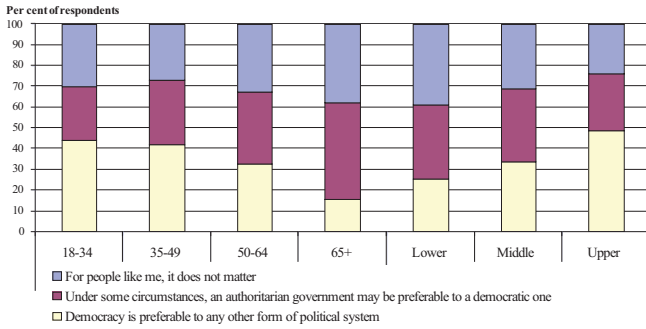


Children who are born now will have a better life than my generation, by age and income

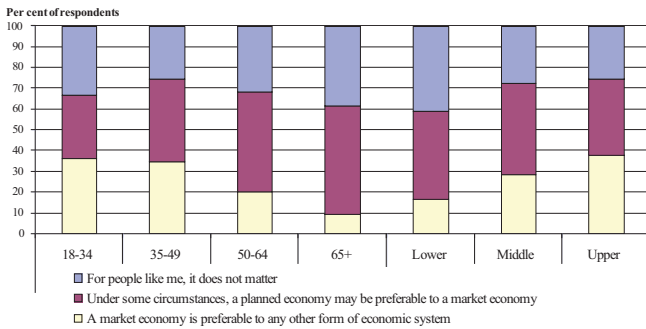


Values and priorities

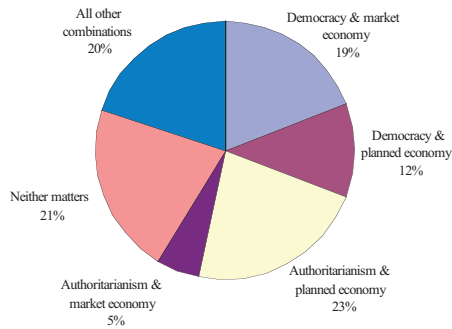
Attitudes to democracy, by age and income



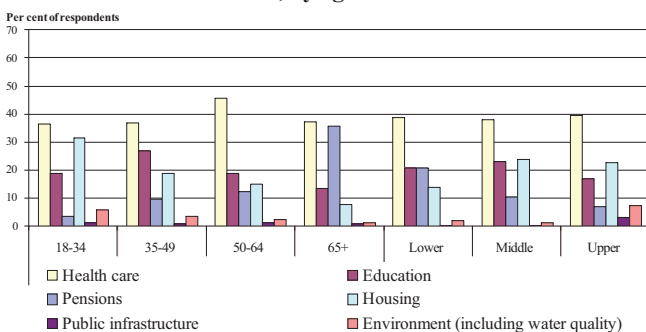
Attitudes to the market, by age and income



Preferences for political and economic systems

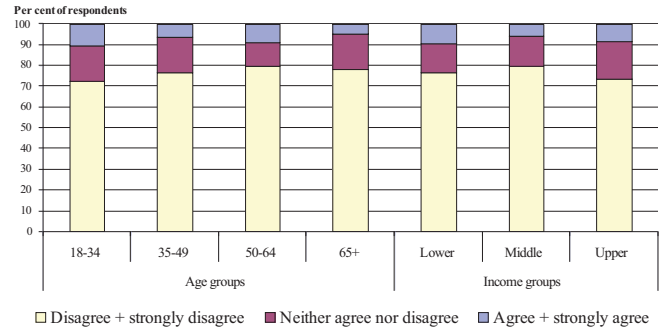


First priorities for extra (government) investment, by age and income

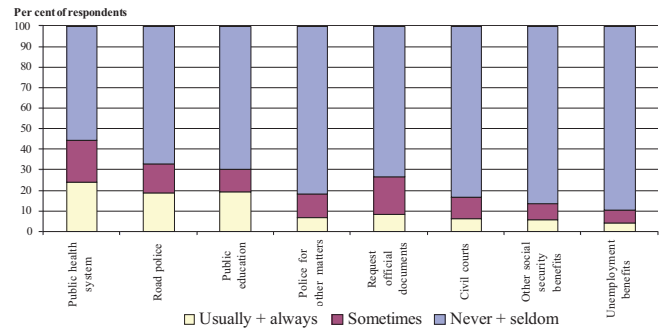


Corruption and trust

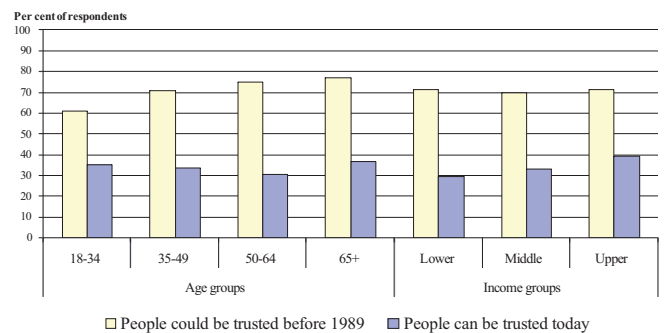
There is less corruption now than around 1989, by age and income



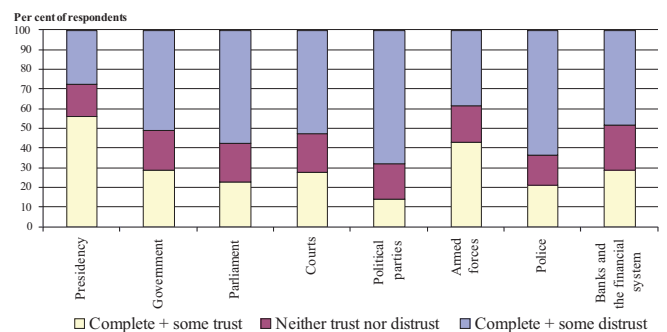
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

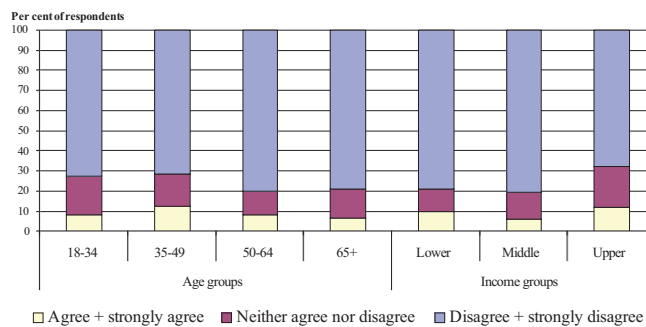


Serbia

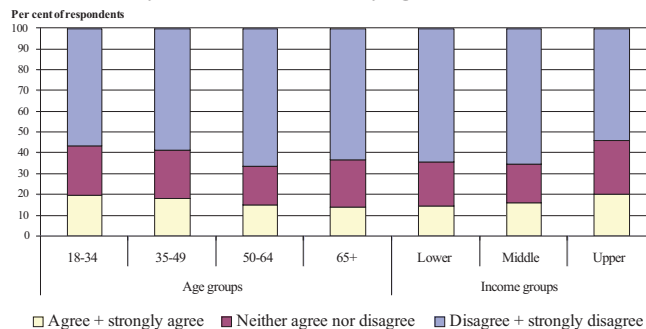
- Household ownership of consumer goods and access to public services are both relatively high by SEE standards, with little variation between urban and rural areas.
- Very few people believe that the economic and political situation is better than in 1989; all age and income groups show more dissatisfaction than satisfaction with life.
- Opinions are evenly divided over whether life will be better for today's children than for the adult population, with the most optimistic being those aged 18 to 34.
- There is general support for both democracy and a market economy, except among the elderly. Health care is seen as the priority for extra government spending.
- Corruption is generally seen as worse than in 1989 but the degree of "irregular payments" to public officials is low. Trust in public institutions is generally weak, except for the armed forces and the presidency.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

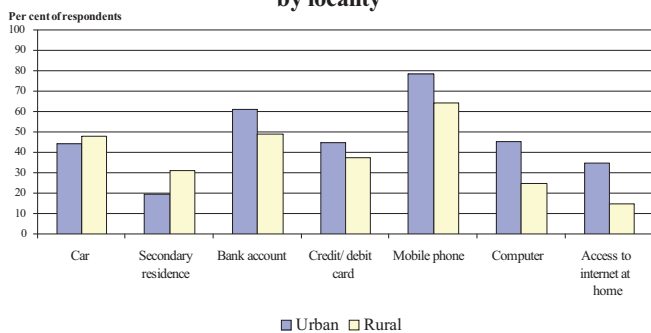


The political situation in this country is better today than around 1989, by age and income

