

Aadne Aasland  
Guri Tyldum

## **Better or Worse?**

Living Conditions Developments in  
Estonia, Latvia and Lithuania 1994–1999





Aadne Aasland  
Guri Tyldum

# **Better or Worse?**

Living Conditions Developments in  
Estonia, Latvia and Lithuania 1994–1999

© Fafo Institute for Applied Social Science 2000  
ISBN 82-7422-319-5  
ISSN 0801-6143

Design: Jon S. Lahlum, Fafo  
Cover design: Agneta Kolstad, Fafo  
Printed in Norway by Falch AS

# CONTENTS

Foreword .....	4
The Baltic countries .....	5
Income poverty .....	6
Income types .....	7
Alternative income .....	8
Sudden expenses .....	9
Rich or poor? .....	10
Technology .....	11
Ownership of consumer items .....	12
Purchase of consumer items .....	13
The labour force .....	14
The unemployed .....	15
Job insecurity .....	16
Working conditions .....	17
Wages .....	18
Education .....	19
School attendance .....	20
Kindergartens .....	21
Citizenship .....	22
Migration .....	23
Health .....	24
Mental health .....	25
Crime .....	26
Trust in authorities .....	27
Organisations .....	28
The past and the future .....	29
About the survey .....	30
Fafo .....	31
Previous Fafo publications from the NORBALT project .....	32

# FOREWORD

This report presents some major developments in living conditions in Estonia, Latvia and Lithuania during a period of transition. It is based on nation-wide and representative living conditions surveys that were conducted simultaneously in the three countries during the autumn of 1994 and of 1999. The surveys cover a variety of living conditions dimensions such as economic resources, health, housing, employment and working conditions, education, crime and social contacts. This report gives a brief introduction to the main findings. For a more comprehensive presentation of the survey results, the national tabulation reports should be consulted. Three forthcoming national analytical reports will provide more in-depth analysis of the data. Our aim has been to make a user-friendly and informative brochure to all those needing a reliable picture of the living condition development in the Baltic region.

The project is funded by the Norwegian Ministry of Foreign Affairs, the Baltic governments, the Norwegian Research Council/Council of Universities, and the Nordic Council of Ministers.

We would like to express our gratitude to our partners in the Baltic countries: the Ministry of Social Affairs of Estonia, the Central Statistical Bureau of Latvia and the Ministry of Labour and Social Security of Lithuania. Particularly we would like to thank all our devoted interviewers who have been involved in the survey and collected the data. At Fafo especially Jon Pedersen, Jon S. Lahlum Laurie Blome Jacobsen and Arnfinn Jacobsen deserve warm thanks.

Oslo, September 2000.

The authors.

# THE BALTIC COUNTRIES

## ESTONIA

Capital: Tallinn  
Area: 45,226 sq. km.  
Population (thousands): 1439.1 (Men: 669.6; Women: 769.6)  
Ethnic composition (%): Estonians: 65.3, Russians: 28.0, Ukrainians: 2.5

Birth rate per 1,000: 8.70  
Death rate per 1,000: 12.79  
Net migration (thousands): -0.6  
Life expectancy at birth: 70.8 years (Men: 65.4; Women: 76.1)  
Infant mortality (per 1,000 live births): 9.5  
Total fertility rate: 1.24

## LATVIA

Capital: Riga  
Area: 64,589 sq. km.  
Population (thousands): 2424.2 (Men: 1122.9; Women: 1301.3)  
Ethnic composition (%): Latvians: 55.8, Russians: 32.3, Belarussians: 3.9

Birth rate per 1,000: 8.0  
Death rate per 1,000: 13.5  
Net migration (thousands): -0.7  
Life expectancy at birth: 70.4 years (Men: 64.9; Women: 76.2)  
Infant mortality (per 1,000 live births): 11.4  
Total fertility rate: 1.15

## LITHUANIA

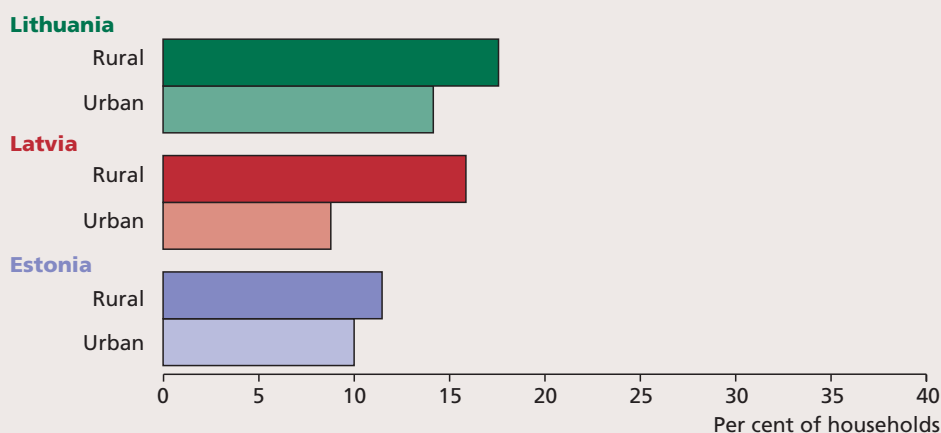
Capital: Vilnius  
Area: 65,200 sq. km.  
Population (thousands): 3698.5 (Men: 1743.9; Women: 1954.6)  
Ethnic composition (%): Lithuanians: 81.8, Russians: 8.1, Poles: 6.9

Birth rate per 1,000: 9.8  
Death rate per 1,000: 10.8  
Net migration (thousands): 1.3  
Life expectancy at birth: 72.3 years (Men: 67.1; Women: 77.4)  
Infant mortality (per 1,000 live births): 8.6  
Total fertility rate: 1.35

# INCOME POVERTY

Lithuania has the highest relative income poverty rate both in urban and rural areas. Differences between urban and rural areas are greatest in Latvia.

*Relative income poverty. Households with net per capita household income (equivalence scaled) lower than 50% of the median income (excluding non-monetary incomes), calculated separately within urban and rural areas, and within each country*



Due to substantial price differences between urban and rural areas, separate poverty lines (50% of median income) are calculated for these two types of residence. According to this measure, Lithuania has the highest relative income poverty rate of the three countries (15% of the households), with Latvia and Estonia on a somewhat lower level (11% and 10%).

Latvia has the lowest level of urban income poverty (relative) of the three countries, while Estonia has the lowest rural poverty level. Lithuania has the highest rates in both types of residence. The differences in relative poverty levels between urban and rural areas are greater in Latvia than in the other two countries.

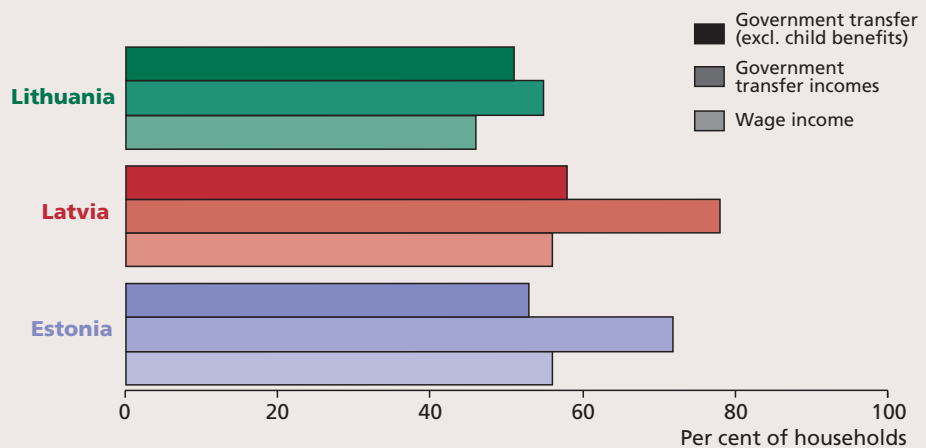
Due to very limited unemployment benefits, households where the household head is unemployed are particularly vulnerable to poverty. In Estonia and Lithuania around two-thirds (70% and 64%) of such households are below the poverty line, in Latvia the same is true for 55%.

Households with many children (in particular households with a single parent) run a higher risk of income poverty. As the universal retirement pension secures a low but stable income, there are virtually no households with income below the poverty line among retired persons. In Estonia the ethnic minority groups are below the poverty line more often than the titular population. In Lithuania, and to some extent in Latvia, ethnic minorities have a lower risk of being poor than the titular groups.

# INCOME TYPES

In all three countries roughly one-half of all households have wage income, but fewer in Lithuania than in Estonia and Latvia. They all have government transfer systems which are relatively effective in lifting the most vulnerable groups out of relative income poverty.

