Scientific report on the Socio-Economic Transitions in Russia

The RUSSET panel

NWO Project

Amsterdam, March 20001

Preface

In 1990 the Russian sociologist Vladimir Andreenkov suggested to one of the editors of this volume, Willem Saris, that Russia could be seen as a social science laboratory because the changes in Russia happened so rapidly. Shifts in public behaviour and public consciousness usually happen under the influence of significant changes in the social, economic and political environment, but such changes normally take place very slowly. Therefore social scientists are limited in their studies of change due to the long duration of social processes. In the current period Russia is unique in the sense that all processes arc happening at a much higher speed due to the fast transformations in the economic and political system of the country. People's lives move in front of us with the speed of a movie. In such a situation researchers get a chance to study events and processes over a period of years when commonly they need to observe for decades.

Although Willem Saris agreed with Vladimir Andreenkov that this opportunity to study change should not be missed, he was not convinced that he should be the one to undertake this study. However, Vladimir Andreenkov repeated his suggestion several times, and when in 1992 the Dutch Organisation for scientific research (NWO) offered the possibility for research in Russia in co-operation with Russian researchers, Willem Saris made a proposal for a panel study. A subsidy for this study was obtained from the Dutch Organisation for scientific research (NWO) to last for a period of 7 years, from 1993 to 1999.

The main idea behind this panel was to look at the socio-economic transitions taking place in Russia and to look at the consequences of these transitions with respect to changes in people's satisfaction with life in general and specific domains of life in particular. As the purpose of the study was to evaluate socio-economic transitions in Russia, we called the panel the RUSsian Socio- Economic Transition or RUSSET panel.

In this report we summarize the design of the project, the major results and the efforts we have make to make the data accessible to other researchers. It should be clear that the report will only highlight the most important findings. For more details of the project we refer to our WEB site mentioned in the last section.

In this preface we would like to thank Vladimir Andreenkov for his stimulation to start the Russet panel. Without his sociologic look at the changes which were going on in Russia this research project would not have been started. We would also like to thank the Research Organisation for Research of the Netherlands (NWO) which made it possible to undertake this enterprise by providing a grant for this study from 1993 till 1999.

Amsterdam, March 2001   Prof Dr. W. E. Saris
On behalf of the research team

Part I The Research Design

1. The questionnaire design

One of the main ideas underlying this study was that the present situation with respect to a specific domain of life could deviate from what people see as ideal or from what the people judge to be the best experience in the past. In such cases at least some people will be dissatisfied and will want to change this situation. Whether a change will occur in such a situation depends on people's desires and efforts and on the political and economic situation in the country in general. It might happen that for some people the situation will change, partly because of their own actions and partly because of other events, but whatever the reasons for the changes are, there will be a new situation and a new evaluation and the process will start from the beginning. This idea behind the data collection is very much in line with the 'Need fulfilment theory' or 'the discrepancy theory' which suggests that people get satisfied by fulfilment of their needs or the reduction of the discrepancy between their wishes and the reality (Diener, 1984).

We have added an additional action component to these theories suggesting that people being unsatisfied with the present situation might try to take action to improve it if they see the specific domain of life as important enough to act. This point has been suggested by Frijda in his theory of emotions (1984). The action component used in our design includes the possibility of individual as well as collective action to improve the situation and so to reduce the discrepancy or to satisfy the existing needs or to increase the satisfaction and/or happiness. If no change in living conditions happened, one still can expect changes in the evaluation of the situation. People may adjust their wishes and ideals if they don't see any hope for actual change, and due to these adjustments their satisfaction can also change.

This idea is in line with theories, which suggest adaptation of the aspirations to the realistically possible options (LaBarbera and Mazursky, 1983, Michalos, 1985 and Saris, 1996). This set of ideas was used to design the survey instrument to register the process of changes in human lives and the subjective evaluation of these changes. Figure 1 presents a picture of this idea behind the data collection.

The objective situation and subjective evaluation of this situation have been studied for 5 major domains of life: Family life, Housing conditions, Employment, Household Finances, Social contacts.

Besides measuring the current status of the objective living conditions and subjective evaluation of different domains in life, we collected retrospective data asking about living conditions and satisfaction in 1988 in order to get the comparison between the process in recent years and in the time before the changes of the political system.

