CHILDREN AT RISK IN THE FSU & EASTERN EUROPE:
A REVIEW OF ECONOMIC AND SOCIAL INDICATORS FOR CHILDREN SERVED BY JEWISH COMMUNITY SOCIAL WELFARE AGENCIES

REPORT PREPARED FOR THE AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE

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EXECUTIVE SUMMARY

It has been nearly a decade since the JDC-FSU formally organized its efforts to examine the needs of and develop programs for children at risk in countries of the Former Soviet Union (FSU) (Safran, Doobov, Manusov & Vesselov, 2004). The work of this Children’s Initiative extends as well to countries in Central and Eastern Europe (CEE) that had been allies of the Soviet Union, whose close political and economic ties to the Soviet Union resulted in similar challenges and struggles as they developed their own post-communist states. Throughout the FSU, the American Jewish Joint Distribution Committee (JDC) has supported the development of children’s programs to assist in the provision of services to Jewish children and families in need.

The purpose of the present report is to examine the conditions related to risks for children in the CEE/FSU. The focus is on the conditions in Ukraine and Russia as well as Latvia, Bulgaria and Romania. We compare country-level indicators of risk to those in the United States and Israel. We also review and summarize data on children currently being served in Russia and Ukraine by the JDC through its Hesed welfare system.

Over 19,000 children received services in the past year. More than half (53%) reside in Russia and 47% in Ukraine. In both countries, over 60% of the children who received services were aged 7 years and older. Services provided to children Hesed clients consisted primarily of material support, assistance accessing medical services and social programs.

- More than 80% of the children received some kind of material support.
- More than 65% receive material support for food assistance and almost 30% material support for medicines.
- More than 12% of the children received medical services, the proportion being slightly higher in Russia than Ukraine.
- The proportion of children who received social services was slightly higher in Ukraine than in Russia.

The country-level indicators highlight some of the challenges in the larger social context affecting Jewish families and children, particularly when compared to countries such as the United States and Israel. CEE/FSU countries are clearly much poorer and much less able to fully fund social programs, including health care, education, and family benefit packages.

- GDP per capita for the United States ($47k) is 2.5 times larger than Russia ($20k) and 7 times larger than Ukraine ($7k).
- The economic crisis of 2008 led to a decrease in GDP by 15% in Ukraine and 8% in Russia, compared to just 4% in the U.S.
- Total health expenditures per capita in the FSU are far below those of the United States. In 2010, expenditures in Ukraine were $500 per capita and in Russia, $1000 per capita. In the United States, by comparison, expenditures were $8,400 per capita.

- Public expenditures as percent of GDP, which indicates the total government spending on health, including social health insurance programs, has hovered below 4% of GDP in the FSU countries compared to nearly 8% of GDP in the United States.

- Private expenditures – which include household out-of-pocket spending, private insurance, charitable donations and payments from private corporations – are nearly equal to or exceed public expenditures, whereas in Russia and Ukraine, private expenditures are lower than public expenditures. This indicates that there are fewer private resources available to supplement the lower percentage of public resources.

- Out-of-pocket expenditures are higher in all of the CEE/FSU countries than in the United States. Expenditures are more than 3 times greater in Ukraine and Bulgaria than in the United States. Over 40% of health care costs must be paid out-of-pocket in these countries compared to approximately 13% in the United States. Rates of out-of-pocket expenditures are similar in Russia and Israel, each at around 30%.

Further challenges affecting Jewish families are increasing consumer costs. Consumer prices have increased dramatically in all of the CEE/FSU countries, and the proportion of household expenditures required to meet food costs are up to four times higher in CEE/FSU countries than in the United States.

- In 2010, consumer costs in Ukraine had nearly doubled since 2005, and had increased by 63% in Russia. In comparison, consumer costs in the United States increased 12% between 2005 and 2010. The increased costs represent increased burdens on consumers for basic needs such as food, shelter, and energy.

- A greater proportion of expenditures within CEE/FSU households are required to cover food costs compared to the United States and Israel. Between 10% and 20% of total consumption expenditures in the United States and Israel are required to cover the food share of expenditures. In Ukraine, food costs account for nearly 60% of total expenditures.

The impact of economic declines is also seen in rates of poverty and unemployment. Poverty is perhaps one of the most difficult indicators to compare internationally. Definitions of poverty thresholds vary by country.
- Using government defined measures, Ukraine reported the highest rates of poverty at 35% in 2009. Russia reported the lowest rates of poverty at 16% (see Figure 11).

- Since 2008, with the exception of Latvia where unemployment rates increased to nearly 20%, all countries struggled with similar levels of unemployment around 7%-8%.