*Proportion of households with different income types*



Only 46% of the households in Lithuania have income from wages, while the corresponding figure for Latvia and Estonia is 56%. Self-employment agricultural income is more common in Lithuania (12% of households) than in Latvia (7%) and Estonia (1%).

Compared to Estonia and Latvia, a smaller proportion of Lithuanian households have some form of income from government transfer. This is mainly due to the fact that there is no universal child benefit in Lithuania, and only 6% of all households receive such benefits. In Estonia and Latvia 30% of the households receive child benefits.

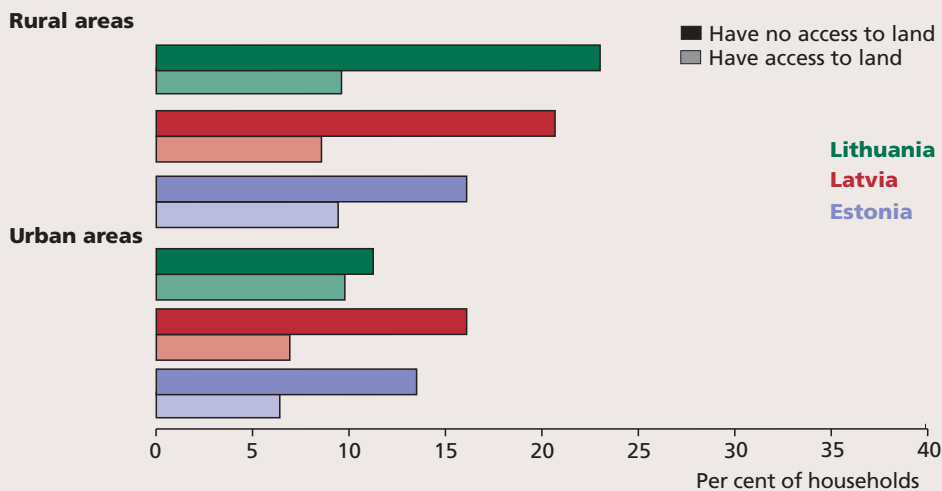
Social assistance is a more common source of income in Lithuania than in Estonia and Latvia. A total of 5% of Lithuanian households have this income type, compared to 3% in the other two countries. In the 1994-99 period the number of people on social assistance has been significantly reduced, in particular in Estonia and Latvia, where 12 and 13% of the households received such assistance in 1994. For Lithuania the figure was 7%.

The effects of government transfers are higher in Estonia and Latvia than in Lithuania, though in all three countries the majority of the households receiving government transfers are lifted out of relative income poverty by these transfers.

# ALTERNATIVE INCOME

People that have access to a garden or land plot are less likely to define themselves as poor. In-kind support from relatives and friends is quite common, but rather few households receive support from religious and charity organisations.

*Subjective poverty by access to garden or land plot and place of residence*



From 55% (Estonia) to 59% (Lithuania) of households have access to a garden or small plot of land which they currently use for growing vegetables, fruits or flowers. More than 80% of rural households in all three countries have such access, while the same is true of 42-43% of the households in towns and cities.

Between 8 and 10% of the households that have access to a garden or land plot define themselves as poor, compared to 13-17% of those without access. In Estonia and Latvia such access seems to reduce subjective poverty in both urban and rural areas. In Lithuania, however, access to a garden or land plot makes a difference only in rural areas.

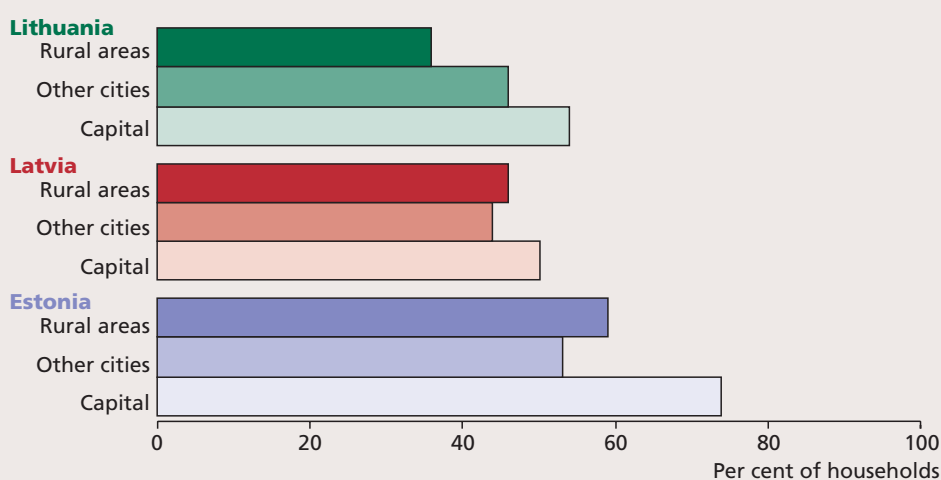
Collection of nature products for self-consumption (berries, mushrooms, hunting, fishing) is more common among households in Estonia and Lithuania (51% and 49%) than in Latvia (35%). In Latvia and Lithuania such activities are most common in the lower income groups.

In all countries 17-18% of the households had received in-kind support from relatives or friends outside the household during the past month. Lithuania had the highest proportion that had received in-kind support from the Church or charity organisations (4%).

# SUDDEN EXPENSES

Estonian households are more often able to handle a sudden expense than Latvian and Lithuanian households. People in capital cities are better off than those in other parts of the countries, particularly in Estonia.

*Percentage of households indicating that they can raise USD200 (alone or with help from others) within a week, by place of residence*



In Estonia, 60% of the household claim they are capable of raising USD200 within a week if needed. In Latvia and Lithuania less than one-half of the population are able to do so.

In Lithuania the differences between urban and rural areas are more pronounced than in the other two countries. Only 36% of the households in the Lithuanian countryside think they could raise this amount of money. Tallinn, Estonia's capital city, has the largest share of households with such financial capabilities: 74%.

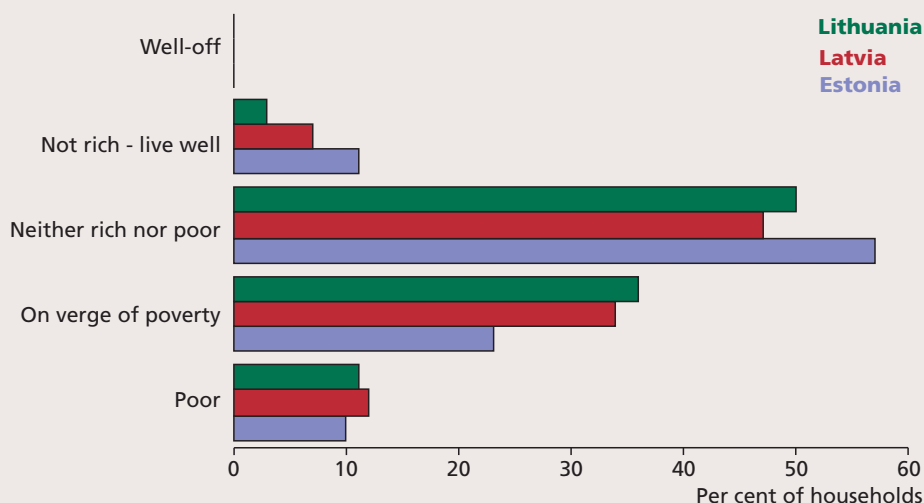
The size and type of the household has a strong impact on the ability to raise a large sum of money. Among one-person households, it is retired persons who are least likely to raise money when needed. Single parent households are more vulnerable than the average as well. In all three countries ethnic minority households encounter greater problems raising USD200 than those made up by the majority ethnicity.

Households with an unemployed head are considerably worse off than most other households, but in Latvia, households with a head completely outside the labour force have the highest probability of being unable to raise US\$ 200 (77% of these households). Also, many households with an employed head (in particular unskilled blue-collar workers) have problems raising a large amount of money.

# RICH OR POOR?

Baltic households most often define themselves as being neither rich nor poor. Very few say they are well-off. In Latvia and Lithuania almost one half of the households say that they are poor or on the verge of poverty, while this is the case with one of three households in Estonia.

*Household assessment of own economic situation*



10

There are substantial differences in how Estonians on the one hand, and Latvians and Lithuanians on the other, assess their economic situation: Estonian households are the least likely to say that they are poor or on the verge of poverty. There are only small differences between Latvia and Lithuania.

Pensioners, particularly those living alone, are most likely to consider themselves as poor or living on the verge of poverty, despite not being among the poorest in terms of monetary income. The opposite is the case for households with three or more children: even though these households usually have a per capita income which is significantly below the average, they define themselves as poor considerably less often than the average.