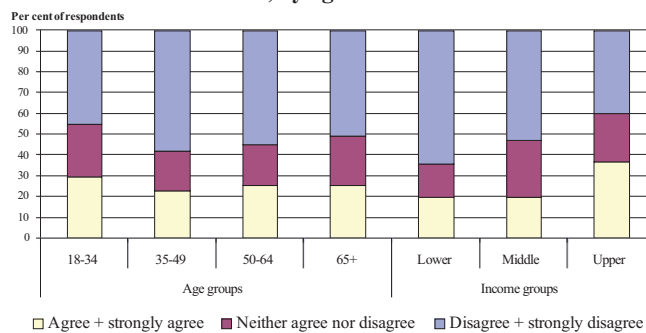


Material well-being

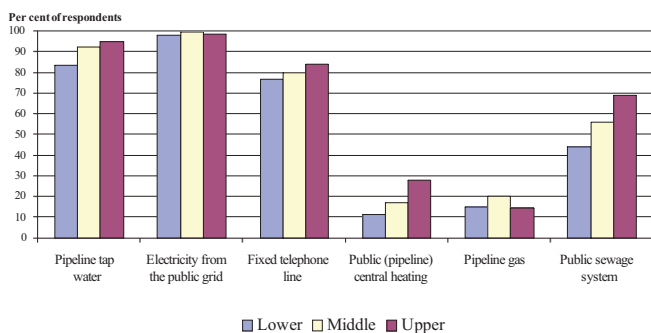
Household ownership of consumer goods, by locality



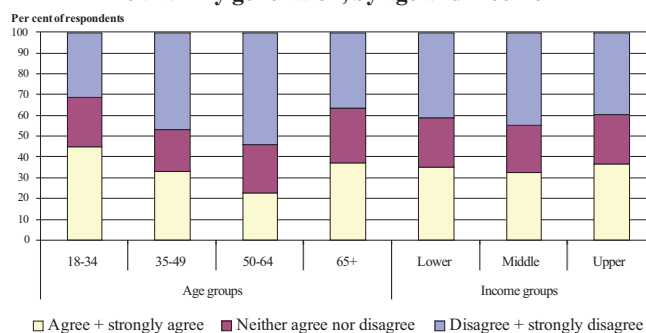
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

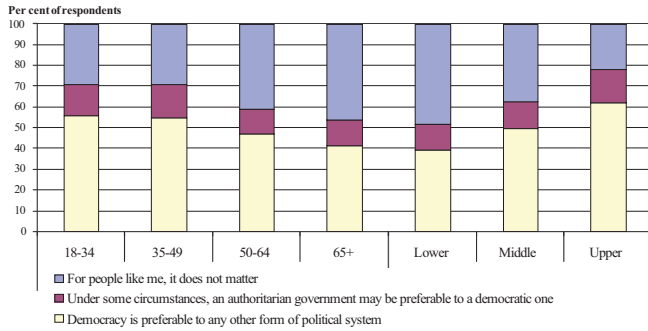


Children who are born now will have a better life than my generation, by age and income

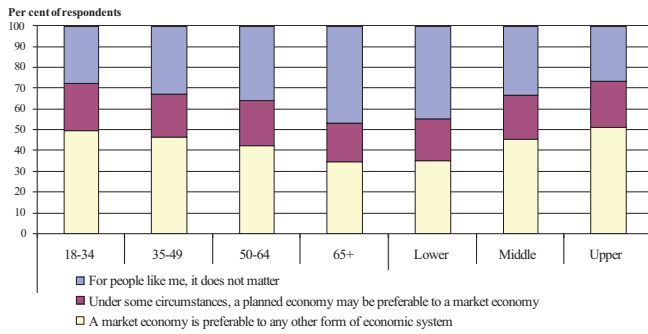


Values and priorities

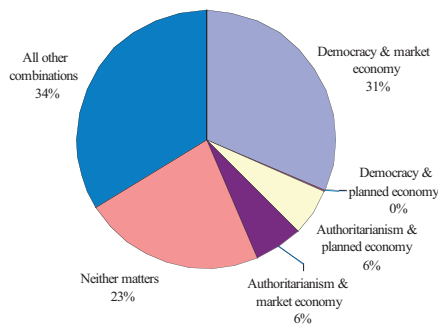
Attitudes to democracy, by age and income



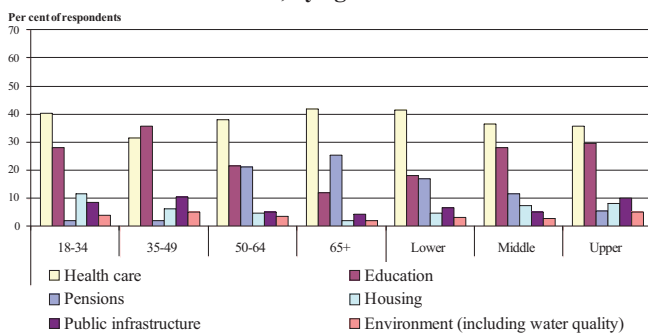
Attitudes to the market, by age and income



Preferences for political and economic systems

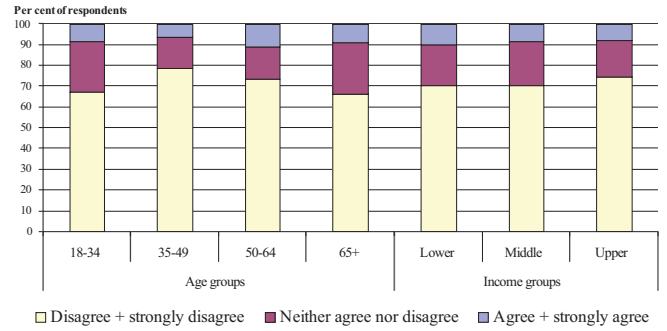


First priorities for extra (government) investment, by age and income

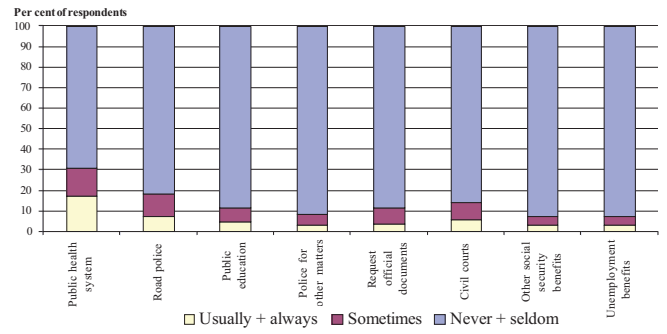


Corruption and trust

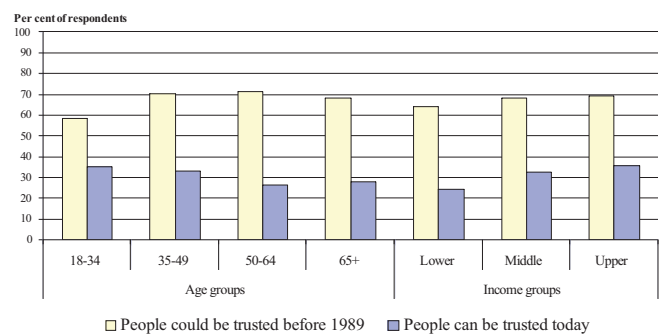
There is less corruption now than around 1989, by age and income



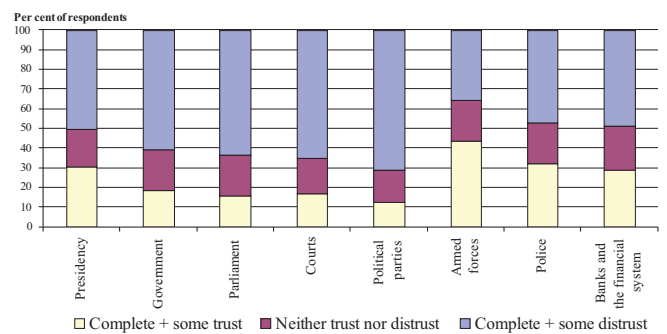
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

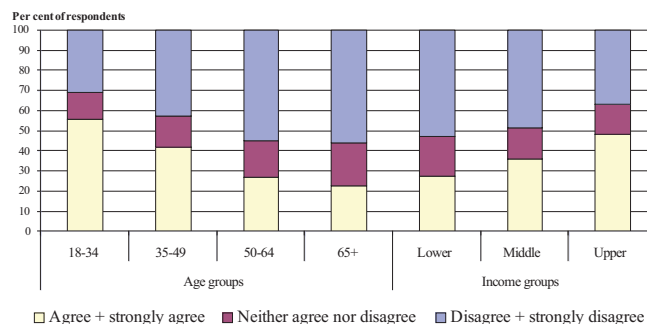


Slovak Republic

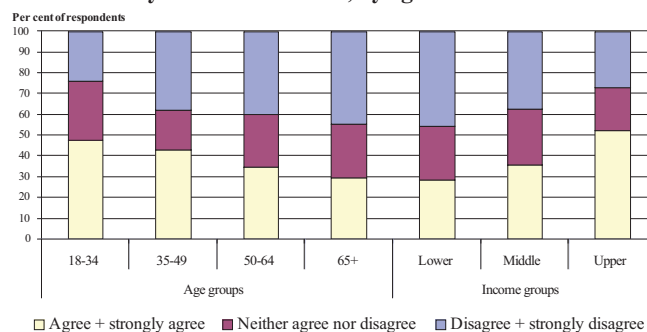
- Household ownership of consumer goods is high by CEB standards and does not vary between urban and rural areas.
- The elderly and the lower-income groups are the least positive about the economic and political situation today *vis-à-vis* 1989.
- Satisfaction with life and optimism about the future are very high, even among the over-65s and the lower-income groups.
- More than 40 per cent of those surveyed support a combination of democracy and a market economy. A positive attitude towards democracy is shared by all age and income groups whereas the elderly and lower-income groups are less enthusiastic about the market economy.
- “Irregular payments” to public officials are more frequent on average than in the rest of CEB. Trust in society has declined slightly since 1989. The armed forces enjoy the highest levels of trust, followed by the financial system and the presidency.