- The rates of long-term unemployment (i.e., unemployed for continuous periods of a year or longer), show the depth of the problems in the CEE/FSU countries compared to countries such as the United States and Israel. In the United States long term unemployment – as percent of total unemployed – typically hovered around 10% over the past decade and half, increasing to nearly 30% between 2007 and 2010. In comparison, long term unemployment in the CEE/FSU countries has been well over 40% over the past decade and a half for all countries reporting. In Bulgaria and Romania rates have been as high as two thirds of all unemployed being out of work for a year or longer.

Unemployment, particularly long term unemployment, creates strains on families and reduces investment in children’s health and education.

Life expectancy, which can be considered a proxy for living conditions as well as the effectiveness of health care systems, is substantially lower in the FSU countries.

- Average life expectancy in all of the CEE/FSU countries, which range from 69 years in Russia to 74 years in Bulgaria, are lower than life expectancy in the United States (78 years) and Israel (82 years).

- Life expectancy has increased in Russia from 65 years in 2000 to 69 years in 2010, with male life expectancy increasing from under 60 years of age to 63 years. Increases in life expectancy occurred in other CEE/FSU countries. All, however, remain substantially lower than the United States and Israel.

- Rates of suicide among adolescents are fewer than 25 per 100,000 across all countries. In 2010, they were highest in Russia (18) and lowest in Bulgaria (3) and Latvia (6). Rates in the United States (10) appeared comparable to those in Ukraine. Rates for the United States, however, include young adults as well as adolescents and therefore over-estimate the prevalence in comparison to the CEE/FSU countries.
Overall, comparison of country level indicators provides clear evidence that children in the CEE/FSU countries are living in countries that are struggling to greater degrees than countries like the United States and Israel. The CEE/FSU countries have far lower GDPs than Israel and the United States. Per capita expenditures on domestic programs such as education and health are much lower in the CEE/FSU countries, an indication that education and medical services available to children and families are more constrained in these countries. There is very little non-governmental expenditures on health care in the CEE/FSU countries, particularly compared to the United States, and to Israel to a lesser degree, where public expenditures on health are supplemented by private expenditures. This suggests that greater demand is placed on overburdened public systems as the primary source of funding. Life expectancy, a proxy for living conditions and the effectiveness of health care systems, is substantially lower in the FSU countries, while child mortality rates remain higher despite substantial gains made over the past decades. High rates of poverty and long-term unemployment among CEE/FSU countries lead to increased requests and need for social assistance programs (e.g., unemployment benefits, food assistance).
INTRODUCTION

It has been nearly a decade since the JDC-FSU formally organized its efforts to examine the needs of and develop programs for children at risk in countries of the Former Soviet Union (FSU) (Safran, Doobov, Manusov & Vesselov, 2004). The work of this Children’s Initiative extends as well to countries in Central and Eastern Europe (CEE) that had been allies of the Soviet Union, whose close political and economic ties to the Soviet Union resulted in similar challenges and struggles as they developed their own post-communist states. Throughout the FSU, the American Jewish Joint Distribution Committee (JDC) has supported the development of children’s programs to assist in the provision of services to Jewish children and families in need.

The socio-political changes in the post-communist states of the Soviet Union and Central and Eastern Europe greatly affected the situation for children (Unicef, 2004). In a study conducted by researchers at the Innocenti Research Centre, the authors found that despite improving economic conditions in many countries, market reforms increased uncertainty. For children, this uncertainty resulted in very different childhoods from those experienced by their parents. Increased freedom and opportunity was accompanied by more poverty, increased disparity between rich and poor, and concomitantly, greater risks for children.

The economic crisis of 2008 introduced additional challenges (Heltberg, Hossain, Reva & Turk, 2012; Ortiz, Chai & Cummins, 2011; Richardson, 2011). First were dramatic increases in the costs for basics needs such as food and fuel. Many countries tried to buffer the economic shocks through stimulus packages that increased public expenditures. This was followed, in 2010, in many countries by fiscal austerity measures. Countries tried to alleviate the impact on their national economies through dramatic reductions in public spending. Reductions in public assistance were implemented despite the urgent and significant needs among the most vulnerable populations. The effects of austerity measures typically are on those programs that have the greatest impact on children and poor households.

Providing immediate and adequate support for children and their families is therefore an urgent imperative. This requires a careful assessment of the risks facing vulnerable populations and balancing policies to restore medium-term macroeconomic sustainability with those to protect and support children and poor households in the immediate term. Both of these are necessary to achieve a country’s sustained growth and human development potential (Ortiz, et al., 2011, p. 21)

Children have a higher risk of poverty than the population as a whole and in many countries, including the United States, they have a higher risk of poverty than pensioners (Bradshaw, 2011). Jewish children and families in these countries have similar levels of risks (Block & Foreman, 2005). One third of Jewish children in
Moscow live in single parent families. Fifty percent have a total family income lower than the cost of living. Up to 11% of children live in extreme poverty. In Bradshaw’s analysis of family benefit programs in 28 countries that offer universal child benefits, countries such as Bulgaria, Latvia, and Romania were among the lowest in terms of the value of the benefit packages.