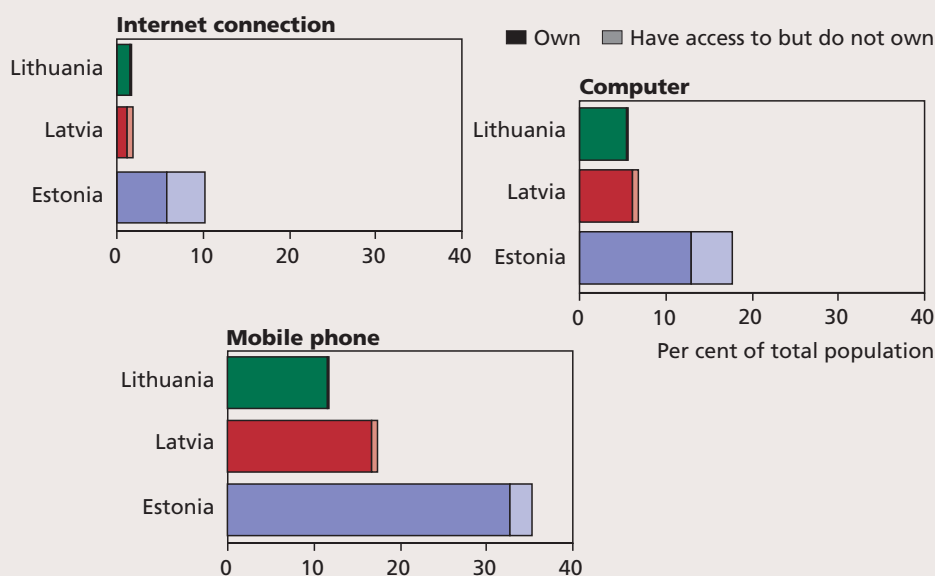
In all countries six in ten households that receive social assistance consider themselves as poor or living on the verge of poverty. Moreover, of the 20% households with lowest per capita incomes, about five in ten say they are poor or on the verge of poverty. However, even among the 20% with the highest incomes, more than one in ten households report that they are poor or on the verge of poverty.

With the exception of the Polish minority in Lithuania, all the major ethnic minority groups are more likely than the titular population to define themselves as poor. In Lithuania and Estonia, households in the capital give a more positive assessment of the economic situation than people elsewhere in the country. In Latvia, people in rural areas and small towns are less likely to classify themselves as poor than the urban population.

# TECHNOLOGY

Modern communication technology is by far most widespread in Estonia, but in all three countries it is largely used by the highly educated and high income households in the capital cities.

*Persons living in households that own or have access to internet connection, a personal computer and mobile phone. Per cent of total population*



In Estonia 17% have access to a PC and 35% to a mobile phone, which is more than twice as much as in Latvia and Lithuania. Access to the internet is 5 times more common in Estonia (10%) than in Latvia and Lithuania (2%).

Modern communication technology is still rare in smaller towns and rural areas – in Latvia and Lithuania only one in one hundred persons outside the capital have access to internet, and 5% have access to a personal computer. In Estonia, 8% of the population outside the capital have access to internet, and 14% have access to a PC.

From 50 to 70% of the internet users belong to the richest 20% of the population<sup>1</sup>, and 60 to 80% live in households where the household head has higher education<sup>2</sup>.

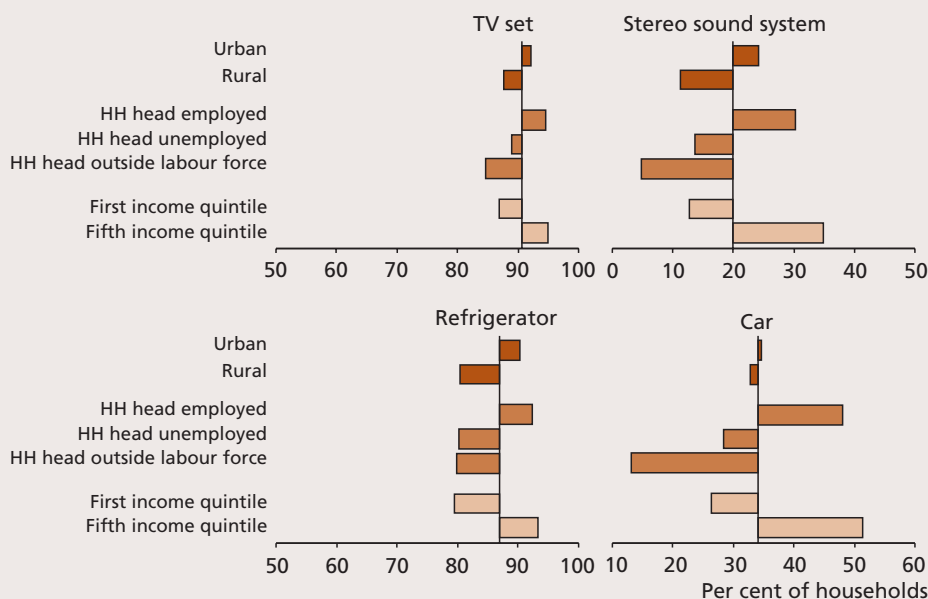
<sup>1</sup> Estonia 51%, Latvia 71% and Lithuania 64%.

<sup>2</sup> Estonia 61%, Latvia 66% and Lithuania 82%.

# OWNERSHIP OF CONSUMER ITEMS

Around 90% of all households own a TV or a refrigerator, one in three a car, and one in five own a stereo. The distribution of these items among social groups is very similar between the three countries.

*Ownership of consumer items. Divergence from averages (across all 3 countries)*



Ownership of consumer items is somewhat higher in Estonia than in Latvia and Lithuania. While 89% of Estonian households have both a TV set and a refrigerator, this is true for only 83% of Latvian and Lithuanian households.

In Estonia, and to some extent in Latvia, ownership of cars is much more common in rural than in urban areas. In Lithuania more urban than rural households own cars.

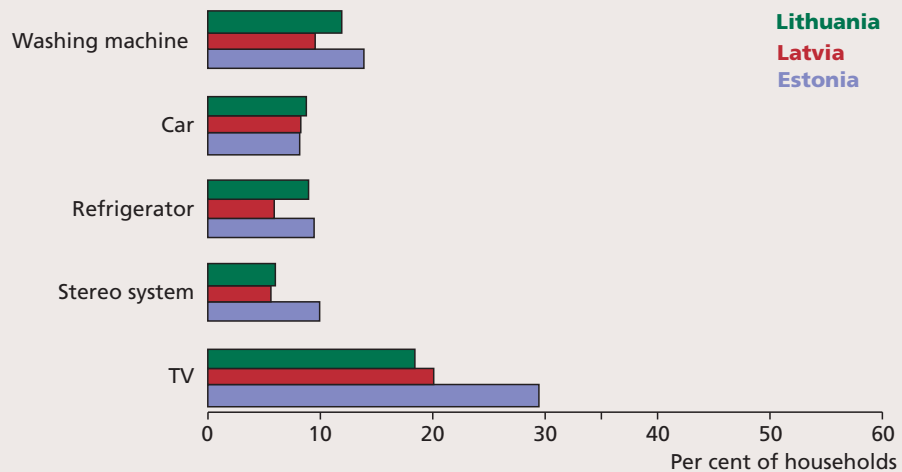
While only 2% of Estonian households do not own any of the above listed items, this is the case for 6% of Latvian and 8% of Lithuanian households. In Lithuania and Estonia 13% of the households own all four items, compared with 9% of Latvian households. Generally the number of items owned is higher in urban than in rural areas, though differences are quite small in Estonia, and highest in Lithuania.

There are small differences between groups in ownership of TV or refrigerator, but ownership of cars and stereo systems are more dependent on employment status and income.

# PURCHASE OF CONSUMER ITEMS

Estonian households buy more new consumer durables than households in Latvia and Lithuania. The only exception concerns purchasing of new cars where there is virtually no difference between the countries.

*Purchase of consumer durables during the last two years*



Close to half of all Estonian households have bought a new washing machine, car, refrigerator, stereo system or TV during the past 2 years, compared to one third of all Latvian and Lithuanian households.