Views on transition

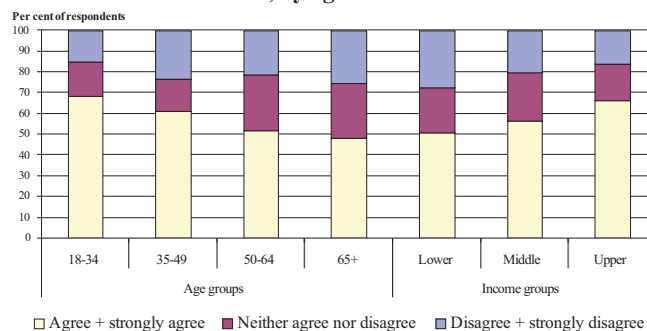
The economic situation in this country is better today than around 1989, by age and income



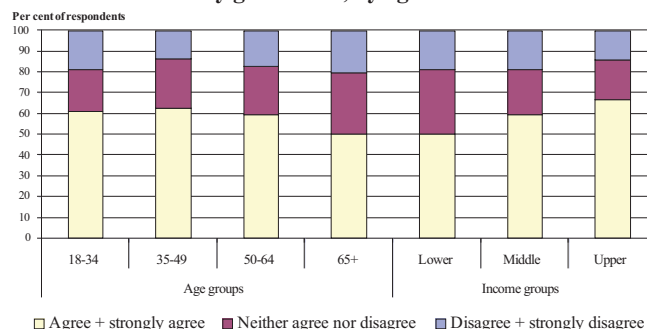
The political situation in this country is better today than around 1989, by age and income



All things considered, I am satisfied with my life now, by age and income

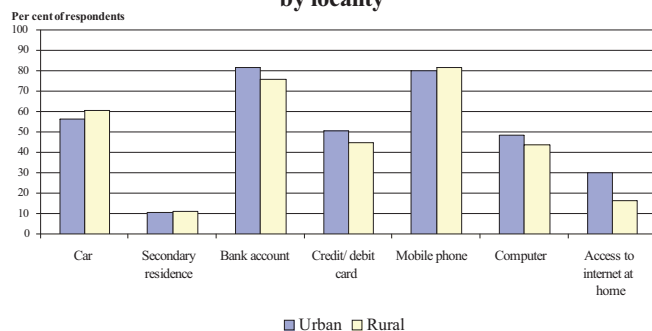


Children who are born now will have a better life than my generation, by age and income

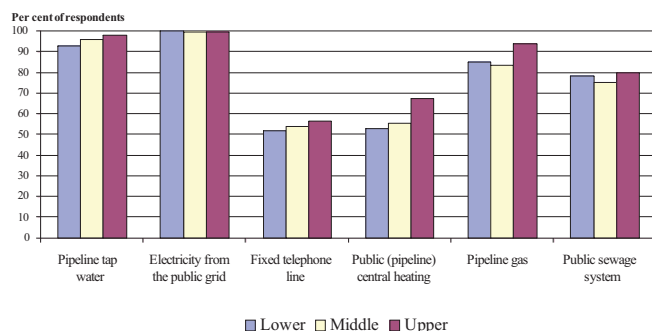


Material well-being

Household ownership of consumer goods, by locality

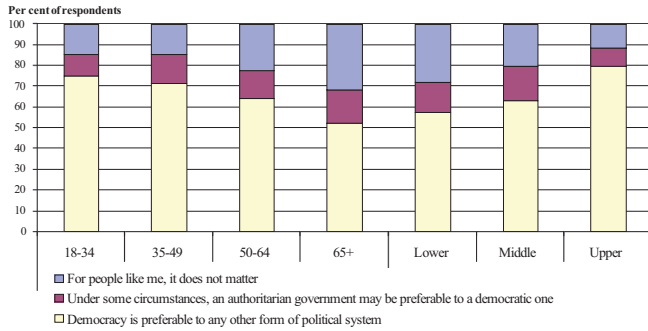


Household access to public services, by income

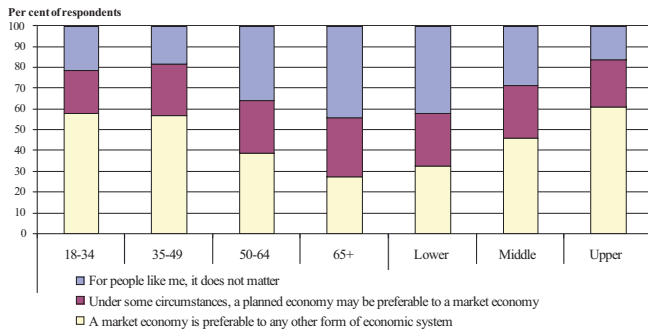


Values and priorities

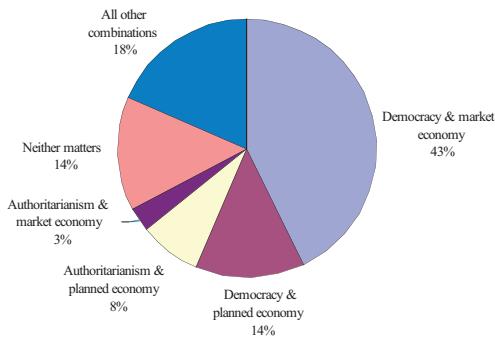
Attitudes to democracy, by age and income



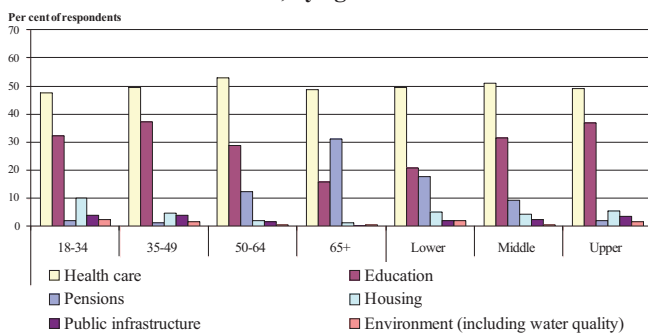
Attitudes to the market, by age and income



Preferences for political and economic systems

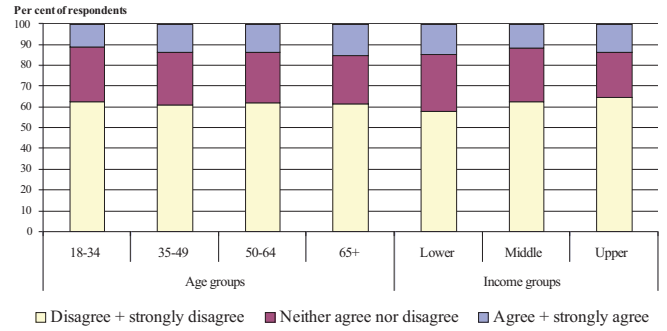


First priorities for extra (government) investment, by age and income

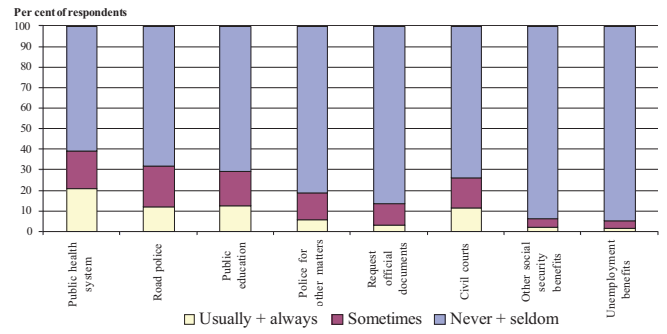


Corruption and trust

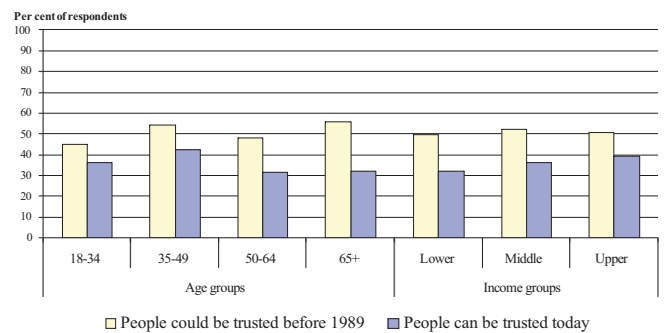
There is less corruption now than around 1989, by age and income