The purpose of the present report is to examine the status of Jewish children in the CEE/FSU in terms of the macro-level indicators of conditions related to risks for children. The focus of the analyses is on Ukraine and Russia as well as Latvia, Bulgaria, and Romania. We compare the indicators in these countries to those in the United States and Israel. Such comparison provides perspective on the challenges and risks to Jewish children residing in the CEE/FSU – countries with far smaller economies and less history as free market economies. In the context of these broad social indicators, we also review and summarize data on children currently being served in these countries by the JDC through its Hesed welfare system.

As part of site visits of JDC centers in the cities of Dnepropetrovsk and Melitopol in Ukraine, we had the opportunity to meet with parents of children who receive services through Jewish Family Services and the JDC Hesed centers. In addition, we were able to observe programs for children. Further, in both of these communities and in Moscow, we discussed issues for children at risk with representatives from Jewish Family Services and with service providers. These discussions included review of available data on these children and families. One goal of this report was to conduct preliminary analyses of the data that local service providers were collecting as part of service provision. Much of the data that was described during our visits were part of a new Children’s Initiative data collection, which was still under development and not available for analysis for this present report. The focus of this report, therefore, is on the macro-level indicators. These indicators highlight the risks to children living in countries with unstable economies. Many of these countries provide, or have, fewer resources to support the needs for social services such as health care and education. The lack of government support results in greater out of pocket expenses for families. Under conditions of high rates of long-term unemployment and high rates of poverty, the strains on families increases the risks to children.

**MACRO-LEVEL COMPARISONS**

**POPULATION INDICATORS**

The number of children relative to the total population provides an indication of the vitality of the population as well as the demands on public and private systems related to services for children and families with children, such as education and health care. Although the number of children relative to the total population has decreased over the past two decades across many countries, the rates of decline have been greater in the CEE/FSU countries compared to rates of decline in the United States and Israel (see Figure 1). All CEE/FSU countries were similar to the United States in 1990 with approximately one quarter of the population aged 17 years and younger. However,
while the rate remained stable in the United States over the past two decades, rates in CEE/FSU countries declined to between 16% and 18%, fewer than one fifth of the total population.

**Figure 1. Population aged 0-17 years as percent of total population, 1990-2011.**

For the most recent year of data, 2011, one can see the distributions of children by age groups differs dramatically in CEE/FSU countries compared to the United States and Israel (see Figure 2). Less than 18% of the population in Russia, Ukraine, Bulgaria, Latvia and Romania are under the age of 18. In the United States, over 23% of the population are children. In Israel, over 30% are children. That the CEE/FSU countries are skewed more toward the elderly can affect the availability and allocation of resources for programs that affect children and families.
A key issue associated with the effects the population of children is its size relative to the working population. The proportion of children relative to all those of working age represents the burden of children on the working population. Figure 3 displays trends in the aged dependency ratios over the past decade and half. Bulgaria has consistently seen the lowest proportions of children relative to the working population, ranging from a high over 25% to below 20%. All of the CEE/FSU countries are similarly low (around 20%) compared to the United States and Israel, which have proportions of children relative to working adults over 30% and 40%, respectively.

Source: United States Census International Programs (2012)
**Figure 3. Children as Percentage of Working Aged Population, 1995-2010**

![Age dependency ratio, young (% of working-age population)](chart.png)

Source: World Development Indicators (WDI) and Global Development Finance (GDF) on World Bank World databank (2012).

**Economic Indicators**

The economic environment of a country greatly affects the situation for children and families. High rates of poverty and unemployment are associated with increased risks for children. Social supports in the form of public expenditures on social programs, including health, education and other social assistance can provide a buffer to risk factors.

**Gross Domestic Product**

The economies of Russia, Ukraine, Bulgaria, Latvia, and Romania are substantially smaller than the economy of the United States, and smaller than Israel as well. The United States is the largest economy, with GDP of nearly $12 trillion in 2010 (see Table 1). GDP per capita, which provides a measure of overall economic well-being, is 12 times higher in the United States than it is in Russia and 36 times higher than Ukraine. Standardizing GDP to common international currency units by adjusting for purchasing power\(^1\) provides a metric for comparing countries by taking into account

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\(^1\)The purchasing power parity or PPP between two countries is a price ratio that measures the number of units of country A’s currency that are needed in country A to purchase the same quantity of an
the different price-levels across countries. Real GDP (adjusted for PPP) for the United States and Israel each exceeds GDP in Russia and Ukraine. U.S. GDP ($47k) is nearly 2.5 times larger than Russia ($20k) and 7 times larger than Ukraine ($7k).