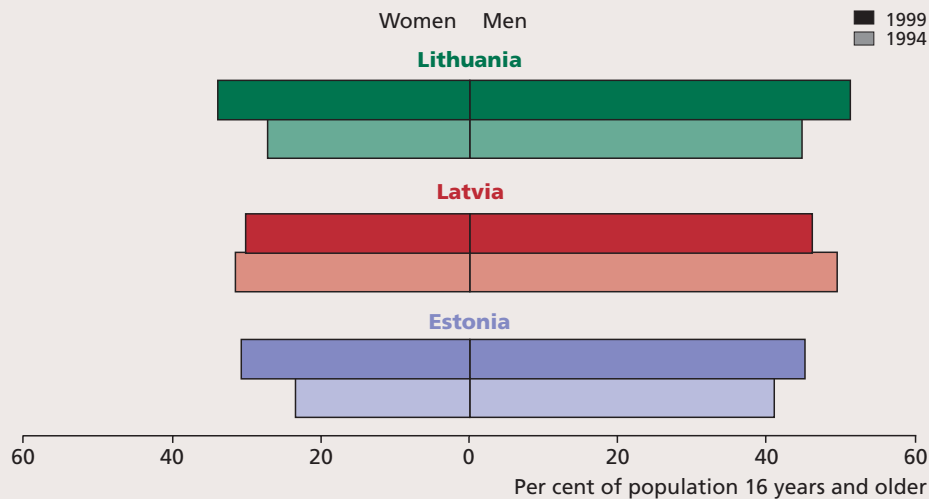
The number of new purchases depends to some extent on income, but even among households with low household income (first income quintile), from 27% (Latvia and Lithuania) to 40% (Estonia) have purchased one of the above mentioned items during the last two years. Between 8 and 11% of all high income households (fifth income quintile) have purchased three or more of these items, compared with only 2–4% of the low income households.

In Lithuania and Estonia, purchases of consumer durables take place more frequently in urban than in rural areas, while there is little difference between the cities and the countryside in Latvia in this respect.

# THE LABOUR FORCE

In 1999, Lithuania had the lowest labour force participation rate of the three countries. Latvia is the only country that has seen an increase in the share of the population in the labour force.

## Persons not in the labour force



Making analysis of the labour market, it is common to differentiate between those *in the labour force* (consisting of the employed and the unemployed) and those *not in the labour force*. In 1994 Latvia had the highest proportion not in the labour force (42%). Five years later the proportion not in the labour force is lower (39%), while it has increased in the other two countries.

Participation in the labour force is 14–17% higher among men than women in all countries. In Lithuania the participation rate is particularly low in rural areas (44%) but in urban areas (62%) nearly as high as in the other two countries.

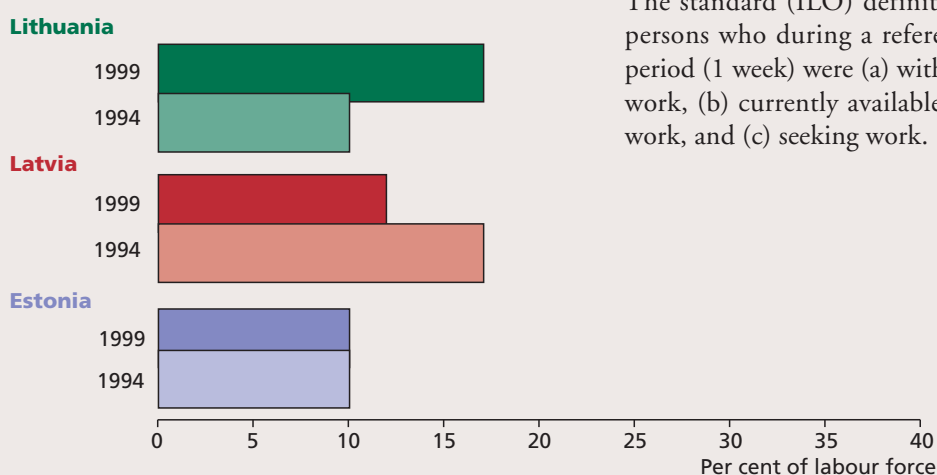
In 1994, 48% of the Latvian population above 16 years of age were employed, but in 1999 this proportion had increased to 54%. Estonia had a reduction from 61% to 55%. Lithuania had the largest reduction in the employment rate in the period, from 57% in 1994 to 47% in 1999.

Of the three countries Latvia has the highest employment rates among the youngest age groups (up to 30 years), while Estonia has the highest employment rates in all other age groups. The employment rate is considerably lower in Lithuania than in Estonia and Latvia for all age groups.

# THE UNEMPLOYED

From 1994 to 1999 unemployment decreased in Latvia, remained stable in Estonia, and increased in Lithuania. Only a small minority of the unemployed receive unemployment benefits.

*Unemployment rates in 1994 and 1999*



The standard (ILO) definition: persons who during a reference period (1 week) were (a) without work, (b) currently available for work, and (c) seeking work.

In 1999 the unemployment rate was significantly higher in Lithuania than in Estonia and Latvia. In Latvia unemployment has been reduced considerably since 1994 (from 17 to 12%), while there has been a strong increase in Lithuania (from 10 to 17%).

In Estonia and Latvia unemployment rates are similar for men and women, while in Lithuania unemployment is more common among men (18%) than women (15%). Similarly, there are no differences in unemployment rates between urban and rural areas in Estonia and Latvia, while we find higher unemployment in the Lithuanian countryside than in the cities.

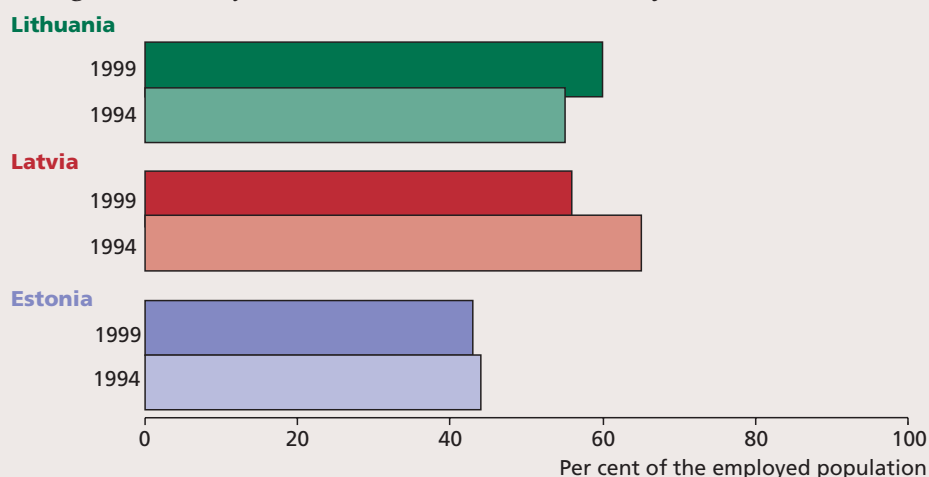
In all three countries unemployment is particularly high among young people. In Lithuania the unemployment rate is 28% for persons in ages 15–24 years, in Latvia the corresponding figure is 22% and in Estonia 17%. In both Estonia and Latvia unemployment rates are higher among ethnic minorities than among titular ethnic groups.

Only 6% of the unemployed in Latvia and Lithuania, and 14% in Estonia, receive unemployment benefits. In Estonia and Lithuania households with one or more unemployed members have an average per capita income which is less than half the national average. The impact of unemployment on the household economy is less marked in Latvia, but households with at least one unemployed person still have an income significantly below the average (57%).

# JOB INSECURITY

More than half the employed believe they are in danger of losing their job over the next two years. Feelings of job insecurity are more widespread in Latvia and Lithuania than in Estonia.

*Employed persons 18 years and older indicating that their present job is in danger during the next two years due to closures, redundancies or for other reasons*



In both 1994 and 1999 Estonia had the lowest share of employed that believed their job was in danger. In 1994 job insecurity was highest in Latvia, but in 1999 the Lithuanian population expressed the highest fear of losing their job.

Looking at developments over time, the situation was stable in Estonia in the period 1994–99. In Latvia the proportion that believed their job could be in danger had gone down significantly, while it had increased somewhat in Lithuania. These results are in line with the developments in unemployment in the three countries.

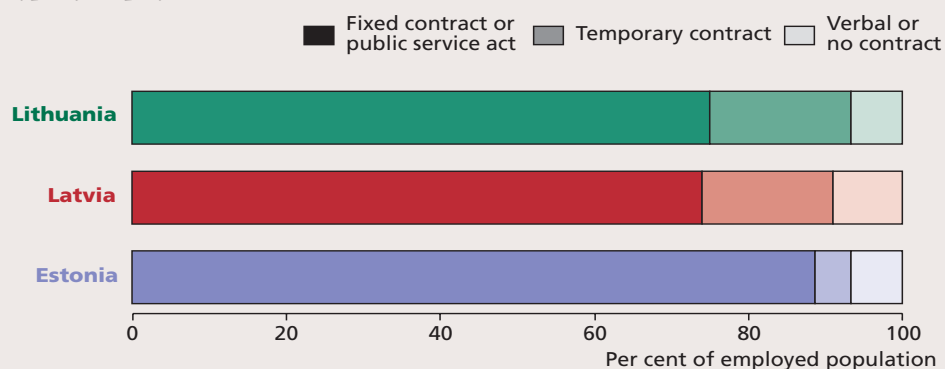
People in the older age groups express greater job insecurity than young people. Job insecurity is more widespread in the cities than in the countryside.