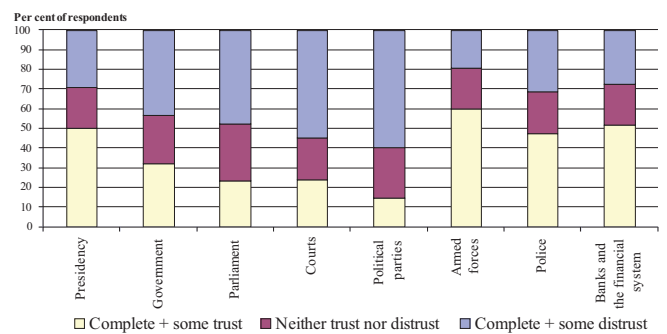
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

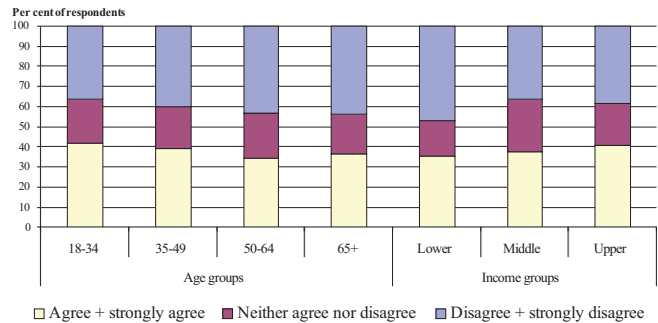


Slovenia

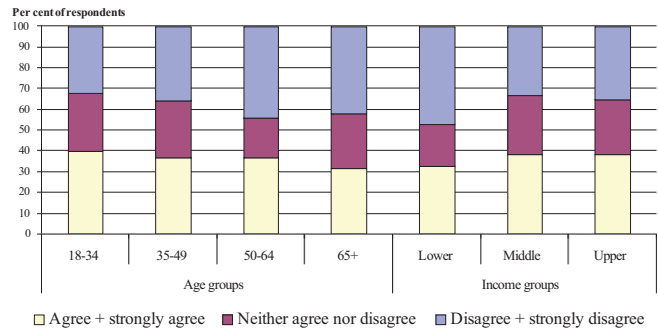
- Household ownership of consumer goods is high by CEB standards in both urban and rural areas. Most households have good access to public services, excluding public central heating and pipeline gas.
- People surveyed are evenly split between those who believe the current economic and political situation is better than in 1989 and those who disagree.
- Across all age and income groups, those surveyed in Slovenia recorded the highest levels of life satisfaction in CEB. However, it is only the oldest and the lower-income groups who are optimistic about the future.
- More than 40 per cent support a combination of democracy and market economy, which is one of the highest results in CEB.
- “Irregular payments” to public officials are infrequent. Trust in society has declined sharply since 1989. The financial system is the only institution that attracts the trust of more than half of those surveyed.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

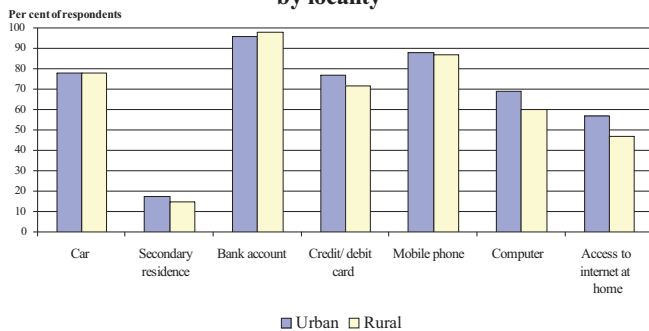


The political situation in this country is better today than around 1989, by age and income

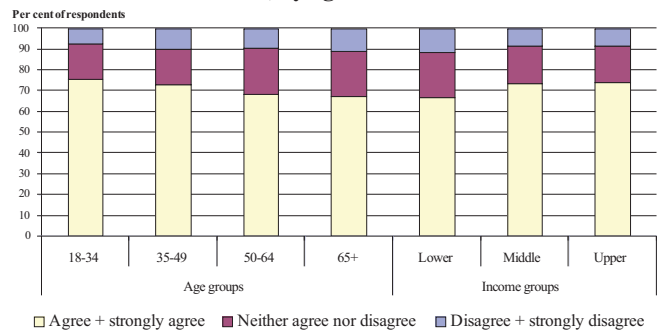


Material well-being

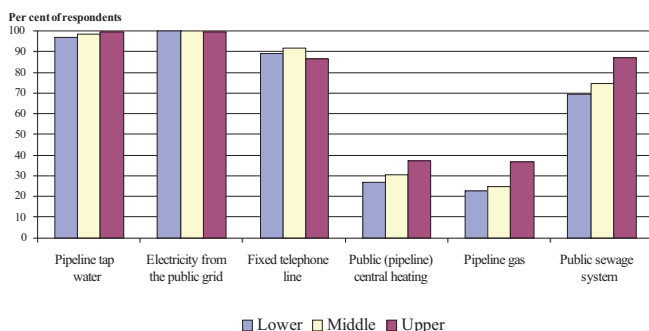
Household ownership of consumer goods, by locality



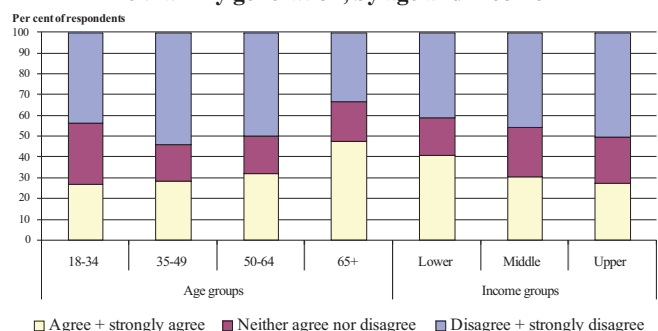
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

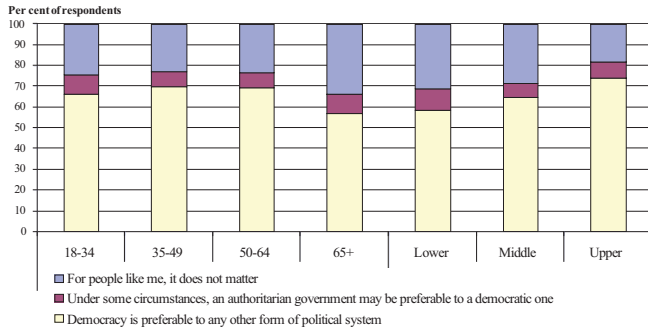


Children who are born now will have a better life than my generation, by age and income

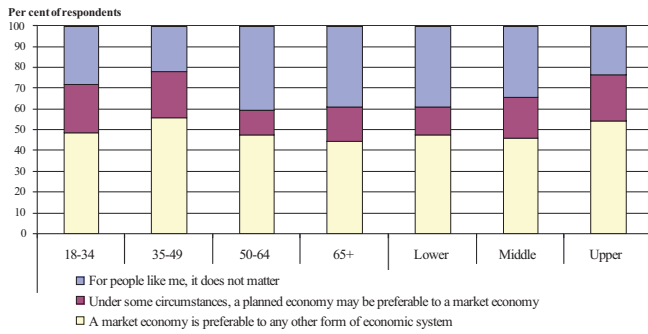


Values and priorities

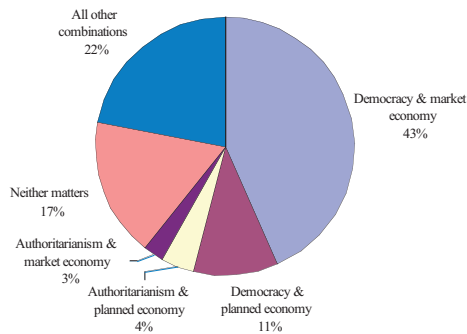
Attitudes to democracy, by age and income



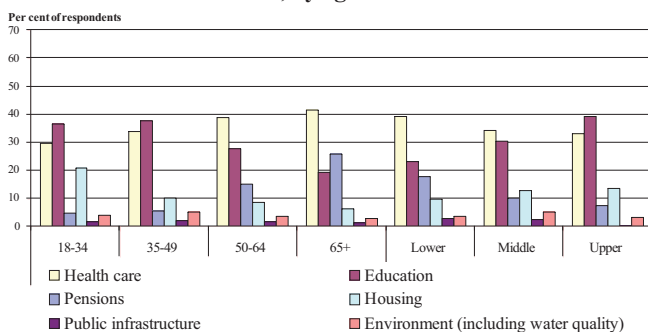
Attitudes to the market, by age and income



