PUBLIC REVIEW

Achieving Sustainable Development Goal 8
in a Time of Turmoil: the Perspective of Ultimate
Beneficiaries

SUSTAINABLE DEVELOPMENT
GOALS IN BELARUS

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Executive summary

In 2015, all UN member states agreed on the 2030 Agenda for Sustainable Development (Agenda 2030). Like other countries, Belarus committed itself to achieve the 17 Sustainable Development Goals. Since then, Belarus has established a system of institutions responsible for achieving the SDGs ('the management architecture of the Republic of Belarus for achieving the Sustainable Development Goals'). Belarus' progress in achieving the SDGs is monitored at the national level, involving sectoral bodies and research institutions. The first official (voluntary) review of the country's progress in achieving the Sustainable Development Goals (Voluntary National Review) was conducted in 2017, and a second review was completed and submitted in 2022. Official reviews tend to be one-sided, and Belarus is no exception. In the official report, Belarus presents its most significant achievements without considering the comprehensive nature of SDGs and without comparing itself with the most prosperous countries and avoids the most problematic issues. Shadow reports are an alternative tool for monitoring progress toward the SDGs. Based on independent expertise, shadow reports tend to be less biased and more focused on existing and potential challenges to achieving the SDGs.

This report assesses the process of achieving SDG 8 «Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all» in Belarus as of August 2022. The assessment was carried out by independent public experts. Initially, it was supposed to focus on assessing civil society's contribution to achieving this SDG. However, the elimination of a significant part of civil society (more than 800 organizations at the time of writing the report), followed by the war in Ukraine, made this task impossible.

> The magnitude of the current shock is so significant that the values of the key indicators of SDG 8 as of 2021 have turned from a milestone into a historical fact, and the uncertainty is so high that the prospects of achieving these indicators by 2030 can only be outlined at the level of risk.

It was therefore decided to focus on the key targets of SDG 8 (in terms of risks and challenges), and to complement the assessment of progress in addressing them, based on publicly available data and open sources, with data from the national population survey conducted as part of the preparation of this report[2].

[1] See Monitoring of non-commercial organizations in Belarus, which are in the process of forced liquidation and have decided to self-liquidate.

[2] Hereinafter, all references to National Population Survey results refer to this survey unless otherwise noted.

Such data make it possible to assess progress towards the goal from the perspective of ultimate beneficiaries, i.e., residents of Belarus, since the wording of SDG 8 – "Promotion of sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all" – suggests that economic growth should lead to the improved wellbeing for every resident of the country. In this report, the opportunities for Belarusians to benefit from economic growth are measured by assessing people's needs, the extent to which they are met, and the extent to which people's standard of living corresponds to their idea of a good/decent standard of living (all of which can be referred to as economic self-perception), as well as by seeing development prospects for themselves and their children.

Economic growth is the central indicator for SDG 8. Belarus is a catching-up country whose GDP per capita lags far behind the benchmarks. According to the World Bank[3], GDP per capita in Belarus in 2021 (current U.S. dollars) was 17.3% (17.4% in 2015) of that in the Eurozone and 60% (64.1%) of that in Russia. The differences in current U.S. dollars at purchasing power parity were smaller but still significant: the Belarusian indicator was 42.7% (44.1% in 2015) of that in the Eurozone and 66.1% (75.1% in 2015) of that of Russia. The gap has widened over the six years after adopting the 2030 Agenda. Thus, as a catching-up country, Belarus does not provide the per capita economic growth necessary to reduce the gap in living standards with the richer countries of the region. This reason, inter alia, is a push factor for the most productive workforce that undermines the country's economic potential.

Until early 2022, labor productivity in Belarus was still growing faster than in the wealthier countries of the region. However, due to declining employment (and even employment rates), the gap in living standards between Belarus and the more prosperous countries in the region[4] was gradually widening. The current crisis further undermines long-term economic growth and productivity gains.