Several theories suggest that people determine their satisfaction with life on the basis of a comparison with other groups. These reference groups can be people with similar abilities or the so called "average person in the country" (Andrew and Withey (1976), Campbell, Converse and Rogers (1976), Harvey and Smith (1977) and Michalos (1985). The comparisons arc also possible with a fair/deserved or a needed living condition. We checked these ideas for one particular domain of life - the financial situation.
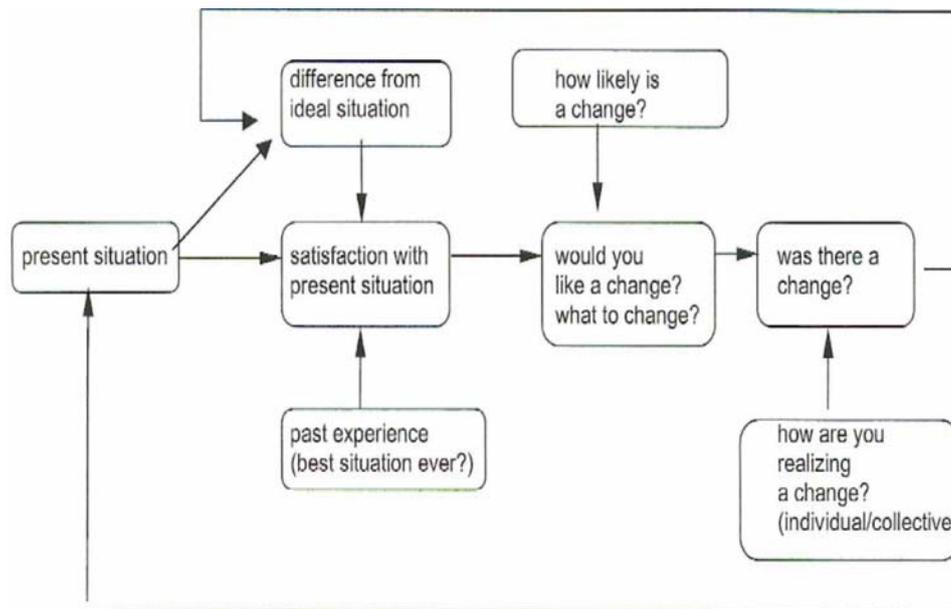
Figure 1 The basic idea behind the design of the

In this project some attention has been given to the actual living conditions but the emphasis was on the subjective experience of these changes evaluated as satisfaction of the respondents with the different domains of life and with life as a whole. The subjective experience of people was tracked through all waves of the survey from 1993 until 1999.

Additionally we introduced some methodological experiments to check the reliability of indicators varying the different question formulations (scale, agree-disagree format) and the place of these questions in the interview. In some years the subjective evaluation of life was measured not only by a satisfaction question but also by questions about happiness.

2. Sample Design of the Russet Panel

The survey was designed as a Panel Survey (interviewing the same people at different points in time) in 7 Waves, one wave each year. The sampling design and the fieldwork have been done by the Institute for Comparative Social Research (CESSI), an independent Russian public opinion and market research organisation. For this study two samples were drawn: the initial sample was interviewed in Wave 1-4 and 6-7, a new sample was drawn for Wave 5 and used also in Wave 6-7. The survey was conducted by face-to-face interviews in respondents' homes. About 200 and 300 interviewers participated in each wave of the survey, about 34-45% of interviewers were changed in each wave.

The population for this study was defined to consist of the entire population of Russia of age 18 and older living permanently in Russian territory (110 million

people). Military bases, penal communities and remote and inaccessible areas of Siberia and the Far North are not included. This excludes about 0, 7% of the population. A Multistage Probability Sample Design was used to draw the sample for this panel **survey.** The different stages in the sample design will be described below. The primary sampling units (PSUs) were rayons (counties) or self-administrated cities. A <u>rayon</u> is a territorial unit generally including both municipalities and rural communities. Due to lack of statistics for this restricted population on rayon level the information of the total population of 147 million people has been used in all stages _

Stage 1. Selection of the PSUs. In order to be sure that the sample will cover the whole geographical area of Russia the selection of primary sampling units was done within each of the four geographical zones. For tins purpose the more than 2000 rayons in Russia were grouped into 4 areas (Figure 2) - Center (36% of total population), South (28%), Urals (24%), Siberia and Far East (12%).

Figure 2 The four geographical strata

It was decided to select in total 52 PSUs (rayons) for the study. Moscow with a population of 8, 9 million people and St. Petersburg with a population of about 5, 0 million people were automatically included in the sample and constituted 5 PSU's in total. The other 47 PSU's were constructed within each of 4 geographical zones by ordering the rayons from large to small. Each set of rayons containing 2. 8 million people became a PSU.

From each PSU formed in this way one rayon was randomly selected to represent the set of rayons in the PSU. The idea was to select from each of these rayons 77 people for the sample so that in total 4000 people would be selected.

Stage 2. Selection of settlements within the chosen rayons. This stage of selection involved the selection of areas   towns and villages - within the 47 rayons. From the list of all areas (towns and villages) in each rayon the necessary number of areas was selected with probability proportional to the population size using a systematic random

selection approach. The number of the selected areas (towns/villages) depended on the population size of the areas in the rayon.