### Table 1: Economic Indicators: 2010

<table>
<thead>
<tr>
<th></th>
<th>GDP (constant 2000 U.S.$)</th>
<th>GDP per capita (constant 2000 U.S.$)</th>
<th>Real GDP per capita, PPP (current international $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Russian Federation</td>
<td>$414.4 billion</td>
<td>$2,923</td>
<td>$19,840</td>
</tr>
<tr>
<td>Ukraine</td>
<td>$47.6 billion</td>
<td>$1,037</td>
<td>$6,721</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>$19.2 billion</td>
<td>$2,550</td>
<td>$13,931</td>
</tr>
<tr>
<td>Latvia</td>
<td>$11.2 billion</td>
<td>$5,011</td>
<td>$16,276</td>
</tr>
<tr>
<td>Romania</td>
<td>$56.5 billion</td>
<td>$2,637</td>
<td>$14,524</td>
</tr>
<tr>
<td>Israel</td>
<td>$169.8 billion</td>
<td>$22,274</td>
<td>$28,546</td>
</tr>
<tr>
<td>United States</td>
<td>$11,597.9 billion</td>
<td>$37,527</td>
<td>$47,199</td>
</tr>
</tbody>
</table>

Source: World Development Indicators (WDI) and Global Development Finance (GDF) on World Bank World databank (2012).

The economies of the CEE/FSU countries are not only smaller, overall, than the economies of the United States and Israel, they were disproportionately affected by the economic crisis of 2008 (see Figure 4). Prior to 2008, nearly all of the countries had positive economic growth. Growth rates, however, varied substantially. For example, GDP in Ukraine increased by 12% in 2004, but only by three percent in 2005. In 2009, with the exception of Israel, all countries saw significant declines in GDP. GDP in Russia and Bulgaria declined by 15%, Romania and Ukraine by 8%, compared to 4% in the U.S., while Israel saw slow growth of 1%.

individual good or service as one unit of country B’s currency will purchase in country B. International dollars are then defined as the purchasing power parities at the global level for each economy and are computed with the United States = 1.00 referred to as “real expenditures in the international dollar”. (ICP 2005 report, http://siteresources.worldbank.org/ICPINT/Resources/icp-final.pdf).
**FIGURE 4. GDP: ANNUAL PERCENTAGE GROWTH RATE, 2001-2010.**

![GDP Growth Chart]

*Source: World Development Indicators (WDI) and Global Development Finance (GDF) on World Bank World databank (2012).*

**EXPENDITURES**

Countries with higher public expenditures on health have improved health conditions for children (Ortiz, Daniels & Engilbertsdottir, 2012). Further, these researchers found that higher public and private spending on education and other social assistance programs reduced inequality in education and improved conditions for families with children.

**HEALTH**

Health expenditures in the United States far exceed those in the CEE/FSU countries (see Figure 5). These include all public and private expenditures in the provision of health services, family planning activities, nutrition activities and emergency aid. In 2010, expenditures in the United States were $8,400 per capita compared to $500 in Ukraine and $1,000 in Russia.
Public expenditures as percent of GDP indicates the total government spending on health, including social health insurance programs (see Figure 6a). In the CEE/FSU countries, this number has hovered around and below 4% of GDP for well over the past decade, throughout the period of transition. In contrast, in the United States, public health expenditures are nearly 8% of GDP. Further, in the United States, private expenditures are nearly equal to or exceed public expenditures (compare Figure 6b). In CEE/FSU countries, private expenditures tend to be lower than public expenditures, indicating there are fewer private resources available to supplement the lower percentage of public resources.
FIGURE 6A. PUBLIC HEALTH EXPENDITURES AS PERCENTAGE OF GDP, 1995 TO 2009.

FIGURE 6B. PRIVATE HEALTH EXPENDITURES AS PERCENT OF GDP, 1995 TO 2009.

Source: World Development Indicators (WDI) and Global Development Finance (GDF) on World Bank World databank (2012).
Estimates of out-of-pocket payments for health expenditures as a percentage of total health expenditures provide a measure of the effectiveness of health insurance systems in a country (see Figure 7), as well as burdens on family incomes. A lack of public and private insurance coverage results in increased burdens on household incomes to cover health care costs independently. Out-of-pocket expenditures are higher in all of the CEE/FSU countries than in the United States. Expenditures are more than 3 times greater in Ukraine and Bulgaria than in the United States. Over 40% of health care costs must be paid out-of-pocket in these countries compared to approximately 13% in the United States. Rates of out-of-pocket expenditures are similar in Russia and Israel, each at around 30%.