The most significant risks to the achievement of Targets 8.1 "Sustain per capita economic growth in accordance with national circumstances" and 8.2 "Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors" are related to the direct consequences of the war in Ukraine, as well as the direct and indirect effects of sanctions and restrictions that have been and are being imposed by countries and foreign companies against the governments, economic entities and citizens of Belarus and Russia (its major trade and economic partner).

> THE CURRENT SHOCK THREATENS TO PUSH THE COUNTRY'S ECONOMY FURTHER AWAY FROM THE DEVELOPED COUNTRIES OF THE REGION, WHICH WILL AFFECT THE LIVING STANDARDS OF PEOPLE RESIDING IN BELARUS – THE ULTIMATE BENEFICIARIES OF ECONOMIC GROWTH.

For most Belarusians, a good standard of living is a complex phenomenon, which includes buying everything they need (without considering the price) and preserving their dignity (having adequate remuneration for work without being disadvantaged in anything[5]). Dignity is more important than opportunities for health and development. According to people, the conditions for achieving a good standard of living are created by the state: these include institutions (first of all, those ensuring the rule of law and security), conditions for the development of economy and business, and conditions for creating

[3] World Development Indicators database.

[4] In this context, this means Russia and the Eurozone.

[5] For the purposes of this report, the concept of "dignity" is considered in the narrow sense of SDG 8. Answer options were worded based on the focus group discussions about what concepts of "decent standard of living" and "decent work" involve.

(immediate formation of) a quality social environment. What efforts should be taken to achieve a good standard of living is determined by one's individual attitudes and personal experiences. One's unique experience (the actual "stock" of human capital, place of residence, activities, age) can determine the choice of life strategies between extensive strategies (seeking the best of what is possible), development strategies (investing in education, developing skills and competences) or change strategies (seeking new things to improve life).

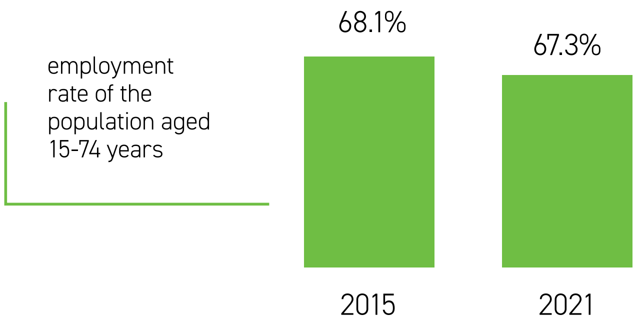
The growth of personal wellbeing and improvement of living standards are directly related to the economic situation and institutional conditions to realize one's human potential. The current situation is perceived as a crisis viewed by respondents as medium- to long-term. Its impact on people's welfare is manifested both in a short-term decline in living standards and in the formation of negative expectations concerning the nearest future, which is a "pushing" factor for a significant part of the country's population. The survey shows that 7.5% of urban residents (from 5.8% to 11.9%, depending on age) listed leaving the country for long-term or permanent residence as their most urgent need.

A change in consumer behavior was an immediate adaptive response to the shock. First, people gave up on new savings, saved on recreation and entertainment, bought fewer clothes (or started buying cheaper clothes), and postponed significant expenses. Almost 30% of respondents saved on food, over 20% on health, almost 10% on education, and 7.1% had to postpone regular payments (payments for housing and utilities, payments for loans, etc.). Only 17% of the urban population did not change their consumption behavior and continued to "spend money like we used to". The unemployed and underemployed appeared to be the most vulnerable to the current economic shock. Decent work for all is a key channel for redistributing the benefits of economic growth among the country's population.

This report analyzes the conditions for achieving "full and productive employment" and fair wages, i.e., ensuring inclusive economic growth through "decent work for all". Progress in achieving SDG 8 targets related to labor market development is assessed against general employment indicators (employment and unemployment rate, informal employment rate, etc.) and indicators reflecting the inclusiveness of progress in ensuring decent work for all. For a complete understanding of the situation in the labor market of Belarus, the analysis considers not only official indicators of targets but also additional statistical indicators characterizing the state of the domestic labor market. The qualitative measurement of progress in providing "full and productive employment" and "fair wages" was assessed by analyzing people's perceptions of decent work, their understanding of the problems typical for the Belarusian labor market, and their competitiveness in the labor market and the degree of their labor mobility, as well as individual labor strategies.