Because the plan was to have 77 interviews in each chosen PSU while in each election district minimally 15 interviews had to be done 5 election districts had to be chosen as secondary sampling units. The step size for the systematic selections was therefore determined as the total population size of the rayon divided by 5. So, the number of towns/villages selected in each rayon varied from 1 to 5. It was 1 when the rayon consisted only of 1 area (town) and 5 when the rayon consisted of many areas of rather small size. This selected method is resulting in the distribution of interviews proportional to the urban and rural population in each rayon.

Stage 3. Selection the electoral districts. In each selected area (town or city) the necessary number of electoral districts were randomly selected from the total list of electoral districts in the area. The probability of selection was proportional to the size of the electoral district.

Stage 4 Listing and selection of households. After selecting electoral districts in the cities, interviewers were sent to make a list of all houses and apartments in all housing units of the chosen districts and a map of the investigated area with location of all housing units. They also had to provide a description of the type of dwelling and information about the usage made of the building - living/non-living purposes. All this information about selected electoral districts was sent to central office to create a database of addresses. Given this created sampling frame for each selected district the central office in Moscow drew in each district a random sample of the households and sent this list to the local interviewers as their list of households to be visited.

In the rural districts the listing was not done but a random walk procedure was used for selecting the households. This means that the interviewer was given a starting point in a village (electoral district) for the first household to visit. Then the next address was determined by skipping a fixed number of house doors going to the right from the visited house. The number of house doors to be skipped was determined by the average response rate in the given area and the assigned number of interviews.

Stage 5. Selection of the respondent. To select the respondent within a household, Kish's table was used. The procedure includes the completion of a list of all household members from 18 and above, living permanently in the household and the selection of a respondent was done using die procedure specified in the table of Kish (1965). This procedure guarantees a random selection of persons from households.

3. Nonresponse, attrition and substitution

At least 3 call backs were required in all waves before a non-response could be declared while no substitutions were allowed. In each year all respondents who had participated in the first wave were asked to participate in the survey again (regardless of participation or non-participation in the previous panel waves). The response rale of the base sample (wave 1) was 76%. The drop out in panel wave 2 was 25% compared to the base sample and then decreased from 14% in the third wave to 2% in the fourth wave. In the last wave (after 7 years) 43% of respondents from the base sample were

still participants of the panel and interviewed in the last wave. To compensate for the attrition in the sample, a new sample was drawn for further panel research in 1997. As die demographic and regional profile of respondents in all waves was similar regardless of drop out rate (except age where we have natural ageing of the sample), we were able to draw an independent random sample for wave 5 in the same way as it was done for the first wave.

The first 4 waves are based on the first sample. Since **1997** one can use two samples. The new sample can be analyzed separately as an independent sample or can be combined into one to obtain a larger sample. For the sample sizes in the different waves we refer to table **1.**

Table 1 The sample sizes for the studies in the different waves.

Wave	Year	Total sample	1st Panel	2nd Panel	Dates
Wave 1	1993	1993	3727		July-September 1993
Wave 2	1994	2808	2808		May-June 1994
Wave 3	1995	2273	2273		June-August 1995
Wave 4	1996	2074	2074		March-April 1997
Wave 5	1997			2218	November-December 1997
Wave 6	1998	3513	2002	1511	October-December 1998
Wave 7	1999	2868	1618	1250	November-December 1999

4. Evaluation of the sampling design.

In this sampling design the selections of the rayons, settlements and districts an crucial steps. These selections reduce the amount of work by restricting the interviewing to a limited number of districts while the sample still remains representative for the population as a whole.

The fact that a sampling frame was incomplete or wrong has been solved by a listing of the housing units in the chosen urban districts. In this way a sample frame was created Which could be used for the selection of the households within the chosen urban districts. In the rural districts the same problem has been solved by a random walk in order to reduce the amount of work. The negative consequences of this procedure have been reduced by requiring an elaborate report of the process and an interdiction of substitution of one household by another.

The specified procedure is in agreement with the multistage area sampling procedure suggested by Kish (1965) for countries like Russia where correct sampling frames are missing and the country is too large to be covered completely by the sampling procedure.

Part II Substantive results

1. Satisfaction with life and life domains in Russia ?

There has been a discussion about the relevance of subjective judgement in general. An example of such a judgement is the question:

How satisfied are you with your (job, house, etc)'?
1 = very dissatisfied --------- 10 very satisfied

The main critique of this subjective judgement is based on the fact that in West European countries the measured level of satisfaction does not differ much for different domains of life and for different people. The RUSSET panel offers a unique opportunity to see if tins problem also occurs in a situation of considerable macro-economic and social change and considerable differentiation within the population with respect to living conditions. Besides that, we can compare the levels of satisfaction for different domains of life.

Let us look at the satisfaction of the Russian sample with life as a whole in the year 1988 and 1998 in Table 2. There can be hardly any better table to show that there is considerable differentiation in answers between Russians (the responses are distributee across all points on the 10 point scale and not concentrated in one side of the scale).