**Figure 7. Private Households’ Out-of-Pocket Payment on Health as % of Total Health Expenditure: 1995 to 2010.**

![Graph showing various countries' out-of-pocket health expenditures]

*Source: World Development Indicators (WDI) and Global Development Finance (GDF) on World Bank World databank (2012).*

**Education**

Public expenditures on education have consistently been lower in Russia, Bulgaria and Latvia compared to the United States and other countries (see Figure 8). Rates have varied from a high of 7% in Israel in 1998 to a low of below 3% in Bulgaria. In 2009, expenditures in Russia were just over 4% of GDP compared to 5.4% in the United States. The latest data available for all countries is 2009 and, thus, does not
reflect changes in expenditures that have resulted from responses to the economic crisis of 2008. Ortiz, Chai and Cummins (2011) reported that in the second phase of responses to the crisis, beginning in 2010, most governments introduced austerity measures, and scaled back public spending. The degree to which public spending on education and other social welfare programs that affect families were impacted is yet to be shown.

**Figure 8. Public expenditures on education, 1998 – 2009.**

![Graph showing public expenditures on education as % of GDP from 1998 to 2009 for various countries.]

Source: World Development Indicators (WDI) and Global Development Finance (GDF) on World Bank World databank (2012).

**Consumer Price Index**

The impact of economic changes is reflected in the Consumer Price Index (CPI), which represents changes in the cost to the average consumer of acquiring a basket of goods and services within each country. The declines in GDP coincide with increases in the CPI (see Figure 9). Costs in all of the CEE/FSU countries increased rapidly throughout the 90s. Further, costs escalated at much faster rates since 2008 compared to costs in the United States and Israel, which have steadily increased but at much slower rates of change. This is especially so in Ukraine, where the CPI increased from approximately 120 in 2007 to nearly 200 in 2010. In the U.S. during the same period, the CPI rose by only two index points from 110 to 112. Such increases in the CPI represent increased burden on families for basic needs such as food, shelter, and energy.

Source: World Development Indicators (WDI) and Global Development Finance (GDF) on World Bank World databank (2012).

FOOD COSTS

A greater proportion of expenditures within CEE/FSU households are required to cover food costs compared to the United States and Israel (see Figure 10). Between 10% and 20% of total consumption expenditures in the United States and Israel are required to cover the food share of expenditures. In Ukraine, food costs account for nearly 60% of total expenditures.
FIGURE 10. FOOD COSTS, 2000 TO 2010.

![Chart showing share (%) of food consumption expenditure in total household consumption expenditure from 2000 to 2010 for Israel, United States of America, Russian Federation, Bulgaria, Ukraine, and Latvia.](chart)

Source: Food and Agriculture Organization of the United Nations (2012).

SOCIAL INDICATORS

POVERTY

The impact of economic declines is also seen in rates of poverty and unemployment. Poverty is perhaps one of the most difficult indicators to compare internationally. Definitions of poverty thresholds vary by country. Using government defined measures, Ukraine reported the highest rates of poverty at 35% in 2009. Russia reported the lowest rates of poverty at 16% (see Figure 11).
A key issue is how to define poverty in a way that is comparable across countries. The World Bank measures uses standardized indicators of the cost of living across countries. Those living on the equivalent of $1.25 per day are considered to be living in poverty. Using this measure, nearly no one in the CEE/FSU countries are considered to be living in poverty (see Table 2).

### Table 2: World Bank Poverty Indicators

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
<th>2007</th>
</tr>
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<tbody>
<tr>
<td>Bulgaria</td>
<td>Poverty $1.25 a day (PPP) (% of population)</td>
<td>0.00</td>
<td></td>
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<tr>
<td></td>
<td>Poverty at $2 a day (PPP) (% of population)</td>
<td>0.41</td>
<td></td>
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<tr>
<td>Latvia</td>
<td>Poverty $1.25 a day (PPP) (% of population)</td>
<td>0.14</td>
<td>0.21</td>
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<td>Poverty at $2 a day (PPP) (% of population)</td>
<td>0.37</td>
<td>0.47</td>
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<td>Romania</td>
<td>Poverty $1.25 a day (PPP) (% of population)</td>
<td>0.41</td>
<td>0.5</td>
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<td></td>
<td>Poverty at $2 a day (PPP) (% of population)</td>
<td>1.67</td>
<td>1.96</td>
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<tr>
<td>Russian Federation</td>
<td>Poverty $1.25 a day (PPP) (% of population)</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td></td>
<td>Poverty at $2 a day (PPP) (% of population)</td>
<td>0.05</td>
<td>0.08</td>
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<tr>
<td>Ukraine</td>
<td>Poverty $1.25 a day (PPP) (% of population)</td>
<td>0.06</td>
<td>0.04</td>
</tr>
<tr>
<td></td>
<td>Poverty at $2 a day (PPP) (% of population)</td>
<td>0.17</td>
<td>0.13</td>
</tr>
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</table>

Source: World Development Indicators (WDI) and Global Development Finance (GDF) on World Bank World databank (2012). Notes: a) Data for the United States, Israel and other high income countries are unavailable.
In contrast to the $1.25 a day measure, which arguably poorly represents poverty among countries other than the most poor, others, such as the members of European Union (EU), define "relative poverty" as an income below 60% of the national median. For Bulgaria, Latvia, and Romania, which are members of the EU, rates of poverty using this criterion range from 33% to over 60% (see Table 3) and are substantially higher in Bulgaria and Romania than those based on official government statistics represented above in Figure 2. Data based to this measure are unavailable for non-EU countries. In the United States, however, as comparison, just over 29% of the population had incomes below 60% of the median household income.  