A decrease in employment is a negative trend in the Belarusian labor market.

Although part of the workforce switched from less productive to more productive activities and the retirement age increased, the employment rate decreased from 68.1% of the population aged 15-74 years in 2015 to 67.3% in 2021 since the employment in the age group 15-29 years (from 62.6 to 58.3%) declined and the proportion of the population aged 60-74 years in the employed population



grew (in this group the employment rate is three times below average). The decrease in employment is caused by three factors: recession (drop in demand for the workforce), aging (change in the workforce structure), and emigration. We should also mention other factors, such as layoffs related to participation in the 2020 protests and other manifestations of workers' civic attitudes.

The level of informal employment has gradually increased since 2015 and could be regarded as a sign of increased flexibility in the labor market rather than evidence of inefficiency. In most activities, there was a reduction in the excessive number of employees (mostly at state enterprises), which increased labor productivity. The IT sector was an example of efficient labor distribution, where increased labor demand and employment accompanied rapid productivity growth. This sector, however, turned out to be vulnerable to the current shock – IT professionals rapidly left the country after the outbreak of war in Ukraine.

The indicators characterizing the unemployment rate in Belarus do not give a comprehensive understanding of progress in "ensuring full employment". The unemployment rate (a record low 3.9% of the economically active population in 2021) declined as employment decreased. Consequently, economic activity fell, partly because of demographic factors (aging) and partly because of economic factors (lack of sufficient employment opportunities for pensioners and young people). These groups were the most vulnerable to the risk of unemployment, with women even more vulnerable in the "extreme" age groups (especially during the coronavirus pandemic). People with disabilities also fall into the category of those vulnerable to the risk of unemployment. The situation for this group has improved in recent years, but the published data do not allow us to draw conclusions on the underlying factors behind this improvement.

During the period under review, the economy provided channels for distributing the benefits of economic growth – labor productivity growth was transformed into increased wages, to which social payments were more or less tied. However, women and men benefited from economic growth differently – the gap in their salaries increased, mainly due to the established gender roles in society and changes in the structure of the economy (the share of the IT sector in employment structure was growing until 2022) rather than unequal pay for the labor of "equal value".

None of the official indicators of the 2030 Agenda makes it possible to characterize the progress in providing "decent work for all". This part of Target 8.5 is highly subjective and, as such, requires qualitative assessments based on the national poll of the population about respondents' perceptions of decent work, their understanding of the problems characteristic of the Belarusian labor market and their labor strategies.

People's perceptions of a decent job vary. Except for the emotional component (work that brings pleasure), the other most frequently mentioned characteristics include earnings (size, stability), working conditions, and social guarantees. Thus, a decent job gives satisfaction and prospects for professional self-realization, high wages, stable employment, comfortable conditions, and a social package. In 2022, compared to 2019, the role of the financial factor, working conditions, and social guarantees as characteristics of a decent job has noticeably increased. Women are more likely to associate decent work with social guarantees, and the need to reconcile work and family responsibilities affects their career strategies.

> BELARUS DOES NOT HAVE ENOUGH VACANCIES WITH DECENT WAGES (AND HIGH WAGES ARE THE MAIN CHARACTERISTIC OF A DECENT JOB), WHICH REFLECTS NOT SO MUCH THE STATE OF THE LABOR MARKET BUT THE ECONOMY AS A WHOLE. IT POINTS TO THE PROBLEMS IN ACHIEVING SDG 8 IN TERMS OF "CREATING DECENT JOBS" AND "ENSURING FULL AND PRODUCTIVE EMPLOYMENT".