Table 2 The responses of the panel members in 1988 and 1998 to the question: How satisfied are you with your life as a whole 7

Response category	1988		1998	
	Abs	%	abs	%
1 not at all satisfied	126	3.5	569	16.6
2	74	2.1	371	10.9
3	193	5.4	602	17.6
4	233	6.5	376	11.0
5	587	16.5	689	20.2
6	439	12.3	267	7.8
7	571	16.0	220	6.4
8	718	20.1	191	5.6
9	312	8.7	54	1.6
completely satisfied	313	8.8	79	2.3
total	3727	100%	3418	100%

This table also shows that these responses changed quite a bit through time. In 1988 the respondents were in majority satisfied (66% had a score above 5), but this majority turned into a small minority (23. 7%) in 1998. There can not be a better proof of the suggestion of Vladimir Andreenkov that the changes in Russia were going very fast

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and that these developments could be seen as a social laboratory, which requires attention of social scientists.

The satisfaction with other domains of life also differs substantially over time although in different degrees for different domains. It is important to note that although the general trend is a decrease of satisfaction in Russia from 1988 to 1998, it can not only be an artefact of idealising the past at the expense of the present, but should also be a sign of real change, because the decrease was not obscived for all domains. The satisfaction with some domains remains stable. Let us now look at the variation of satisfaction scores across domains of life.
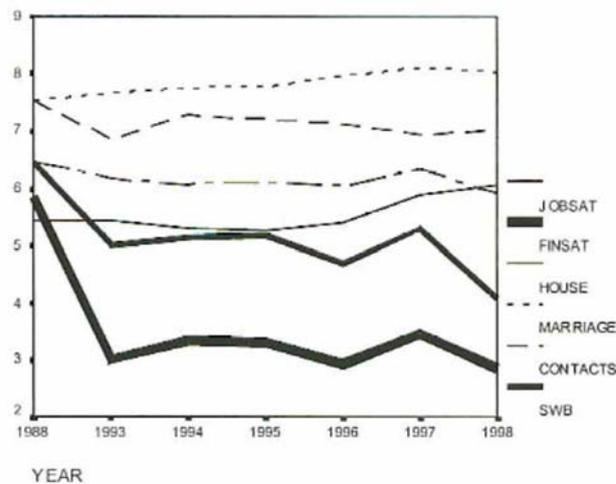

Figure 3 The trends in satisfaction with different aspects of life and life as a whole (SWB)

Figure 3 presents the trends for satisfaction with different domains of life from 1988 to 1998. The mean scores for the total sample on the 10 point scales are presented. This figure shows that there are considerable differences in level of satisfaction with the different domains of life and through time. First of all the respondents in all waves of the survey (1988-1998) are very positive about their marriages and only a bit less positive about their social contacts. The level of satisfaction with housing conditions are lower than satisfaction with marriage and social contacts. The changes in satisfaction with housing are also not very large through time. The level of satisfaction with the job is much lower than with the before mentioned aspects of life but the mean scores are rather stable and do not vary much through time.

These results would have suggested that cither the satisfaction of Russians with different domains of life do not change much through time or that there is no change at all through time. But the trends of satisfaction with one other domain - financial situation of the household - and with life as a whole challenge these hypotheses. The change in the political and economic system had a strong effect on the satisfaction of people with their financial situation going from an average satisfaction score around 6 in 1988 to an average of 3 in 1998 on the 10 point scale. This change can be classified as very large. The economic crisis in Russia in 1998 even led to a bit further drop of satisfaction of the people with their financial situation. The second indicator, which shows a substantial change through time is satisfaction with life as a whole, also called

Subjective Well Being (SWB). Figure 3 shows that this variable shows the same path of changes as the variable satisfaction with finances but in a more moderate way.

Two trends - satisfaction with the financial situation and satisfaction with their life as a whole show that we found not only differences between satisfaction with different domains of life but also between satisfaction levels in different points in time. Moreover the changes in subjective evaluations of life and its domains (in our case satisfaction) seem closely related with macro-economic changes occurring in this period. We can also see that the changes in mean scores of SWB follows the changes in the mean scores of satisfaction with finances although at a higher (more positive) level.

Saris and Andreenkova (2001) concluded that all these results clearly indicate that there is a lot of variation in the responses to satisfaction questions in Russia not only across people but also across time. These variations do not seem to be arbitrary and led them to the conclusion that there is a good reason to take these responses seriously and look at possible explanations of these trends. This conclusion was also made by Veenhoven (2001) who compared different countries with respect to satisfaction and living conditions. He concluded that the Russians not only say that they are unhappy but also have reasons to be unhappy if you compare them with people of other countries.