In all three countries the ethnic minorities are more afraid of losing their job than representatives of the majority ethnic groups. The difference is particularly striking in Estonia, where 60% of non-Estonians believe their job is in danger, while the same is true of only 35% of ethnic Estonians.

# WORKING CONDITIONS

In all three countries working conditions are most often regulated through fixed employment contracts, although such contracts are most common in Estonia. Temporary contracts are most widespread in Lithuania, while work without any written contract is most common in Latvia.

*Type of employment contract*



In all three countries, written contracts are more common for state employees than for employees in private enterprises. Fixed employment contracts are most common among high income groups, and in particular, among people with higher education. Women have fixed contracts more often than men, while persons below 25 years of age have the least regulated work arrangements.

During the past 12 months 17% of the employed population had experienced delays in payment of wages<sup>1</sup>. However, most of these had experienced delays of less than 2 months. Wage arrears are most common in Lithuania, where 6% of the employed population have had delays of more than 2 months, compared to only 3% in Estonia and Latvia.

In Estonia and Latvia, delays in payment of wages are most often experienced by persons with temporary or no employment contracts. In contrast, in Lithuania delays are almost exclusively experienced by persons with fixed employment contracts.

Between 40 and 45% of the working age population think their working conditions today are more or less the same as 5 years ago. In Estonia 41% think the situation has improved, compared to 30% in Latvia and 21% in Lithuania.

<sup>1</sup> Estonia 14%, Latvia 15% and Lithuania 20%.

# WAGES

Aside from wages being highest in the capital cities, higher education increases wages the most. Long work experience does not give people higher wages – rather the opposite. Women earn substantially less than men. Gender differences are largest in Estonia and smallest in Lithuania.

*Percentage difference in wage per hour by different characteristics*

	<b>Estonia</b>	<b>Latvia</b>	<b>Lithuania</b>
Men (vs. women)	35 %	24 %	18 %
Secondary education (vs. primary or less)	(1 %)	(6 %)	(1 %)
Higher education (vs. primary or less)	55 %	41 %	55 %
Capital (vs. other urban areas)	34 %	16 %	4 %
Rural areas (vs. urban except the capital)	(-6 %)	-18 %	-10 %
Work experience (years)	-1 %	(0 %)	(0 %)
Local citizenship (vs. no or other citizenship)	19 %	14 %	(39 %)
Russian (vs. all other ethnic groups)	-15 %	(-4 %)	(2 %)
Selection effect (probability of being member of the labour force – controlled for sex, age, citizenship and marital status (logged))	(9 %)	(19 %)	(6 %)

Calculated in OLS regression (dependent variable: wage per hour (logged)).  
In parentheses coefficients not significant at a 0.05 level.

In Estonia wages for men are on average 37% higher than for women. In Latvia men earn 22% more and in Lithuania 13% more than women. In all three countries there is a larger share of women than men with higher education, and when educational level (and the other above listed variables) are controlled for, the gender differences increase to 24% in Latvia and 18% in Lithuania. In Estonia the differences are somewhat reduced, but still very high at 35%.

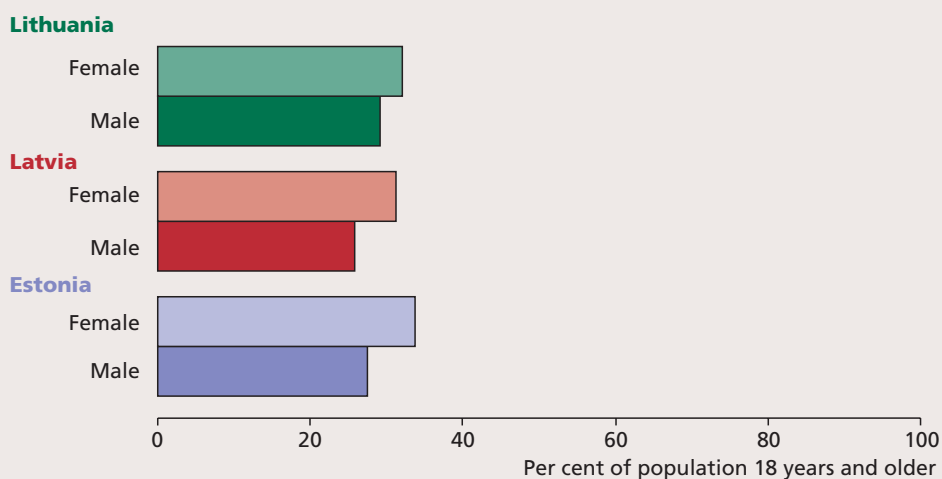
In both Estonia and Latvia, the capital cities stand out with particularly high income levels: In Estonia workers in the capital earn 34% more than people living in other cities, but there are no differences between other urban and rural areas. In Latvia wages are significantly higher (16%) in the capital than in other cities, and lower (18%) in the countryside than in the cities. In Lithuania the differences between the capital, urban and rural areas are much less pronounced.

In Estonia ethnic Russians earn 15% less than other ethnic groups, independent of citizenship rights, education and place of residence. In addition, persons with local citizenship earn on average 19% more than non-citizens. In Latvia, citizens earn 14% more than non-citizens, but there are no differences in wages between Russians and Latvians when citizenship is controlled for.

# EDUCATION

In all three countries about every third person above 18 years have post-secondary or higher education. Women have higher education than men.

*Persons with post-secondary or higher education by sex*



In both Latvia and Estonia, 99% of the population have completed at least primary education. In Lithuania 4% have no completed education, though this is largely a phenomenon in the older age groups: 15% of the population above 65 have never completed primary school. The share of the adult population with higher education is similar in the three countries, varying from 29% in Latvia to 31% in Lithuania and Estonia.

The most highly educated group is persons aged 35–49, among whom between 39% (Latvia) and 42% (Lithuania) have completed post-secondary or higher education. The generational differences are highest in Lithuania, where only 12% of the population above 65 years have higher education. However, while Estonia and Latvia have the most highly educated older generation, Lithuania has the largest share with post secondary or higher education in the age group 18–35 years.

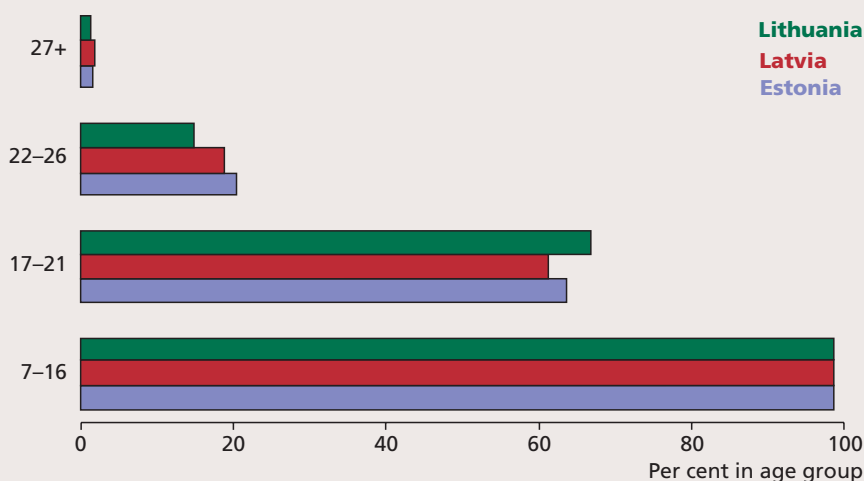
Gender differences are largest in Estonia, particularly in the youngest age group: While 36% of the women aged 18–35 have higher education, this is the case for only 20% of the men in this age group.

There are marked differences in educational level between urban and rural areas. In rural areas between 17 and 21% have higher education – compared to between 33 and 37% in urban areas.

# SCHOOL ATTENDANCE

In all three countries 99% of all children 7 to 16 years of age are enrolled in school. Enrolment remains high until age 21, but it is significantly higher for women, and urban residents.

*School enrolment by age*



20

The majority continue studies after compulsory school. At age 17, between 87% (Latvia) and 93% (Lithuania) are still in school. At age 20, the enrolment level drops to 48–50%, and at age 22 it falls to about 30% .

The chance of still being in school after age 16 increases with the parents' educational level. In the age group 17–21 years, less than 50% are still in school if the household head has only primary education or less. This increases to more than 60% if the head has secondary education, and above 70% if the head has completed post-secondary or higher education.