Preferences for political and economic systems

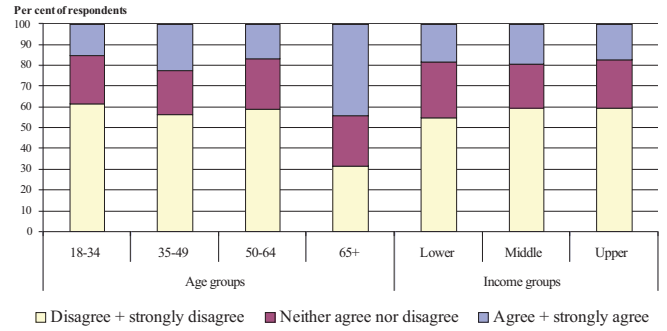


First priorities for extra (government) investment, by age and income

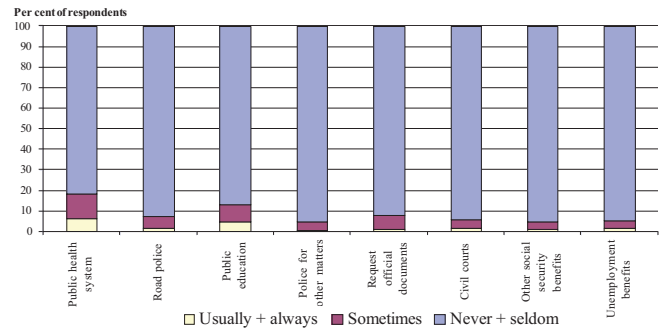


Corruption and trust

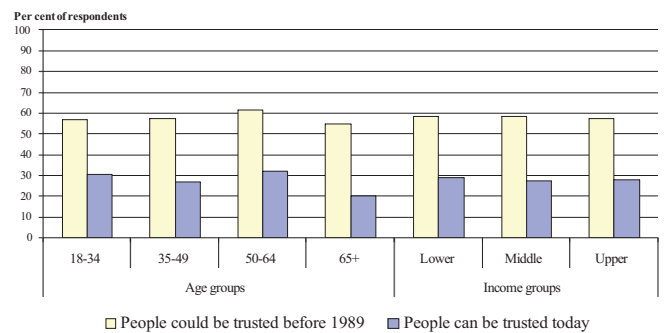
There is less corruption now than around 1989, by age and income



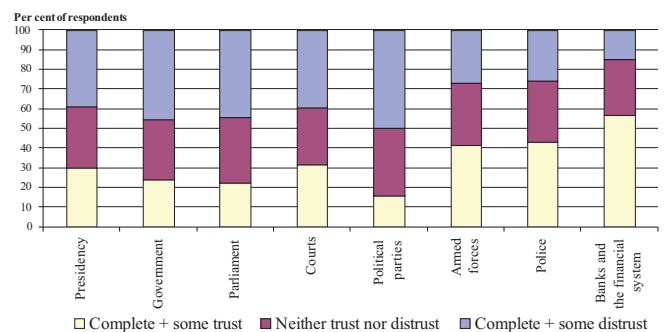
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

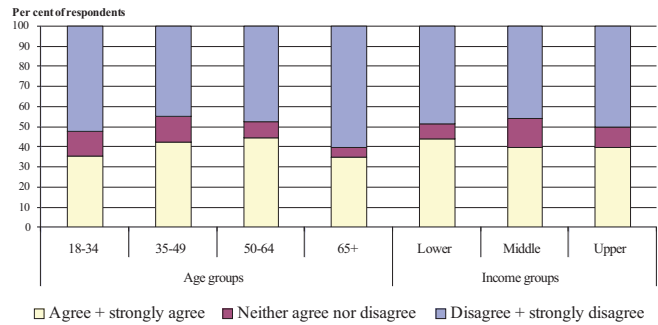


Tajikistan

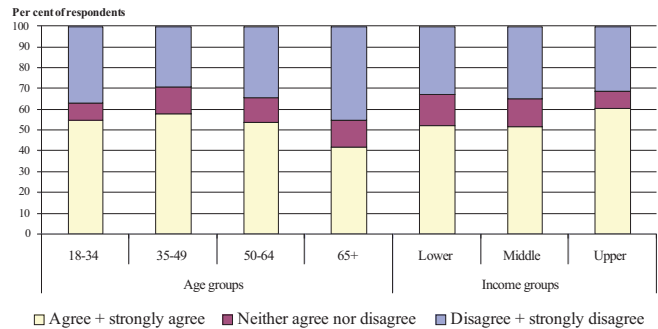
- Ownership of consumer goods and access to public services are low, even by Central Asian standards. Fewer than 20 per cent of households surveyed have access to fixed-line telephones but almost all have access to mains electricity.
- People surveyed are generally positive about the economic and political situation, with over 50 per cent of those aged below 65 agreeing that the political situation has improved since 1989.
- Most of those surveyed are positive about their current way of life and highly optimistic about the future, with only 10 per cent expecting a worse future for their children.
- Attitudes to democracy and a market economy vary considerably but almost half prefer a combination of market economy and democracy to all alternatives.
- Trust in public institutions – particularly the presidency, the government and parliament – is among the highest in the CIS+M region.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

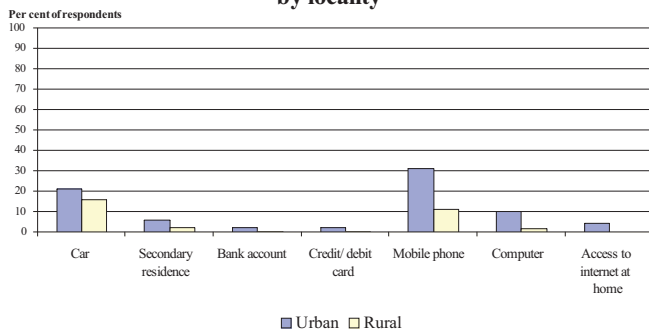


The political situation in this country is better today than around 1989, by age and income

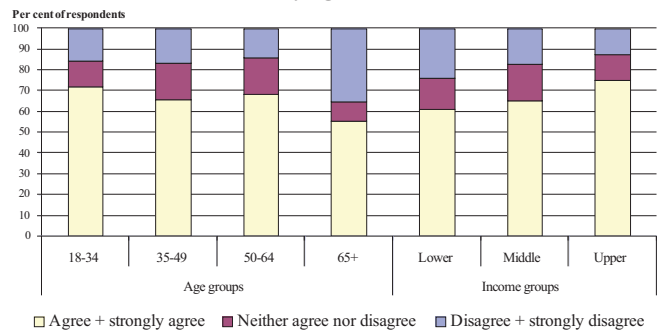


Material well-being

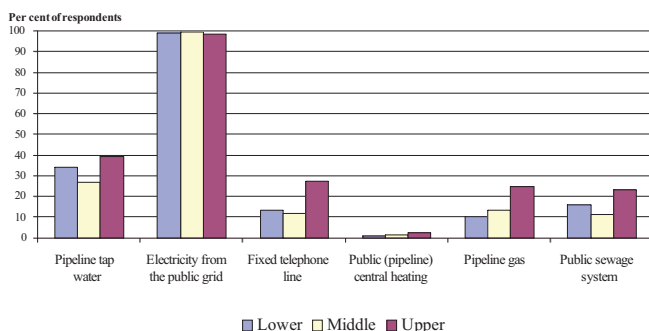
Household ownership of consumer goods, by locality



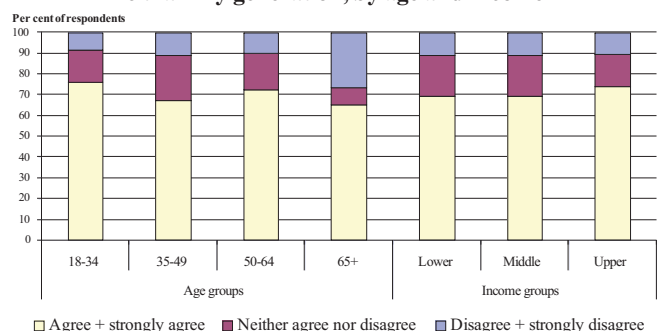
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

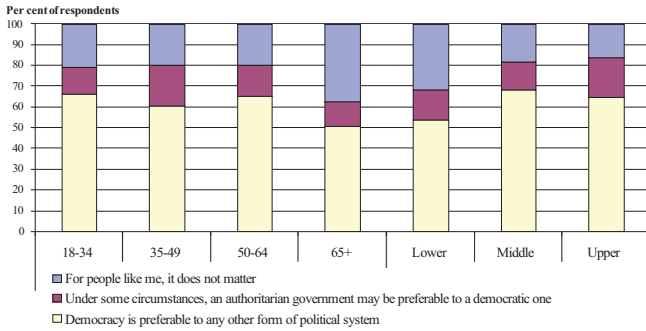


Children who are born now will have a better life than my generation, by age and income

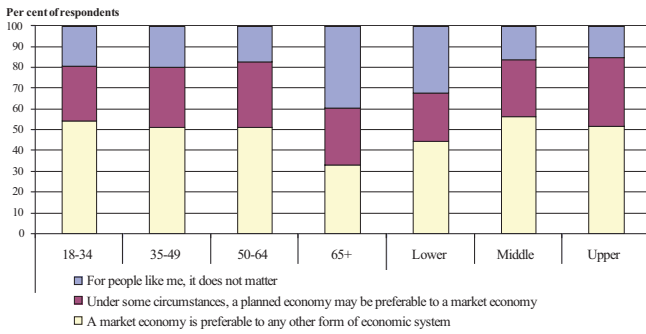


Values and priorities

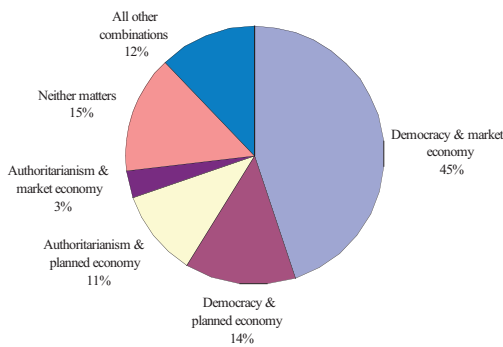
Attitudes to democracy, by age and income