2. Income changes, income satisfaction and life satisfaction

Given the importance of the economic situation in Russia Schijns (2001) studied the relationship between income, income satisfaction and general life satisfaction. She employed three theories to describe a possible relationship between income, income-satisfaction, and life satisfaction in the Russian Federation during the period 1993-1995: the need theory, the comparison theory, and a personality theory. Her analyses of the Russet data showed that income, even when controlled for changes in income, had a small direct positive relationship with both income- and life satisfaction, meaning that more money does make Russians on average more satisfied with their income or with their life. Nevertheless, a comparison effect was also found: if one's income had improved compared to a previous year, this would lead to higher income-satisfaction as well. The effect was positive and significant over a one-year period, but over a two-year period, the effect was non-significant. It points out that adaptation has taken place over a two-year period: apparently, the Russian people got used to a raise or drop in income two years ago, but they still felt somewhat more satisfied over a positive change in income over the last year.
An interesting new additional result was that also a positive effect of life satisfaction on income-satisfaction was found, from which it can be concluded that life satisfaction is not merely a sum of many pleasures, but also has an influence on its own on other domain satisfactions. People who are more satisfied with their income are more satisfied with their lives (bottom-up), but also, more generally satisfied people tend to report greater satisfaction with their income (top-down). In the model, the bottom-up effect was somewhat stronger. Hence, in a strict sense, the cross-situational personality hypothesis that no, or only marginal, bottom-up effects can be found, was rejected. Moreover, the hypothesised longitudinal stability of life satisfaction was Quite low in Russia.

In a second analysis, three additional comparison mechanisms were included, namely the perceived discrepancy or gap between one's own income and average income in Russia, between one's own income and the income needed, and finally between one's own income and the income deserved. Since these questions specifically addressed income issues, they were directly linked to income-satisfaction. All three comparison effects were significant and positive, with social comparison and comparison with needed income having approximately the same relative positive effect, and comparison with deserved income having the lowest effect. These effects were net of the top-down effect of life satisfaction on income-satisfaction.

Inclusion of three comparison effects in the model resulted in the disappearance of a significant direct need effect of income on income-satisfaction. This finding has also been reported by Cummins (2000), who stated that subjective variables tend to share more variance with other subjective (e. g. income-satisfaction), rather than with objective variables (e. g. income). However, income still can influence income-satisfaction indirectly through other variables such as comparison mechanisms. **For** example, having more income positively influences a person's perceived relative standing in society, which will eventually lead to a higher income-satisfaction as well. Adding relative standards to the model can be seen as an important step, since in this way mediating processes can be better understood (Diener & Biswas-Diener, 1999). It further emphasises the importance of building an integrated theory (i. e. consisting of more than just one approach) on income and life satisfaction.

3. **Relations between domain and general life satisfaction**

Saris (2001) tested on the Russet panel data alternative models for the relationships between domain satisfactions and general life satisfaction. His study generated a result which is the complete opposite of the results of Lance (1989) and of those of Headey et al (1991). They both found an effect of marriage satisfaction on general life satisfaction; yet Saris found a top-down effect in Russia. Headey found an effect of the general life satisfaction on satisfaction with the standard of living while Saris found a reciprocal effect in this study.

He did not attribute these differences to differences in the approach, the measurement procedures or other technical aspects. In fact his analysis is quite similar to the analysis of Headey et al. so that he did not expect that this is the reason for the differences. His hypothesis is that the economic situation determined so much the life of the Russian population at the time of the research that this is the reason that for the income domain, an effect has been found from income satisfaction on general life satisfaction. In the countries studied by Lance et. al. and Headey et al. the income domain was far less dominant because most people had sufficient income to cover their necessary expenses. In such a situation other life domains become important like marriage, the family and social contacts. This idea is in line with the theory of Maslow(1970) with respect to a hierarchy of values. It would mean that if financial

certainty is not obtained people are concerned with this domain and this concern also determines their subjective well-being: but if financial security has been obtained other concerns become important such as family life and marriage. One just has to wait until the level of prosperity in Russia reaches a similar level to that in Western Europe to sec whether the effect for income on general life satisfaction will disappear. For now Russians can increase their subjective well-being by an increase in their income or a

reduction in their expectations with respect to this domain. The last approach is probably the easier way to more satisfaction for most people in Russia.

4. Dissatisfaction and political action

Dissatisfaction in the Russian Federation has become widespread; citizens arc not only dissatisfied with their personal life, their job, and especially with their financial situation Dissatisfaction is extremely widespread and high when it comes to the way government is performing on several public problems. Several things have become clear in the study of Wille (2001).

To begin with, the problems that beset citizens in their daily lives are not translated in political activity. In order to cope with 'self-located' problems on housing, the job, and financial conditions private rather than political means arc activated. However, when we look at 'socially located' problems, that are object of government policy - e. g. employment, rising prizes, crime rise —it is clear that political voice is an available option for some citizens. The readiness to voice concerns on these issues through really active political means is however small; most dissatisfied citizens that are ready to voice limit their activity to voting.