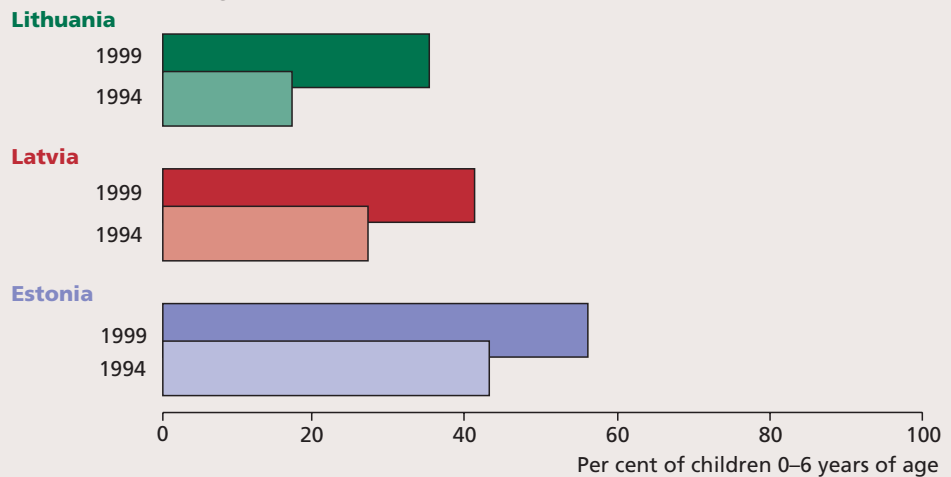
There is no direct relationship between enrolment after age 16 and high household income – in fact, in Estonia, only 54% of children in high income households (5<sup>th</sup> income quintile) are still enrolled at ages 17-21 – which is lower than for any other income group. In all three countries, enrolment levels for this age group is highest for children in mid-income families (3<sup>rd</sup> income quintile).

In Estonia and Latvia, there are significant differences in enrolment after compulsory school between persons with local citizenship and others. While 67% of citizens in Estonia, and 63% of citizens in Latvia are still enrolled at age 17-21, this is the case for only 48% and 52% of non-citizens.

# KINDERGARTENS

In all three countries there has been a strong increase in children attending kindergarten in the 1994-99 period. Estonia has the highest share of children attending kindergartens, Lithuania the lowest.

*Children in kindergarten in 1994 and 1999*



Children attending kindergartens is much more common in urban than in rural areas. The largest differences are found in Lithuania, where children in urban areas attend kindergarten four times more often than children living in the countryside. In Estonia and Latvia kindergarten attendance is a little less than twice as common in urban as in rural areas.

The more children in a household, the smaller is the likelihood that a child attends kindergarten. Low-income families send their children to a kindergarten more rarely than well-off families.

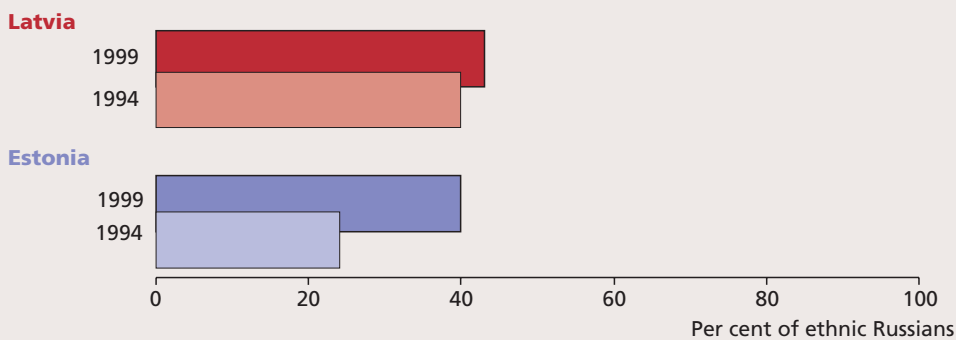
Relative to income level, kindergartens are the most expensive in Latvia, where the average expense of sending a child to a kindergarten is 23% of the mean income. The corresponding figure in Lithuania and Estonia is 15% and 14%.

Children who do not attend kindergartens are usually looked after by a relative in the household.

# CITIZENSHIP

The proportion of Russians and other ethnic minorities with local citizenship has grown from 1994 to 1999, but faster in Estonia than in Latvia.

## *Ethnic Russians with local citizenship*



22

The proportion having local citizenship varies considerably between the three countries. This is due to differences in the ethnic composition and citizenship legislation. Lithuania granted automatic citizenship to all legal residents in 1991. Today 96% of the population are Lithuanian citizens.

In Estonia, the proportion with local citizenship has increased significantly from 1994 to 1999. In Latvia, the number with local citizenship only increased marginally. While there was a large gap between Estonia and Latvia in 1994, today the proportion with local citizenship is very similar in these two countries.

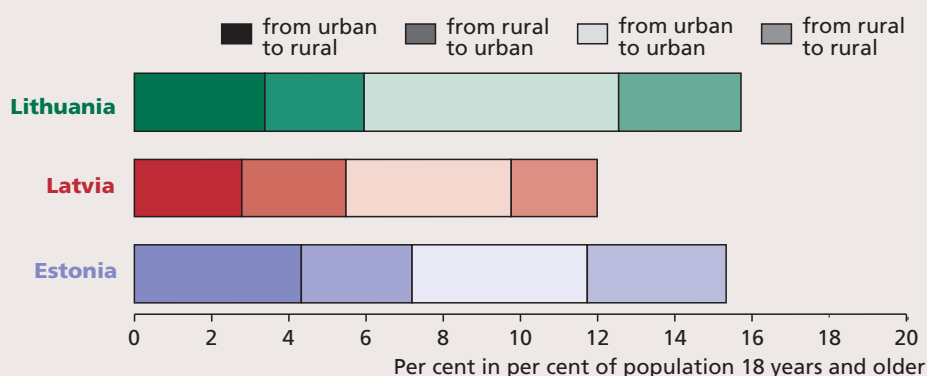
In Estonia, 20% of ethnic Russians are citizens of the Russian Federation. In Latvia and Lithuania the corresponding figure is only 3%.

In Latvia, 22% of the population have no citizenship, compared to 13% in Estonia and none in Lithuania.

# MIGRATION

About 14% of the adult population have lived in their present place of residence for less than 10 years. Internal migration has been lowest in Latvia.

*Persons who have moved to a new community during the last 10 years.*



Internal migration is equally high in Estonia and Lithuania. However, while most of the migration has been within or into urban areas in Lithuania, migration within and into rural areas is more important in Estonia.

In Estonia and Latvia, the highest in-migration (relative to population size) is found in rural areas: In Estonia one in three rural inhabitants, but only 6% of the inhabitants in the capital, have lived less than 10 years in the present community. Similarly, in Latvia 5% of the inhabitants in the capital, and larger cities have lived there less than 10 years, compared to 14% in smaller towns and 17% in rural areas. In Lithuania migration is more evenly distributed: 12% of urban residents and 22% of rural residents have moved there during the last 10 years.

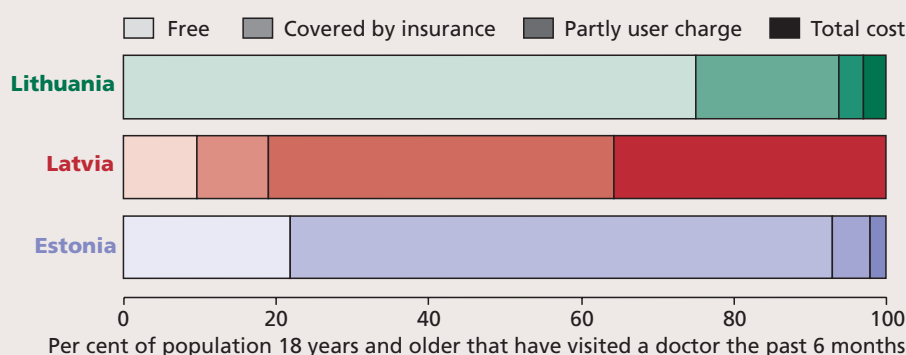
Only 3% of the residents in Latvia and Lithuania, and 2% in Estonia say they intend to move to another country (certainly or probably) over the next 3 years. Intended migration is somewhat higher among the Russian minorities, in particular in Lithuania where 9% of the ethnic Russians say they intend to move during the next 3 years<sup>1</sup>. The most popular destinations for those planning to leave the country are Western Europe (22%) and USA (15%). The Russian minorities, in particular in Estonia and Latvia, are more likely to say they want to move to Russia or another CIS country.