According to the respondents, the next two positions in the top five urgent problems in the labor market are the outflow of skilled workers and young people abroad. The relevance of these issues has increased significantly compared to 2019 due to increased emigration and the prevalence of relevant personal experiences (respondents know people who have left). The list of problems in the Belarusian labor market also included the lack of rights of hired workers vis-à-vis employers (women cited discrimination in hiring as their third most pressing problem), which is also a "sign of the times" that points to problems in achieving SDG 8 in terms of "decent work for all".

Survey participants perceive individual prospects and risks in the labor market by assessing their demand and vulnerability in the labor market. Most workers feel insecure in the labor market: losing a job is easier than finding one. Women assess their prospects in the labor market worse than men. With age, the perception of the risk of job loss increases, and the assessment of the prospects of finding a new job is lower. People are ready to invest in their education and development in search of a better job, but, as a rule, they are unwilling to change their way of life radically. Actual labor mobility is even lower than declared: 84.7% of respondents have a place of work in the area of their residence.

The state's ability to improve the situation by achieving SDG 8 in terms of targets related to the functioning of the labor market depends on recognizing existing problems and awareness of the consequences of its actions, which may lead to the freezing or intensification of these problems. Measures on "extending opportunities for Belarusians in the labor market" have been suggested by international organizations and think tanks. However, in order to work, these measures require not only the restoration of the necessary institutional environment (macroeconomic stability, a favorable investment climate and business environment, competitive commodity markets) but also the normalization of the social and political situation, in particular, the expansion of opportunities for internal exit (in the sense of a social contract[6]). This "normalization" would require measures to restore the de facto supremacy of law (SDG 16). In fact, the problems in this area are the main motivation for emigration for many who see it as a real need. Finally, no effective work with vulnerable groups is possible without the involvement of civil society[7] Neither the state nor pro-state "public organizations" can replace them because they lack the necessary flexibility, operate in a top-down rather than bottom-up manner, and therefore have a distorted understanding of the needs of the target groups and the areas of work with them.

[6] For example, opportunities for work in the private sector/self-employment, access to private medicine, education, etc. (for more details, see Gaiduk, Rakova, Silitsky, 2010).

[7] In the context of this report, civil society is understood as a set of non-governmental organizations that represent the interests and will of the country's residents and are independent of the government authorities.

1 INTRODUCTION: OLD ACHIEVEMENTS AND NEW CHALLENGES ON THE WAY TO SDG 8

At the 2015 Sustainable Development Summit, UN member states adopted the 2030 Agenda for Sustainable Development, whereunder they undertook to achieve 17 ambitious Sustainable Development Goals.

At the international level, indicators corresponding to the targets for each goal serve as a benchmark for assessing progress toward the SDGs. The main strategic document in the field of sustainable development in Belarus since 2017 was the National Strategy for Sustainable Socio-Economic Development of the Republic of Belarus until 2030 (National Sustainable Development Strategy, NSDS 2030[8]), and since 2020 – the National Strategy for Sustainable Development until 2035 (NSDS 2035)[9]. These documents define the key objectives of domestic socio-economic development and serve as a reference point/foundation for preparing five-year socio-economic development programs for the country and sector-specific papers. A national system of SDG indicators (National List of SDG Indicators) and a corresponding roadmap[10] have been adopted at the country level. They are expected to help monitor the achievement of the SDGs and integrate sustainable development goals and their related targets and indicators into national strategic documents, focusing resources and efforts on those areas that will get the greatest effect (national acceleration platforms or accelerators).

The second voluntary (official) review of the country's progress on the Sustainable Development Goals[11] was conducted in 2022. The document presents the most significant achievements of Belarus in relation to the goals, which have already become "chrestomathic", in particular, the successes in overcoming

[8] See Minutes of the Meeting of the Presidium of the Council of Ministers of the Republic of Belarus No. 10 of May 02, 2017