The analysis clarifies that people who do not voice should not be automatically classified as loyal citizens. Silent non-voice lumps together two phenomena. One form of silence may be loyally, the other form of silence can be covered by the concept of neglect. Political 'neglect' in the literature sometimes under the label of' political alienation' or 'political apathy—is a serious alternative, that deserves a place next to Hirshmans options of active opposition (voice) and diffuse positive support (loyalty). Empirically, the phenomenon of neglect appears to be a widespread response to political dissatisfaction in the Russian Federation.

Finally, it has become clear that that the voice and loyalty response -although treated as alternatives in Hirshman's theory—are actually options of a different order. Loyalty is an attitude, whereas voice is an action. Both can be related. Loyalty can activate voice, whereas neglect can hamper the operation of voice. Although neglect and loyalty can be treated as mutually exclusive attitudes, voice can manifest itself in combination with both feelings. Voice can thus manifest itself in a *'loyal voice'* and a *cynic voice'.*

In Easton's theory a democratic political system cannot survive for long without the loyal support of the majority of its citizens. Public support is even more important to new democracies and those in the process of democratization. Democratizing regimes not only confront greater political stresses, they also lack the institutions and leaders with enable older, established democracies to cope with political challenge (Mishler and Rose 1999: 79). In an analysis of public support for post-communist regimes at the beginning of the transition to democracy Mishler and Rose (1999) advanced a 'fear and hope' model to explain the initial sources of support. Immediately following the collapse of communism, citizens were likely to support the new regime because it represented a break from the rejected communist past, whose

return they feared. In addition, citizens harbored strong hopes that current economic sacrifices would produce real prosperity in the foreseeable future.

In the ten years since the transition to democracy, the impact of fear has diminished, hope has been replaced by disappointment. Sources like contemporary experiences and evaluations of government performance are becoming more important in causing subsequent changes in support. Russian citizens, as our data show, give poor marks to how their political system functions. Political discontent and neglect is wide-spread and deep rooted. Public attitudes toward the regime are negative and there is little optimism. Economic performance, including assessments of both individual well-being and of macroeconomic conditions have been shown to be important determinants of political support. Lack of popular support is not only deferring legitimacy on the Russian regime; it also influences its effective performance. When public support is weak governments are not able to make new commitments on the basis of it, and hence cannot respond effectively to political challenges, losing support in a downward spiral.

It is often argued that citizens in socialist systems arc accustomed to holding government responsible for both macroeconomic conditions and their personal welfare. Yet the analysis here does not confirms this statement. Since the middle of 1990s, when the early illusions that democracy and capitalism would bring instant prosperity gave way to disappointment and bitterness in the Russian federation, the majority of Russians rely on themselves and expect very little from the government. A recent story in the Herald Tribune illustrates this conclusion. It tells us how a household of two teachers manage to coop living by their so called "insurance": two cows, one sow, nine piglets, twenty chickens and four gees that inhabit the shed behind their house:

In the late afternoon, after teaching his high school physics classes, it was time for one of Mr. Vladimir Demidov least favourite tasks: feeding April, the cow who inhabits the shed of scrap wood behind his house. Mr. Demidov never saw himself slopping pigs, scattering Straw and nailing chicken wire when he decided two decades ago to become an educator. Neither he nor his wife, Nina, also a physics teacher, has the slightest interest in farming. But they and their two sons do want to eat. And with their prospect of receiving their meagre salaries a dubious matter in any given month, they decided long ago that running a backyard farm was preferable to trusting the government to pay them (Herald Tribune March 24, 2000).

Although democracy is not yet lost, the signs about the preservation of democracy are ominous. The new leader of the Russian state Vladimir Putin, has demonstrated real ambivalence toward democracy. [1] Yet, the largest threat to Russian democracy docs not come from within the state, but from a Russian society with weak democratic institutions and a public whose attitude towards government and politics is one of overwhelming neglect and apathy.

The deployment of state resources in Chechnya, the violations of human right in the cause of defending Russia's borders; and the announcements of some innovations in the electoral system