<sup>1</sup> In Latvia 4% and Estonia 3% of the ethnic Russians say they intend to move to another country the next 3 years.

# HEALTH

There are large differences between the three countries in the structure of the health services. Private services are most often used in Estonia and least common in Lithuania. Latvians usually pay either a user charge or the total costs of a doctors appointment.

*Types of payment for visit to family doctor/general practitioner (last visit the past 6 months)*



In Lithuania most health services are public: 98% of all medical consultations the last 6 months had been in a public medical institution. Private health services are most common in Estonia, where 27% of all medical consultations the last 6 months were in a private institution. The corresponding figure for Latvia is 13 %.

In Estonia and Lithuania most services are free of charge, or totally covered by insurance: In both countries less than 10% of those having a doctors appointment during the last 6 months had to pay anything for the consultation. In Latvia 80% had to pay either a user charge or the total cost.

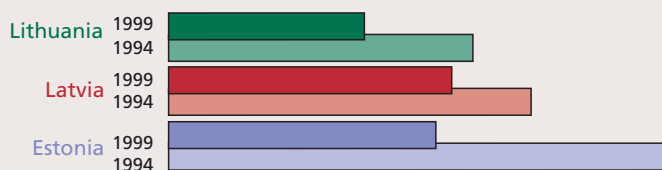
In all three countries, about 40% of the population visited a family doctor/general practitioner during the last 6 months. Most of these consultations were due to an acute illness or injury, and about 10% of the population visited a doctor for an ordinary check up (preventive consultation). Preventive consultations are almost twice as common in Lithuania as in Estonia.

# MENTAL HEALTH

In all three countries less people report psychological disturbances in 1999 than in 1994. This can be taken as an indication that there is more stability and predictability in people's daily lives.

*Persons that have been disturbed (quite a bit or extremely) by the listed symptoms during the last week*

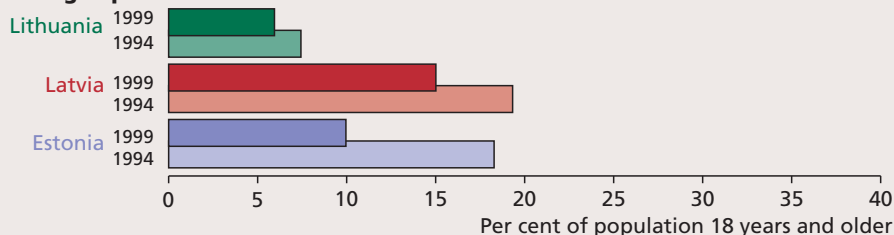
## Feeling tense or keyed up



## Feeling of worthlessness



## Feeling depressed



Based on an additive index of mental health, the Lithuanians were the least disturbed by psychological problems in both 1994 and 1999. In 1999 the Latvian population was worst off. The Estonian population has had the strongest improvement in the period 1994–99.

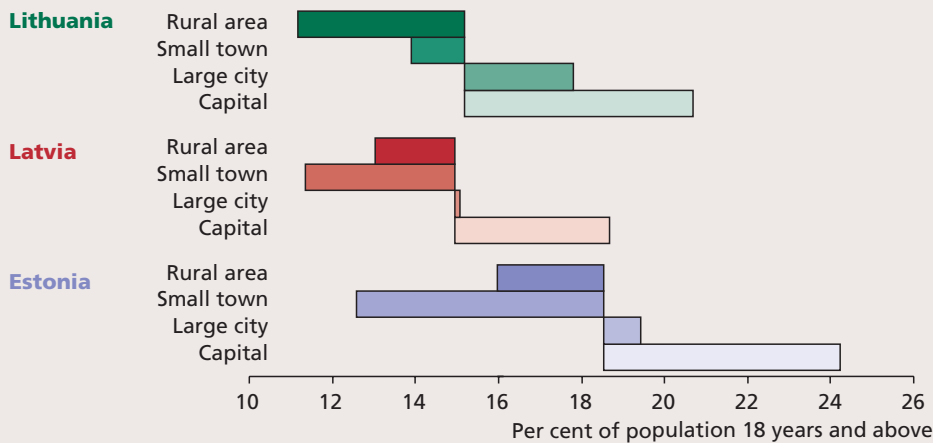
In all three countries women report considerably more psychological disturbances than men. The unemployed and persons outside the labour force are more vulnerable to mental disturbances than employed persons. Persons in the older age groups report more disturbances as well.

There are no significant differences between citizens and non-citizens in terms of level of reported psychological problems.

# CRIME

Thefts, violence and threats are most widespread in the three capital cities, and most common in Estonia.

*Persons that report having experienced serious violence, theft of car or other belongings, street robberies or serious threats the last 12 months. Divergence from national averages*



In Estonia 18%, and in Latvia and Lithuania 15% of the adult population have experienced violence that lead to bruises or injuries, thefts, robberies or serious threats during the last 12 months. About two-thirds of those reporting experienced crime, had experienced thefts of belongings from car or house, street robberies or car-thefts.

In Tallinn every fourth person report that they have experienced violence which lead to bruises or injuries, serious threats or theft of car or belongings the last 12 months. In Vilnius and Riga the corresponding number is one in five.

Estonians are most likely to report experienced crime to the police – 53% of the persons that experienced the above mentioned crimes reported the incidents to the police – in Lithuania and Latvia it was 43% and 38%.

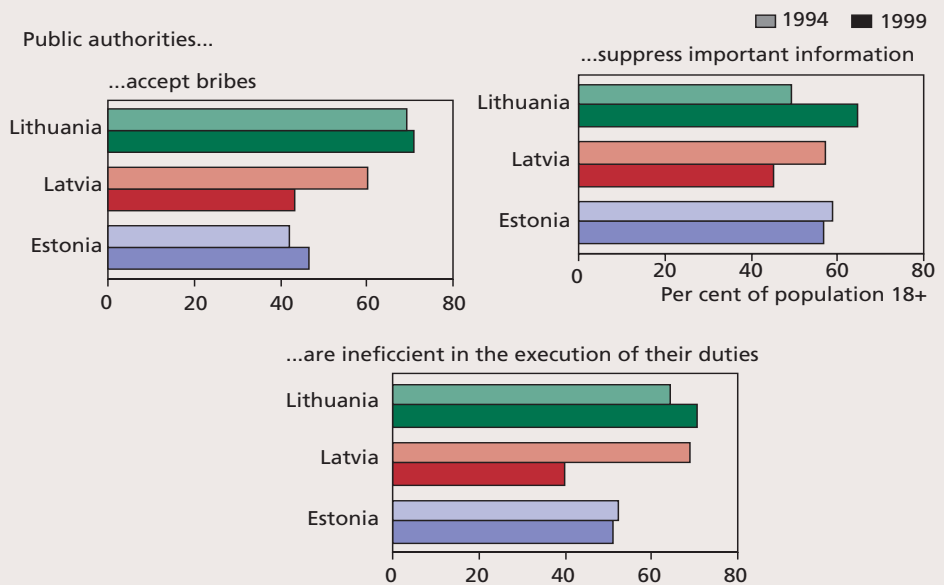
Almost one in three Lithuanian inhabitants are afraid they might be exposed to assaults or threats in the streets, which is four times higher than in Estonia – where crime rates are higher<sup>1</sup>.

<sup>1</sup> Are you afraid you might become exposed to assaults or threats in the streets? Yes, very much: Estonia 7.6%, Latvia 10.1% and Lithuania 28.1%.

# TRUST IN AUTHORITIES

Lithuanians have less confidence in public authorities than Latvians and Estonians. In Latvia there has been a sharp increase in level of trust in authorities, while Lithuanians express less trust today than they did in 1994.

*Percentage indicating that the following incidents take place often or very often*



In 1999, Latvians report the greatest level of trust and Lithuanians the greatest level of distrust on all three indicators of trust in authorities. In Latvia there has been a strong increase in level of trust in the 1994–99 period, while the Lithuanians express less trust in authorities in 1999 than they did in 1994. In Estonia the level of trust was about the same in 1994 and 1999.