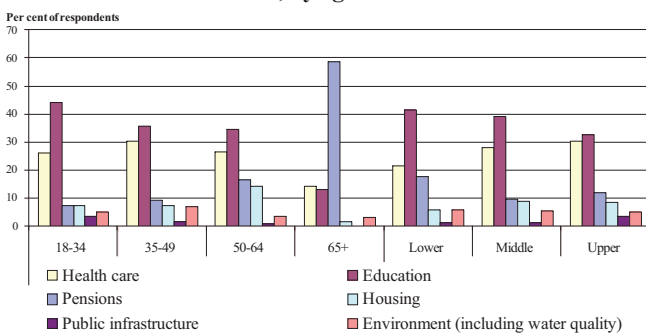
Attitudes to the market, by age and income



Preferences for political and economic systems

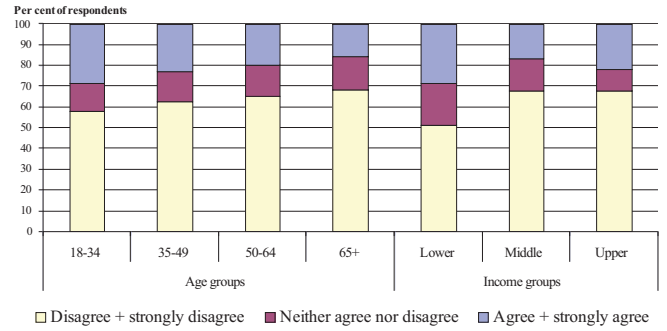


First priorities for extra (government) investment, by age and income

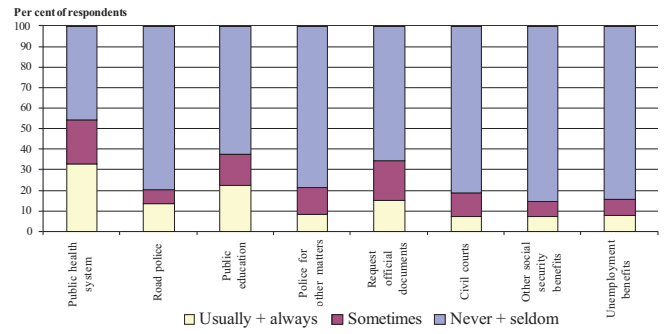


Corruption and trust

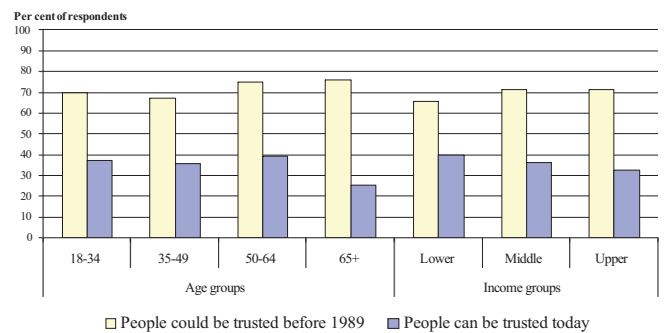
There is less corruption now than around 1989, by age and income



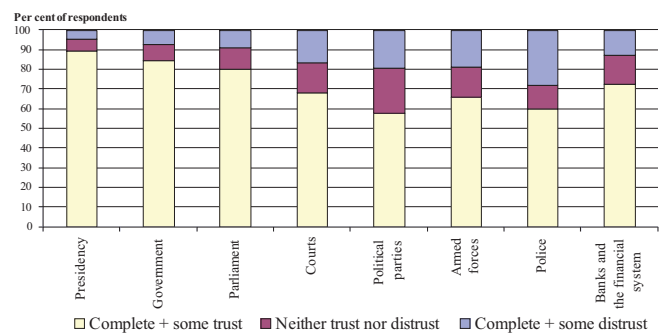
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

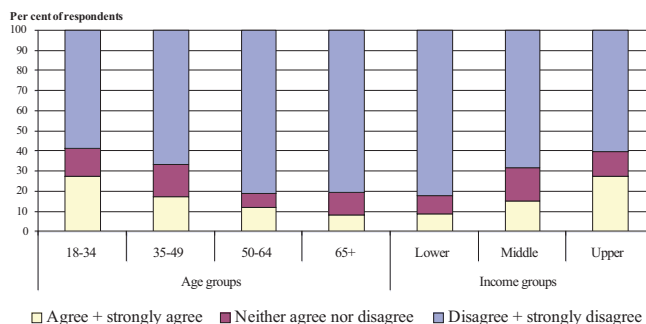


Ukraine

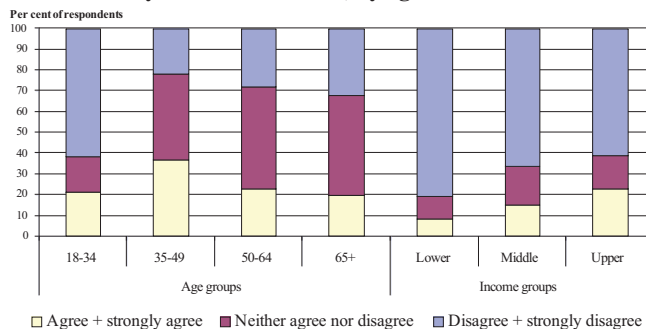
- Ownership of consumer goods is generally low but the difference between rural and urban dwellers is less marked than in most CIS countries.
- Most people surveyed state that the economic situation today is worse than in 1989. However, older people and the less well-off are the most pessimistic, are less satisfied with their lives, and are less in favour of a market economy.
- Most people are in favour of democracy, regardless of age or income status, and more people support a combination of democracy and a market economy than any other economic and political system.
- People rank higher investment in health care as a top priority, independent of age/income group, although this preference increases with age.
- People report that there is more corruption today than in 1989 and they have a very low level of trust in public institutions. Trust in society is highest among the young.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

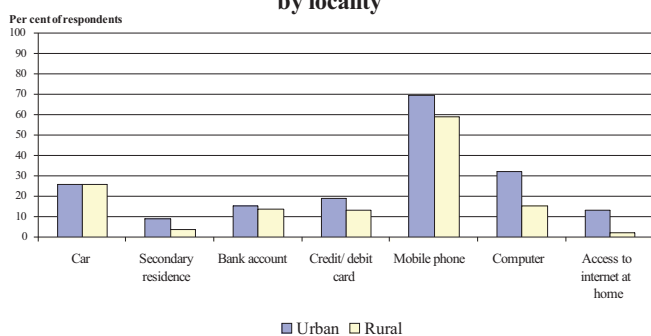


The political situation in this country is better today than around 1989, by age and income

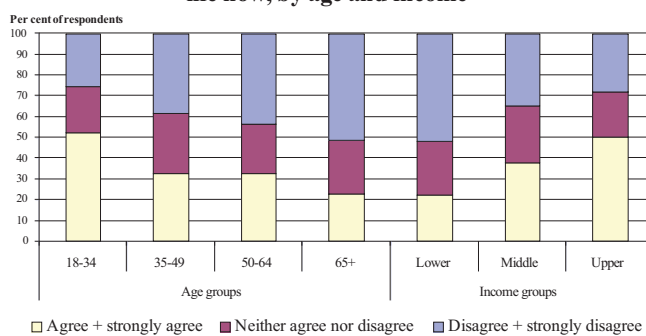


Material well-being

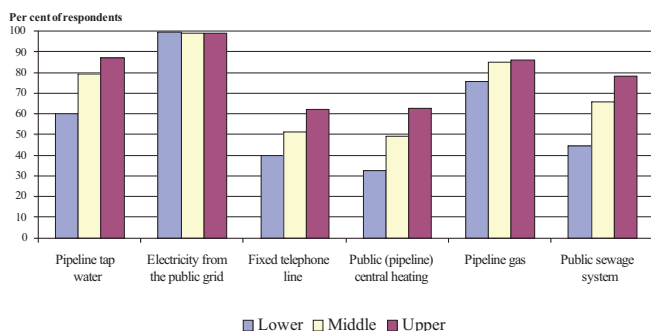
Household ownership of consumer goods, by locality



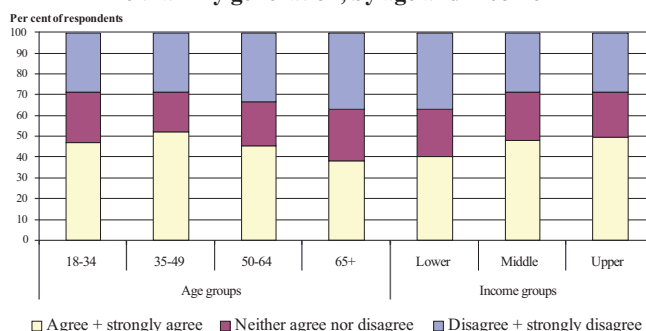
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