Part TIL Methodological research

1. Poverty lines

It will be clear that poverty is a very important issue in Russia. Therefore, Ferrer I Carbonell and Van Praag (2001) studied the different concepts and measurement of poverty. Two concepts of poverty are presented, namely *welfare* (economic) *poverty* and *well-being poverty.* The last, is a broader concept that tries to capture satisfaction with life as a whole. In the Russian Federation for 1997 and 1998, the poverty incidence of welfare poverty is much larger than for well-being poverty. They also presents different approaches to the measurement of poverty. First, relative objective measures of poverty are discussed. This approach seems to be non-relevant as they give just income distribution statistics describing relative income ratios but they are not related to absolute levels of poverty. The results for the Russian Federation yield incredibly low poverty ratios. Second, objective measures based on the "official" poverty line arc discussed. The "official" poverty line is based on the work carried out by Popkins et al. (1996). They define poverty lines (minimum income level) based on a subsistence level of expenditures obtained as 1. 3 times a subsistence food basket. In the paper, the "official" objective estimates are compared with two subjective measures, namely the Leydcn Poverty Line (LPL), and the Subjective Financial Satisfaction Poverty Line (SFSPL). These subjective measures are more flexible as the "level" of satisfaction considered as "minimum" can be changed. When taking different satisfaction levels (e. g. 3 or 4) in a 11-point scale, the subjective measures can give rise to similar poverty ratios as those derived from the objective "official" poverty measurement.

Subjective measures show strong consistency among them. In other words, the outcomes from the LPL and the SFSPL are comparable. Furthermore, the results obtained by Ravallion and Lokshin (1999) using a subjective measure based on the Economic Ladder Question (ELQ), are also in line with our results, derived from the Financial Satisfaction question.

Given such a multitude of poverty indicators the question arises winch of them should be preferred. This natural question, however, is easier asked than answered. The preferred measure of poverty depends on the data availability and intuitive feelings. We would prefer to stick to one of the subjective measures because they are based on the respondents' feelings of income-poverty. Then SFS(3) and LPL(4) seem to be the most adequate ones. Besides, subjective measures are very flexible since the level below which an individual is considered poor can be easily changed. Thus, we can find poverty ratios using SFS(3) but also using SFS(4) or SFS(2). Besides the SFS and LPL, which measure income poverty, we have also presented a measure for well-being poverty. In our study well-being poverty, which is much lower than income poverty, is measured by means of a subjective question. Subjective well-being is a more complex phenomenon than financial satisfaction and thus more difficult to estimate and understand. Therefore the well-being poverty estimates for the Russian Federation have to be taken with precaution. Further research on this direction is needed.

The consistent results found on subjective measures, their flexibility and lower cost, and their importance in psychological matters, make us see a great future for such measures. Not only within the framework of poverty analysis but also when the objective is to assess individual's happiness

2. Multitrait Multimethod research of data quality

During the period the panel data was collected the quality of the data was permanently controlled using Multitrait Multimethod experiments or MTMM experiments. This means that for the most relevant variables (traits) alternative formulations (methods) have been used at different places in the surveys. This design suggested by Campbell and Fiske (1957) allows the estimation of reliability and validity of measures using different models (Alwin 1974, Andrews 1984, Saris and Andrews, 1991 etc). This approach has led to useful estimates of data quality and generalisation of it in the US (Andrews 1984), Austria (Költringer 1995) and The Netherlands (Scherpenzeel and Saris, 1997)

Applying this approach on the Russian data serious problems have been encountered. It turned out that the data in each wave were very reliably and valid but the stability of the opinions through time turned out to be very low which seems to be contradictory at first side (Van der Veld and Saris 1999). However the phenomenon that people have very weak and unstable opinions about heavily debated issues has been suggested already in 1964 by Converse, speaking about US citizens. His remarks have led to a controversy in US concerning the capabilities of ordinary citizens to participate in the democratic process (Achen 1975. Judd, Milburn, 1980, Converse and Markus 1979, Feldman 1989, Zaller 1992).

Given that we have found in the Russet panel an extreme case of the phenomena described by Converse (1964) we have tried to model this opinion strength together with reliability and validity. In doing so Van der Veld and Saris (2001) decomposed the opinion strength in stability and cristallization where the last concept indicates the strength of the general opinion with the time specific opinion. It turned out that especially the cristallization is rather low in Russia. This can explain why the reliability and validity at each occasion can be rather high and the stability as observed by Converse (1964) and other can be rather low.

Part IV Acces to data and report of the Russet panel

1, The data

In order to make the data of the Russet panel accessible to other researchers the following information has been made available by the Dutch Management group at the University of Amsterdam and our counterpart in Russia (CESSI) on the WEB and on CD-rom:
the description of the research design and sampling design
the design of the questionnaires
- the original questionnaires and show cards in Russian and a translation in English
a trend report for all the repeated questions
a list of names of all variables present in the questionnaires of all waves
All this data can be reached on the WEB at http: //home. pscw. uva. nl/saris/

The micro data arc available for users on request and will be provided in the form of SPSS files together with the above specified information. The data will be delivered on CD-rom. The request for the data should be send to Saris@pscw. uva. nl or by mail to W. E. Saris. Faculty of behavioral and social sciences, University of Amsterdam, OZ Achterburgwal 237, 1012 DL Amsterdam, The Netherlands.