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<tr>
<td>Bulgaria</td>
<td>61.3</td>
<td>60.7</td>
<td>44.8</td>
<td>46.2</td>
<td>41.6</td>
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<td>Latvia</td>
<td>41.4</td>
<td>36</td>
<td>33.8</td>
<td>37.4</td>
<td>38.1</td>
<td>40.1</td>
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<tr>
<td>Romania</td>
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<td>45.9</td>
<td>44.2</td>
<td>43.1</td>
<td>41.4</td>
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**UNEMPLOYMENT**

Unemployment, particularly long term unemployment, creates strains on families and reduces investment in children’s health and education (Unicef, 2012). Over the past decade, unemployment rates have been substantially higher in the CEE/FSU countries compared to the United States (see Figure 12a). Since 2008, with the exception of Latvia where unemployment rates increased to nearly 20%, all countries are struggling with similar levels of unemployment. It should be noted that official rates of unemployment are based to the share of the labor force that is without work but available for and seeking employment. Rates do not include those who have dropped out of the labor force and are not currently seeking work.

The rates of long-term unemployment, that is, those who have been unemployed for continuous periods of a year or longer, show the depth of the problems in the CEE/FSU countries compared to countries such as the United States and Israel (see Figure 12b). In the United States long term unemployment – as percent of total unemployed – typically hovered around 10% over the past decade and half, increasing to nearly 30% between 2007 and 2010. In comparison, long term unemployment in the CEE/FSU countries has been well over 40% over the past decade and a half for all countries reporting. In Bulgaria and Romania rates have been as high as two thirds of all unemployed being out of work for a year or longer.

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2 Secondary analysis of the Current Population Survey, March Supplement for 2011, conducted by Brandeis University, does not include adjustments for household size and composition.

3 Data for Ukraine are unavailable.
**Figure 12a. Unemployment Rates, 1995 to 2010.**

**Figure 12b. Long Term Unemployment, 1995 to 2010.**

*Source: World Development Indicators (WDI) and Global Development Finance (GDF) on World Bank World databank (2012).*
HEALTH OUTCOMES

LIFE EXPECTANCY

Average life expectancy provides a broad measure of the effectiveness of a country’s health care system and the living conditions within a country. Average life expectancy in all of the CEE/FSU countries are lower than life expectancy in the United States and Israel (see Table 4). Life expectancy has increased in Russia from 65 years in 2000 to 69 years in 2010, with male life expectancy increasing from under 60 years of age to 63 years. Increases in life expectancy occurred in other CEE/FSU countries. All, however, remain substantially lower than the United States and Israel.

<table>
<thead>
<tr>
<th>Table 4: Life Expectancy, 2000, 2005 &amp; 2010</th>
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<td>2000</td>
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<td>Israel</td>
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UNDER FIVE MORTALITY

As life expectancy has increased, rates of child mortality have decreased across all countries (see Figure 13). Rates remain, however, higher in all of the CEE/FSU countries compared to the United States and Israel.

**FIGURE 13. CHILD MORTALITY, 1990 TO 2010.**

![Graph showing under-five mortality rates from 1990 to 2010 for various countries.](image)

Source: World Development Indicators (WDI) and Global Development Finance (GDF) on World Bank World databank (2012).

Adolescent Suicide

Rates of suicide among adolescents are fewer than 25 per 100,000 across all countries (see Figure 14). They are highest in Russia and lowest in Bulgaria and Latvia. Rates in the United States appear comparable to those in Ukraine. Rates for the United States, however, include young adults as well as adolescents and therefore overestimate the prevalence in comparison to the CEE/FSU countries.

![Graph showing adolescent suicide rates from 1999 to 2010 for Israel, Russian Federation, Ukraine, Latvia, and Romania.](image)

Source: TransMonEE 2012 Database, UNICEF Regional Office for CEECIS (2012). Estimates for CEE/FSU countries are for adolescents aged 15 to 19 years. United States estimates are for those aged 15 to 24 years (Centers for Disease Control, 2012). Estimates are unavailable for Israel.