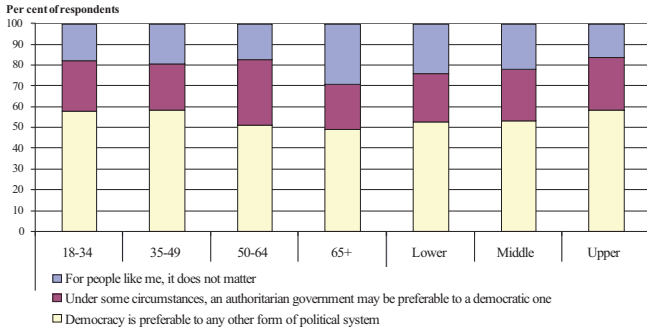


Children who are born now will have a better life than my generation, by age and income

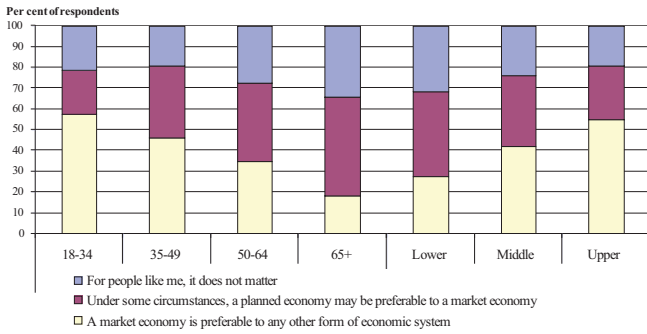


Values and priorities

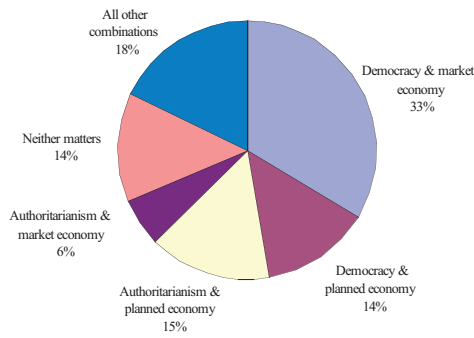
Attitudes to democracy, by age and income



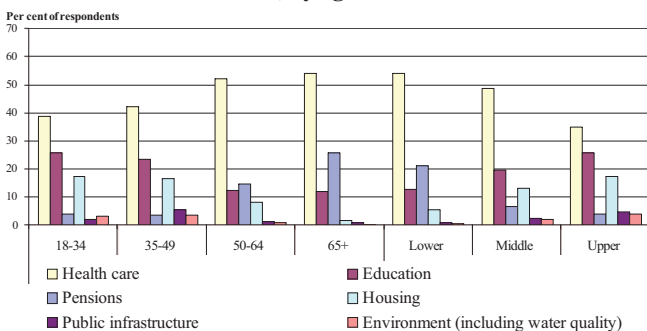
Attitudes to the market, by age and income



Preferences for political and economic systems

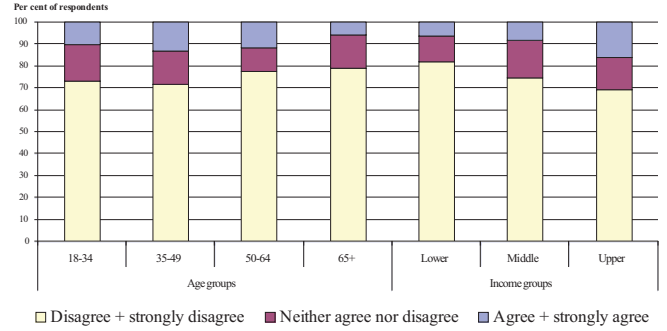


First priorities for extra (government) investment, by age and income

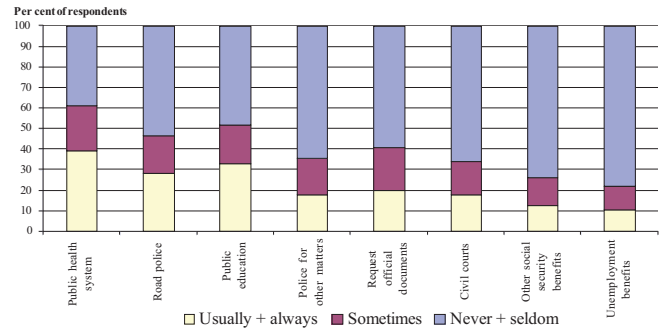


Corruption and trust

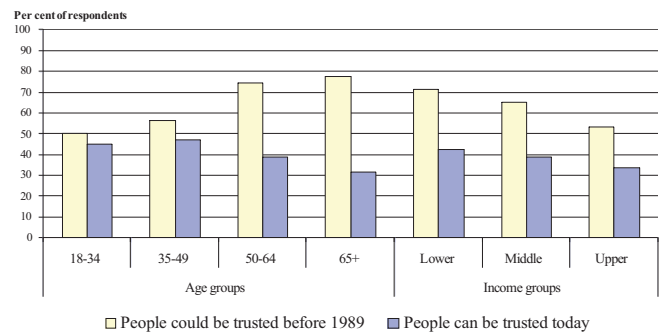
There is less corruption now than around 1989, by age and income



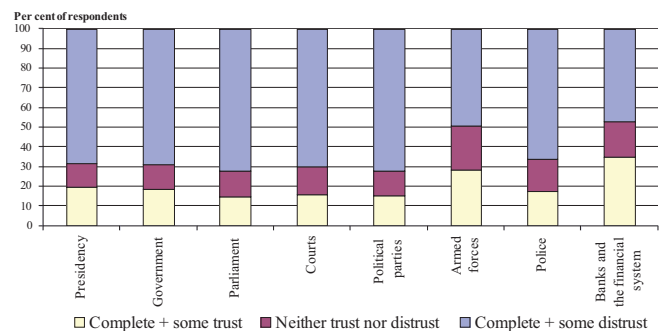
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions

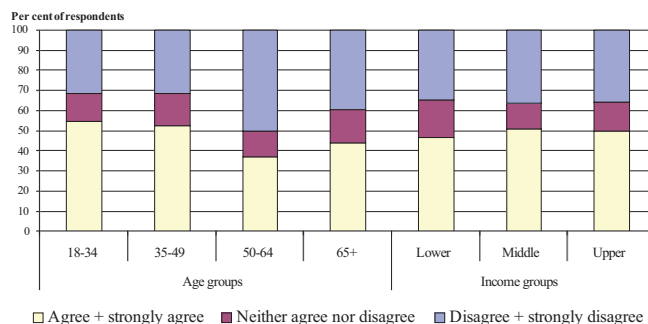


Uzbekistan

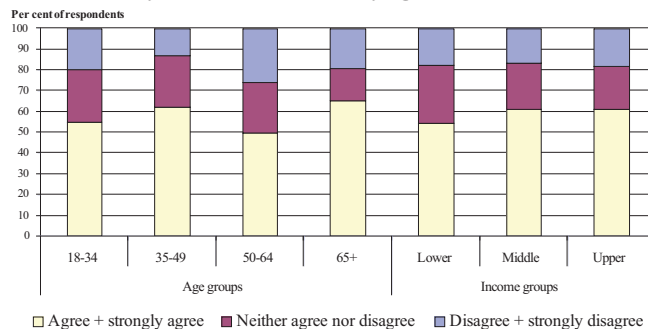
- Ownership of consumer goods and access to public services (except electricity and pipeline gas) are among the lowest in the CIS+M region.
- Views on the economic and political situation today compared with 1989 are generally positive and find strong support among younger people.
- Both life satisfaction and optimism for the future are high across all age and income groups.
- There is widespread support for democracy while younger people are more in favour of a market economy. Almost 40 per cent of people surveyed support a combination of the two.
- “Irregular payments” to public officials in sectors such as public health and education are more frequent than the CIS+M average. Trust in society has fallen sharply from a high base. However, all public institutions enjoy the trust of more than 50 per cent of people surveyed.