[9] The correlation between the objectives of the Social and Economic Development Program and the NSDS 2030 has allowed the country to make progress in achieving SDG 8 at a certain stage of development, especially in terms of progress in business development, improvement of the investment climate, etc. However, the objectives declared in the NSDS 2030 focus mainly on progress in the economic and social spheres and are not as comprehensive as those of the 2030 Agenda. Belarus started preparing the new strategy in 2018. The development of the NSDS 2035 concept was expected to "reinforce" the positive momentum on the sustainable development goals and targets covered by the current NSDS and ensure progress on the goals and targets not covered or not sufficiently elaborated in the NSDS 2030. The draft NSDS 2035 was reviewed on February 04, 2020 at the meeting of the Presidium of the Council of Ministers of the Republic of Belarus. The document was subject to public discussions (the extent to which NGOs' comments and suggestions were taken into account remains an open question) and was also reviewed with the UN Country Team in the Republic of Belarus. The strategy was coordinated with the National Coordinator for Sustainable Development Goals and the members of the Council for Sustainable Development. The final version of the NSDS 2035 is "updated taking into account the COVID-19 pandemic and the emerging new world reality".

[10] See the Roadmap for the Implementation of the SDGs in the Republic of Belarus.

[11] See the National Review of the Republic of Belarus on the implementation of the 2030 Agenda for Sustainable Development.

poverty and achieving gender equality, educational achievements of Belarus, high employment rate, low unemployment rate, etc. Progress in some indicators allows the authors of the official review to declare stable positive dynamics, avoiding problematic issues. In particular, the official review analyzes the situation with achieving SDG 8 in statics (analyzed mainly in 2021) outside international comparisons, so the authors of the official review draw conclusions about the effectiveness and efficiency of measures taken to achieve the targets of this goal. At the same time, an important disclaimer is made at the beginning of the document: "Since the end of 2020, Belarus has been implementing Agenda 2030 in the context of unprecedented unlawful unilateral economic sanctions (UES), which are actively applied by Western countries. ... The continuation of UES against Belarus will level out the results achieved towards the SDGs." The reasons behind such actions of the West are not mentioned. The authors also note that they "not only hinder the implementation of Agenda 2030 by Belarus, but also contradict the UN Charter and the basic UN conventions in the field of human rights". One way or another, "external and internal challenges" threaten not only further progress in achieving the goals, but also the possibility of maintaining the results already achieved.

Belarus has experienced two major shocks in the past few years: the coronavirus pandemic and the domestic political crisis that followed the 2020 presidential election. But now Belarus faces an even bigger shock from sanctions imposed "for participating in unacceptable and illegal Russian military actions, which are an act of aggression under international law". In addition to the direct and indirect consequences of sanctions and restrictions having been or being imposed by countries and foreign companies against governments, economic entities, and citizens of Russia and Belarus, this shock involves the direct consequences of the war in Ukraine – exports to and transit through Ukraine are banned for Belarus (see KEF, 2022b).

> GIVEN THE SCALE OF THE EXPECTED TURMOIL, THE FOCUS OF THE SHADOW REPORT OF THE SDGS (IN PARTICULAR, SDG 8) SHOULD BE SHIFTED FROM PROGRESS IN ACHIEVING THE SDGS TO THE RISKS AND THREATS TO SUCH PROGRESS IN THE FUTURE.

The report has the following structure. **The following section** provides a rationale for the overall underlying methodology, describes the sources of quantitative data, and outlines the methods of the public survey "Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all," including the demographic and geographic characteristics of the sample. **The third section** analyzes the evolution of some national indicators of SDG 8 and other data to assess progress toward the SDGs as fully as possible. To assess it from the perspective of the key beneficiaries, we analyze the data of the national population survey about the economic self-perception of the residents of Belarus, their primary needs, and perceived characteristics and conditions for achieving a decent standard of living. Based on the statistical data analysis and the population survey results, **the fourth section** assesses the current state and problems typical for Belarus's labor market. The authors also analyzed vulnerabilities and strategies of behavior in the labor market, labor mobility, and adaptability to changing economic conditions. **The final section** presents brief conclusions.