SUMMARY

The macro-level indicators highlight some of the challenges in the larger social context affecting Jewish families and children, particularly when compared to those in countries such as the United States and Israel. CEE/FSU countries are clearly much poorer, and, as such, much less able to fully fund social programs, including health care, education, and family benefit packages. The CEE/FSU countries are comprised of older populations which shift the burden to support of pension systems, risking the diversion and diminution of funds available to support family benefits and other social programs for children. Per capita health care expenditures in the CEE/FSU are only a fraction of expenditures in the United States and Israel and are indicative of the lower level of resources available to treat the health care needs of the elderly. This reality is also reflected in the high proportion of out-of-pocket payments for health expenditures in the CEE/FSU, particularly in Ukraine. Expenditures on education are also lower in Russia, Bulgaria and Romania and were declining in Ukraine at the point of last available data in 2007. Consumer prices have increased dramatically in all of the CEE/FSU countries, and the proportion of household expenditures required to meet food costs are up to four times higher in CEE/FSU countries than in the United States. Although data on poverty are difficult to compare across countries,
rates are as high as 40% in CEE countries and Ukraine. The situation of unemployment is clearer. Although overall unemployment rates, with the exception of Latvia, are similar among the CEE/FSU states in comparison to the United States and Israel, of those who are unemployed, greater proportions of them in the CEE/FSU countries have been unemployed for a year or more. Life expectancy, which can be considered a proxy for living conditions as well as the effectiveness of health care systems, is substantially lower in the FSU countries. Child mortality rates have been decreasing steadily over the past two decades in the CEE/FSU countries but still remain higher than in the United States and Israel.
CHILDREN SERVED BY HESEDS

The JDC, through its Children’s Initiative, provides services to children at risk in the CEE/FSU. Information on all children who receive services is collected as part of the in-take/case-management information system maintained by Hesed centers throughout the FSU. These centers provide assistance and services to mostly elderly Jewish clients, as well as families and children in need. We were given access to an up-to-date version of this database (as of mid-December 2011) for all clients aged 17 years and younger who received services in Russia and Ukraine during 2011 (from October 2010 through December 2011), a total of 19,452 children.

As part of the Children’s Initiative, the JDC is developing a separate, but related, Children’s database in the FSU. The children’s database collects more detailed information on the conditions of children who receive services from Jewish Family Services and Hesed centers. This includes assessments of health and social issues as well as socioeconomic conditions of the family. The Hesed database, in comparison, contains basic information about each individual child. This includes age, type of apartment, type of heating, whether the child has an official disability status, and what services were received through Hesed. Being incomplete, data from the Children’s database were unavailable for secondary analysis at the time of this report. This analysis, therefore, is limited to basic information on the numbers of children who receive services and the types of services they receive.

POPULATION

Of 19,452 children who received services, 53% reside in Russia and 47% in Ukraine. A greater number of the children who received services (53%) are male rather than female. In both Russia and Ukraine, over 60% of the children who received services are aged 7 years and older. Fewer than 2% are under the age of 1 year old.

SERVICES HESED CHILDREN RECEIVED

Services provided to children Hesed clients consist primarily of material support, assistance accessing medical services and social programs. For this report, we summarize the following service categories:

- Material Support
  - Food: provision of food/bank cards, food packages, food orders
  - Medicines: monetary assistance to access essential medications

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4 Official disability status are those recognized by national agencies within each country for purposes of granting disability pensions. Such pensions are granted, after review by Medical Expert Committees, to those suffering from chronic disease, work-related injuries, and disabilities from childhood that ultimately would impair the individual’s ability to work. See Merkuryeva (2004) and Becker & Merkuryeva (2012) for discussion of issues associated with the disability status measure as a measure of disability. It typically underestimates the true rates of disability among a population.
o Clothes and Shoes: monetary assistance to buy clothes and shoes.
o School Supplies: monetary assistance to buy school supplies.
o Winter Relief: payment of heating and other winter relief related costs.
o Other: monetary assistance for the purchases of bedding, furniture, household items and electrical appliances.

- Medical Services
  o Medical and Psychological consultations.
o Other Medical Services and equipment such as loans for medical equipment eyeglasses, urgent assistance, hospitalization, transportation expenses, and other medical services.

- Home Care
  o Home care services: assistance with personal hygiene and home sanitary supplies.
o Staff/personnel to provide home care.

- Social Services: social programs such as family camp, shabaton, day center activities & warm homes.

- Other food Services: such as hot lunches and meals on wheels.