2. Publications generated by the project

2001

The relationship between income and satisfaction: The effect of measurement error and suppressor variables.
Willem E. Saris. 2001. Social Indicators Research 53: 117-1. 36.

The relationship between income, change in income and life satisfaction in West Germany and the Russian Federation: absolute relative or a combination of both?
Peggy Schyns. Forthcoming. In Advances in quality of life theory and research.
Kluwer, Dordrecht.

A study of the socio-economic transitions in Russia: The RUSSET panel.
Willem E. Saris and Anna Andreenkova. Forthcoming 2001. In Journal of Happiness Studies, a special issue on Happiness in Russia. 2 1-14.

Are the Russians a unhappy as they say they are? Comparability of self reports across nations?
Ruut Veenhoven. Forthcoming. Forthcoming 2001. In Journal of Happiness Studies, a special issue on Happiness in Russia. 2 14-41.

Poverty in the Russian Federation.
Ada Ferrer-I-Carbonell and Bernard van Praag. Forthcoming 2001. In Journal of Happiness Studies, a special issue on Happiness in Russia. 2 41-71.

Income and satisfaction in post communist Russia.
Peggy Schyns. Forthcoming 2001. In Journal of Happiness Studies, a special issue on Happiness in Russia. 2 71-98.

The relationship between subjective well-being and domain satisfactions.
Willem Saris. Forthcoming 2001. In Journal of Happiness Studies, a special issue on Happiness in Russia. 2 98-114.

Action, voice, loyality and neglect: political responses to dissatisfaction in the Russian Federation.
Anchrit Wille. Forthcoming 2001. in Journal of Happiness Studies, a special issue on Happiness in Russia. 2 115-140.

2000
Problems in Russian Polls: Memory Effects. Acquiescence, and Awareness.
William van der Veld, and Willem E. Saris. 2000. Kwantitatieve Methoden 64: 87-116.

Separation of reliability, validity, stability, and opinion crystallisation using life satisfaction variables.

William van der Veld and Willem Saris. ASCOR, University of Amsterdam.

1999
Explorations of welfare and well-being.
Paul Frijters. 1999. Ph. D. thesis, Tinbergen Institute Research Series no. 196, Thela: Amsterdam.

Stability of Three-Wave Simplex Estimates of Reliability.
Germa Coenders, Willem E. Saris, Joan M. Batista-Foguet. 1999. Structural Equational Modeling 6: 135-157.

1998
Income and Satisfaction,
Willem E. Saris, and Bruce Headey. 1998. Paper presented at the Quality of Life in Cities conference Singapore.

The effects of climate on welfare and well-being in Russia.
Paul Frijters, and Bernard M. S. van Praag, 1998. Climate Change 39: 61-81.

The estimation of memory effects in a multitrait multimethod context.
William van der Veld. Masters thesis. University of Amsterdam, Amsterdam.

The under-reporting of incomes in Russian household surveys.
Paul Frijters, and Bernard M. S. van Praag. 1998. University of Amsterdam, under revision.

1997
Changes in income and their effect on subjective well-being in Germany and Russia.
Peggy Schyns. 1997. In Developments in quality of life studies: Proceedings of the

first conference of the International Society of Quality of life studies. Edited by 1. Meadow. Volume 1. Charlotte,

Maten van Welzijn. Over net met en van welzijn: Changes in income and their effect on life-satisfaction in West-Germany and the Russian Federation.

Peggy Schyns. 1997. Paper presented at the AWSB Onderzoeksgroep Zorg en Welzijn.

1996
Satisfaction in Russia.
Anna Andreenkova, and Annette C. Scherpenzeel. 1996. Pp. 201-220. In A Comparative Study of Satisfaction with Life in Europe. Edited by Willem E. Saris, Ruut Veenhoven, Annette Scherpenzeel, and Brendan Bunting. Eötvos University Press, Budapest.

Study on the effect of individual income changes on satisfaction in Russia.
Willem E. Saris, and Anna Andreenkova. 1996. Pp. 263-275. In A Comparative Study of Satisfaction with Life in Europe. Edited by Willem E. Saris, Ruut Veenhoven, Annette Scherpenzeel, and Brendan Bunting. Eötvos University Press, Budapest.

Forthcoming
Income, change in income and life satisfaction: a study overtime in West-Germany and the Russian Federation.
Peggy Schyns. Forthcoming. Berlin, Germany,

Do individuals try to maximize satisfaction with life as a whole.
Paul Frijters. 1999.

The structure of German well-being.
Bernard M. S. vanPraag, and Paul Frijters. 1999. University of Amsterdam, Submitted.

Separation of reliability, validity, stability, and opinion crystallisation.
William van der Veld and Willem Saris. Forthcoming. Pp. 343-365. In the issue of belief systems - Essays in the intersection of non-attitudes and attitude change. Edited bv Willem E. Saris and Paul Snidernan (2001).

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