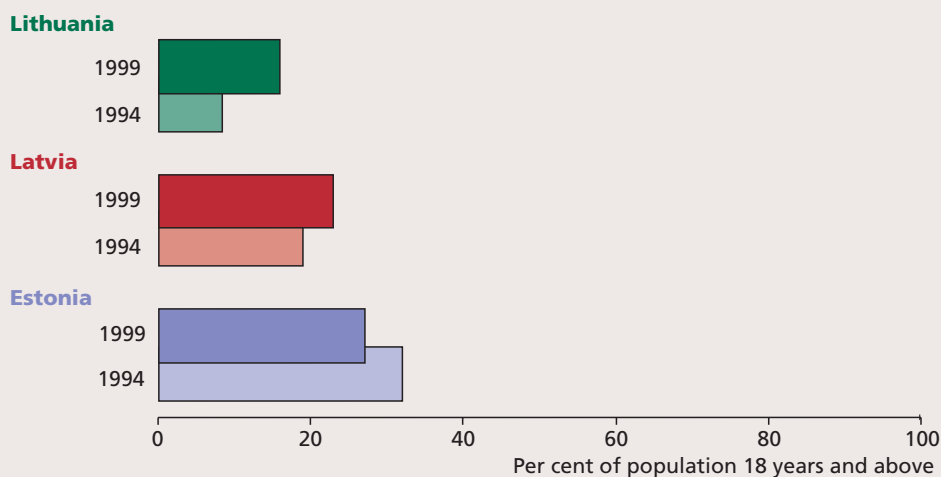
Distrust is highest among the middle-aged, among men, and among people with secondary or higher education, but differences are rather small. In Latvia and Lithuania distrust is much more widespread in urban than in rural areas.

In all three countries, more than 40% of the population believe that public authorities accept bribes often or very often, and in Lithuania the number is as high as 71%. People in the three capital cities are more likely to believe public authorities accept bribes than people living in other areas.

# ORGANISATIONS

A small number of people in the Baltic countries are members of an organisation. The proportion is highest in Estonia and lowest in Lithuania. In all three countries, less than 10% are members of trade unions.

*Membership in at least one organisation in 1994 and 1999*



28

Estonia has the highest proportion of people with organisational memberships of the three countries, with 27% membership in at least one organisation. In Latvia the corresponding figure is 23%, and in Lithuania 16%. However, in the 1994-99 period the proportion with membership has increased somewhat in the latter two countries, while it has been reduced in Estonia.

Trade union membership is most common in Latvia (10%), followed by Estonia (8%) and least common in Lithuania (5%). There has been a decrease in trade union memberships in Latvia and Estonia compared to 1994, when respectively 12% and 14% were members of a trade union. In Lithuania only 2% reported trade union membership in 1994.

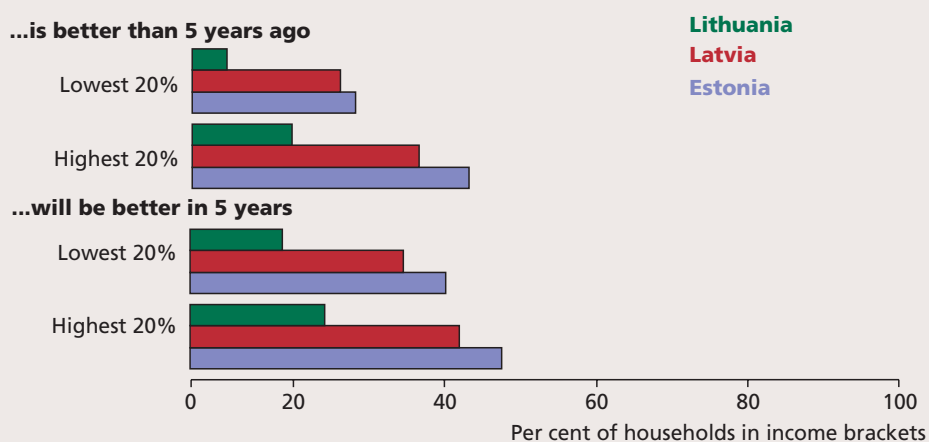
In Estonia 2%, and in Latvia and Lithuania 1% are members of a political party. Memberships in sports organisations and religious organisations are the most common, but they still cover less than 5% of the adult population in all countries.

Membership in organisations is most common among people with high income and education. There are only small gender differences. In all three countries ethnic Russians are less likely to hold any organisational memberships than those belonging to the titular ethnic groups, but differences are larger in Estonia and Latvia than in Lithuania.

# THE PAST AND THE FUTURE

Estonian households are most positive when they reflect both on the economic situation today compared to 5 years ago, and on evaluating future prospects. Lithuanians are clearly the most pessimistic.

*Evaluation of the past and the future economic situation, by household income.  
Households reporting that the present economic situation of the household...*



Estonian households give the best evaluation of their economic situation compared to five years ago. In Estonia 39% think their economic situation has deteriorated. In Latvia this is the case for 49% of the households, whereas in Lithuania the corresponding figure is 69%.

In Estonia and Latvia ethnic minority households have a more negative assessment of the present economic situation compared to five years ago than households with members only of the titular ethnic group. The opposite is the case in Lithuania.

Lithuanians are clearly the most pessimistic about the future prospects of their household economy, and 61% expect the situation in five years to be worse than today. This is true for 34% of the households in Latvia and 28% in Estonia.

The educational level of the household head has a great impact on the evaluation of the future situation in all countries. Those with only basic education tend to be much more pessimistic than those with higher education. In spite of their relatively difficult economic situation, households with children are more optimistic than others – this includes single parent households as well.

# ABOUT THE SURVEY

The results presented in this report are, unless other sources are noted, from the living condition surveys NORBALT I and II. These surveys were conducted concurrently in the three Baltic countries during the autumn of 1994 and of 1999. At both times more than 10,000 households were interviewed, giving information on approximately 30,000 individuals<sup>1</sup>. The samples were largely two stage stratified cluster samples, based on public population registers. For more information on sampling procedures, see the national reports (for list of other NORBALT publications, see page 32).

In both 1994 and 1999 the response rates were high in a European context, with less than 10% non-response due to refusals and no contact in all three countries. An additional 2-6% of the sample fell out due to frame imperfections (poorly updated population registers).

<sup>1</sup> The sample size varies somewhat between the three countries, largely due to variation in local funding of the project. The samples were particularly large in Estonia (4,883/5,500) as there was a wish to conduct extensive regional comparisons there.

Fafo Institute for Applied Social Science is an independent non-profit institute based in Oslo, Norway. Fafo's mission is to produce research of strategic significance for policy planning and for empowering actors in the development process. Projects are commissioned by users needing research-based knowledge with an aim of transforming this knowledge into practical action.

Fafo was established in 1982, and during its short history Fafo has become a leading Norwegian institute for applied social research with a staff of more than 70 researchers. The Institute has accumulated a broad assignment portfolio, with research commissioned by employers' and employees' organisations, private enterprises, government agencies, university research programmes and NGOs. Internationally, the institute has carried out projects in co-operation with local partners in the Middle East, the Far East, in Russia, Central and Eastern Europe, in South and North Africa, and in Latin America, focusing on various dimensions of living conditions and working life.

**Telephone: (+47) 22 08 86 00 Fax: (+47) 22 08 87 00 <http://www.fafo.no/engelsk/>**

# PREVIOUS FAFO PUBLICATIONS FROM THE NORBALT PROJECT

Knudsen, Knud (1996), *Lithuania in a Period of Transition*, Oslo: Fafo

Aasland, Aadne ed. (1996), *Latvia: The Impact of the Transformation*, Oslo: Fafo

Grøgaard, Jens ed. (1996), *Estonia in the Grip of Change*, Oslo: Fafo

Hansen, Erik (1996), *Coping with it: St. Petersburg and Kaliningrad Facing Reform*, Oslo: Fafo

Aasland, Aadne, K. Knudsen, D. Kutsar and I. Trapenciene eds. (1997), *The Baltic Countries revisited: Living Conditions and Comparative Challenges*, Oslo: Fafo

Aasland, Aadne and V. Cesnūityte (1997), *Living Conditions in the Baltic Countries Compared*, Oslo: Fafo

32

## OTHER PUBLICATIONS FROM THE 1999 SURVEYS

Baseline reports from each country (in English and the local languages).

National analytical reports (forthcoming).

Comparative report (forthcoming).

**For more information about the project,  
check out the NORBALT website:  
[www.fafo.no/norbalt/](http://www.fafo.no/norbalt/)**



## Better or Worse?

How do Estonians, Latvians and Lithuanians view and respond to the changes that have taken place in their living conditions over the last five years? *Better or Worse?* presents results from nation-wide and representative living conditions surveys that were conducted simultaneously in the three countries in the autumns of 1994 and 1999. The surveys cover a variety of living conditions dimensions, such as economic resources, health, housing, employment and working conditions, education, crime and social contacts. Although acknowledging achievements that have been made in these countries, the report also pinpoints the human costs of the social and economic transition.



**Fafo**

**Institute for Applied Social Science**

P.O.Box 2947 Tøyen

N-0608 Oslo

<http://www.fafo.no/engelsk/>

Fafo-report 334

ISBN 82-7422-319-5

ISSN 0801-6143