From 80% to 90% of children in the Hesed data system received some type of material support (See Table 5). In Ukraine, 71% of children received food assistance, compared to 65% of children in Russia. Thirty three percent of children in Ukraine received assistance with the costs of medicines compared to 27% of children in Russia. Fewer than 10% of the children received assistance with costs of medical services.

| TABLE 5: PERCENTAGE OF CLIENTS UNDER THE AGE OF 18 RECEIVING SERVICES: 2011 |
|-------------------|------|-----|-----|
|                   | All  | Russia | Ukraine |
| Any material support | 83.2 | 86.7 | 79.3 |
| Food              | 68.0 | 65.4 | 70.8 |
| Medicines         | 29.8 | 26.7 | 33.4 |
| Clothes and Shoes | 21.3 | 20.1 | 22.7 |
| School Supplies   | 28.1 | 33.8 | 21.8 |
| Winter Relief     | 5.5  | 9.2  | 1.4  |
| Other material support | 8.2 | 8.2 | 8.3 |
| Medical Services  |      |      |      |
| Medical and Psychological consultations | 6.5 | 7.6 | 5.4 |
| Other medical services | 6.0 | 7.1 | 4.8 |
| Home Care         | 7.8  | 8.5  | 7.0  |
| Social Services   | 7.2  | 5.2  | 9.5  |
| Other food services | 2.2 | .6 | 3.9 |

Notes: a) Only 0.1% of the children (n=13) in Ukraine and none in Russia received home care hours. Estimates reflect primarily other forms of home care assistance such as massage therapy
**SUMMARY**

The analysis of the Hesed client data provides just a glimpse on the situation and the needs of the children in these countries. The data include more than 19,000 children in both Russia and Ukraine ranging from new born to 17 years old. Overall, however, more than 80% of the children received some kind of material support. More than 65% receive material support for food assistance and almost 30% material support for medicines. More than 12% of the children received medical services, the proportion being slightly higher in Russia than Ukraine. On the other hand, the proportion of children who received social services was slightly higher in Ukraine than in Russia.

**DISCUSSION**

Analysis of macro indicators provides clear evidence that children in the CEE/FSU countries are living in countries that are struggling to greater degrees than the United States and Israel. The CEE/FSU countries have far lower GDPs than Israel and the United States. Per capita expenditures on domestic programs such as education and health are much lower in the CEE/FSU countries, an indication that education and medical services available to children and families are more constrained in these countries.

Moreover, there is very little non-governmental expenditure on health care in the CEE/FSU countries, particularly compared to the United States, and to Israel to a lesser degree, where public expenditures on health are supplemented by private expenditures. This suggests that greater demand is placed on overburdened public systems as the primary source of funding. Life expectancy, a proxy for living conditions and the effectiveness of health care systems, is substantially lower in the FSU countries, while child mortality rates remain higher despite substantial gains made over the past decades.

Detailed studies of OECD and European Union member states indicate that during the economic crisis of 2008 child poverty rates increased, unemployment and youth unemployment continued to rise. This was seen in analysis of macro-indicators, with high rates of poverty and long-term unemployment among CEE/FSU countries. Increased rates of unemployment, in turn, lead to increased requests and need for social assistance programs (e.g., unemployment benefits, food assistance), as well as mortgage defaults (Bradshaw, 2011; Richardson, 2011).

Analysis of the Hesed client data for children who receive services in Russia and Ukraine indicates that a substantial number of Jewish children in these countries are exposed to the negative consequences of the economic turmoil. In the past year, nearly 20,000 children received some sort of assistance through the Hesed welfare system. Need based on financial hardship is met to some degree by assistance with the high costs of daily living. Where financial hardship affects the ability of families
to provide care for infants or children with disabilities, Hesed provides additional support.

In the future, with the availability of data from the JDC’s Children’s Initiative, it will be useful to describe in greater detail the degree of need among Jewish children or Jewish families in need. On our site visits to Dnepropetrovsk and Melitopol in Ukraine and Moscow in Russia, representatives from Jewish Family Services reported that the main problems families require assistance with include medical problems of children, as well as the adults who care for them. In addition, there are basic struggles with financial hardship – funds to support household expenses for necessities of food, medicines and clothing; and psychological and social problems (e.g., unplanned children, single/divorced mothers unable to support family, alcohol addiction or domestic violence). We do not know the prevalence of these issues among clients, or among Jewish families more broadly. There is little systematic data on the prevalence of these issues at the national level, particularly in Ukraine, and none that would afford the opportunity to determine the prevalence among Jewish families in particular.

It is recommended that future work explore in greater detail the possibility of alternative sources of data, including the newly developing Children’s database. One study could focus on a community that is more advanced in its methods of client data collection and its integration of information from Jewish Family Services and Heseds. Ideally, this would be a community for which there is also external sources of data on risk factors among the broader population, and data that is collected in a way that allows for international comparisons. In the United States, the Annie E. Casey Foundation provides support for “Kids Count,” an initiative that provides state by state monitoring of indicators related to the well-being of children throughout the United States. In the CEE/FSU region, a similar effort is realized through TransMonEE, which monitors 180 indicators related to the situation of women and children in the CEE/CIS. On some dimensions TransMonEE is comparable to data for the United States and was included in this report. On others, such as the Kids Count indicator of the proportion of children living in families where no parent has full-time year-round employment or at least one unemployed parent, there are no comparable measures in the TransMonEE.
BIBLIOGRAPHY