Views on transition

The economic situation in this country is better today than around 1989, by age and income

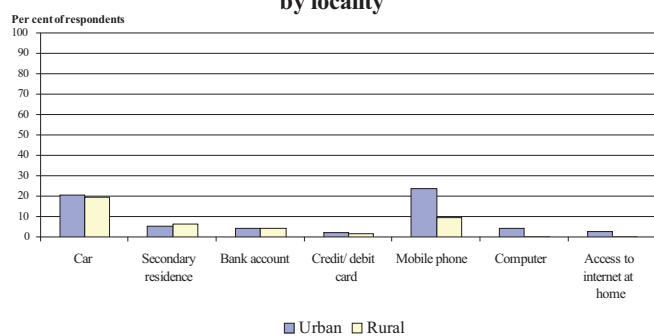


The political situation in this country is better today than around 1989, by age and income

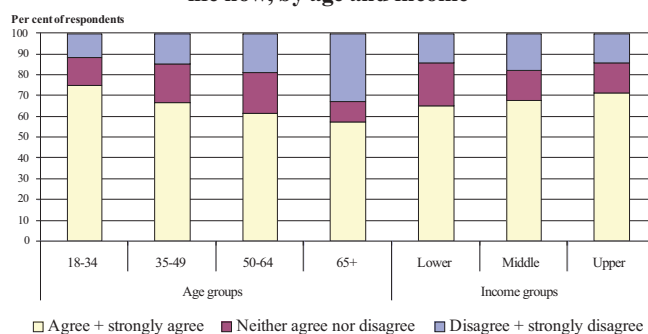


Material well-being

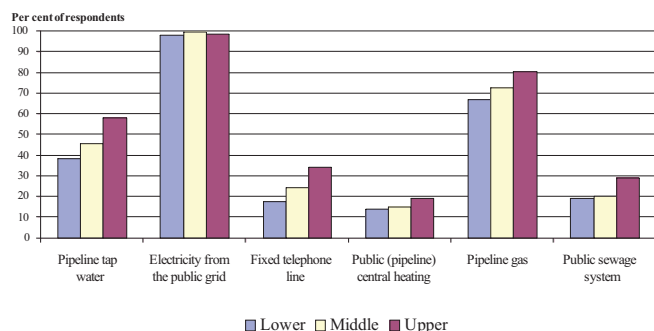
Household ownership of consumer goods, by locality



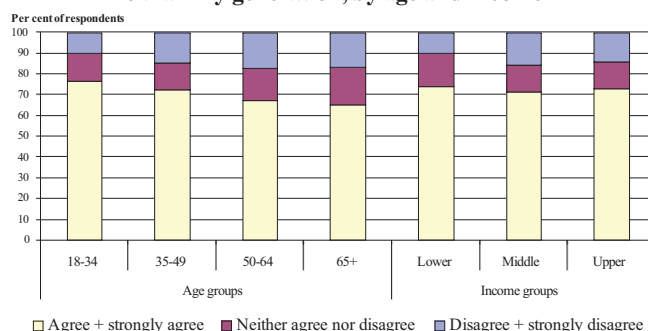
All things considered, I am satisfied with my life now, by age and income



Household access to public services, by income

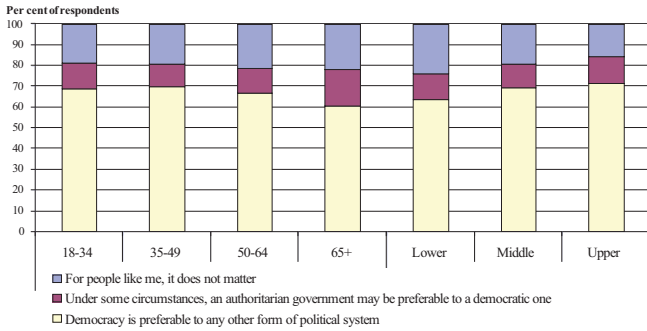


Children who are born now will have a better life than my generation, by age and income

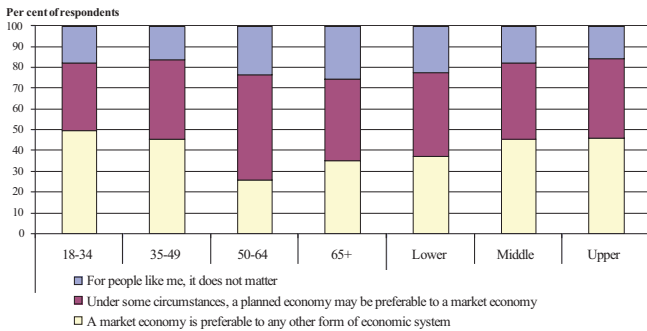


Values and priorities

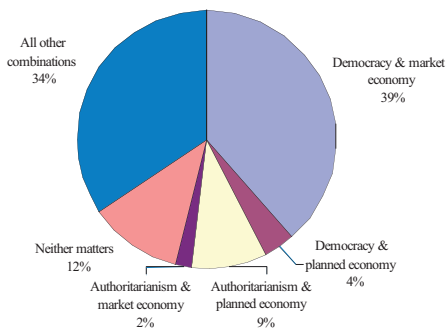
Attitudes to democracy, by age and income



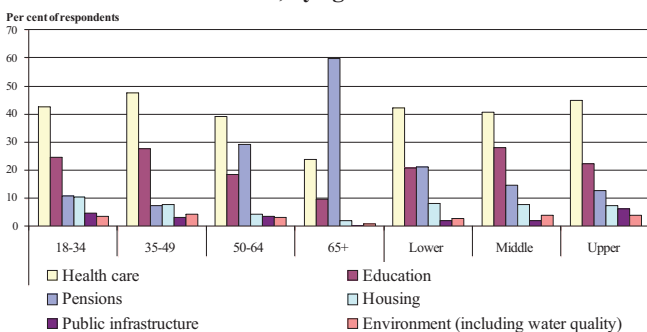
Attitudes to the market, by age and income



Preferences for political and economic systems

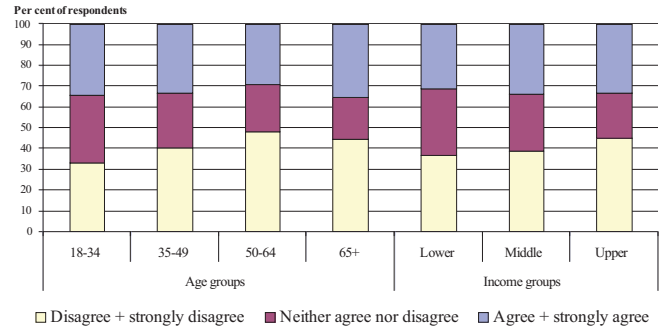


First priorities for extra (government) investment, by age and income

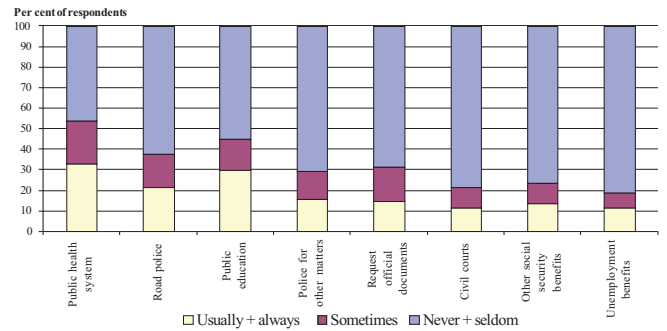


Corruption and trust

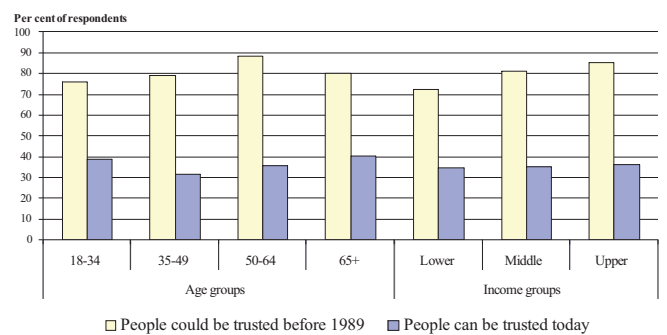
There is less corruption now than around 1989, by age and income



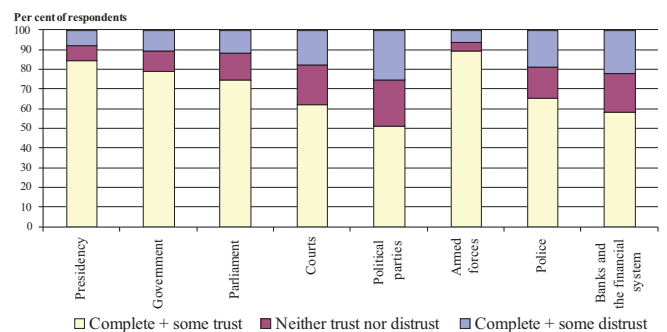
Frequency of "irregular payments" to public institutions



Trust in society, by age and income



Trust in public institutions



© **European Bank for Reconstruction and Development, 2007**

One Exchange Square
London EC2A 2JN
United Kingdom
Web site: www.ebrd.com

All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, including photocopying and recording, without the written permission of the copyright holder. Such written permission must also be obtained before any part of this publication is stored in a retrieval system of any nature. Designed and produced by the EBRD – *ref. 7004 Life in Transition (E)* – May 2007.

Cover and interior printed on Core Silk. The paper used in this report is manufactured to the strictest environmental standards from Elemental Chlorine Free pulps in a mill which holds ISO 14001 certification and EMAS (Verified Environmental Management) accreditation. Printed in England by Bishops Printers using their environmental print technology. The printing inks are made using vegetable-based oils. No film or processing chemicals were used.

Photography
Cover: Mike Ellis

European Bank for Reconstruction and Development
One Exchange Square
London EC2A 2JN
United Kingdom

Tel: +44 20 7338 6000
Fax: +44 20 7338 6100
Web site: www.ebrd.com

Requests for publications
Tel: +44 20 7338 7553
Fax: +44 20 7338 6102
Email: pubsdesk@ebrd.com