2 METHODOLOGY

2.1. Assessing progress toward SDG 8: sources of statistical data

Seventeen indicators are used to assess SDG 8 at the global level. All indicators are recognized as relevant for the Republic of Belarus (see Belstat, 2018). The National Platform for SDG Reporting, developed by Belstat with the support of the United Nations Children's Fund (UNICEF) and the United Nations Development Program in Belarus (UNDP), is the main tool for monitoring and disseminating data on SDG indicators. The National Platform is a single center for collecting and summarizing information on the current situation with the SDGs in the country, which makes it possible to track progress in achieving the SDGs at the country level through national indicators on the SDG targets. Twenty-two indicators, including a non-statistical one, have been identified to monitor progress toward SDG 8 at the national level (see Table 1). Official information is collected and presented for 19 of 22 indicators. Data on three indicators is not presented since international organizations calculate these indicators.

The national statistics on the indicators, taken as the basis for official reports on progress toward the SDGs, describe well the periods of uniform and stable development of the country. However, if major shocks occur, the structural vulnerabilities that the SDG process seeks to address may lose priority or even relevance.

Table 1. Indicators by SDG 8 targets

Indicator	Formal wording	Time interval
Target 8.1. Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 percent gross domestic product growth per annum in the least developed countries		
8.1.1	Annual growth rate of real GDP per capita	2000–2021
Target 8.2. Achieve higher levels of productivity in the economy through diversification, technical upgrading and innovation, including through a focus to high value-added and labor-intensive sectors		
8.2.1	Annual growth rate of real GDP per employed person	2000–2021
Target 8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services		
8.3.1	Proportion of informal employment in total employment, by sector and sex	2014–2021
Target 8.4. Improve progressively, through 2030, global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead		
8.4.1	Material footprint, material footprint per capita, and material footprint per GDP	1992–2019
8.4.2	Domestic material consumption, domestic material consumption per capita, and domestic material consumption per GDP	2000–2019
Target 8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value		
8.5.1	Average hourly earnings of employees, by sex, age, occupation and persons with disabilities (percentage)	2011–2021
8.5.1.1	Ratio of average wages of women and men	2016–2021
8.5.1.2	Ratio of average hourly wage of disabled persons to average hourly wage of employees	2019–2021
8.5.2	Unemployment rate, by sex, age and persons with disabilities	2014–2021
Target 8.6. By 2020, substantially reduce the proportion of youth not in employment, education or training		
8.6.1	Proportion of youth (aged 15–24 years) not in education, employment or training	2009–2021

Indicator	Formal wording	Time interval
Target 8.7. Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms		
8.7.1	Proportion and number of children aged 5–17 years engaged in child labor, by sex and age	2005–2019
Target 8.8. Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment		
8.8.1	Fatal and non-fatal occupational injuries per 100,000 workers, by sex and migrant status	2000–2021
8.8.2.1	Situation with the right to collective bargaining at the national level	2001–2021
Target 8.9. By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products		
8.9.1	Tourism direct GDP as a proportion of total GDP and in growth rate	2014–2018
8.9.1.1	Proportion of those employed in tourism in the total number of employees	2014–2018
Target 8.10. Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all		
8.10.1	(a) Number of commercial bank branches per 100,000 adults and (b) number of automated teller machines (ATMs) per 100,000 adults	2000–2021
8.10.1.1	Proportion of bank clients (individuals, legal entities) who have an account at a bank and are connected to the remote banking system	2016–2021
8.10.1.2	Number of commercial bank branches per 100,000 adults	2012–2021
8.10.2.1	Number and share of bank accounts opened by depositors (individuals) aged 26 and over for accounting of funds attracted to a term deposit	2013–2021
Target 8.a. Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries		
8.a.1	Aid for Trade commitments and disbursements	2011–2020
Target 8.b. By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labor Organization		
8.b.1	Existence of a developed and operationalized national strategy for youth employment, as a distinct strategy or as part of a national employment strategy	2000–2021

Source: National Platform for SDG Reporting (Belstat), OECD.Stat, World Environment Situation Room.

GIVEN THE CHALLENGES CURRENTLY FACING THE COUNTRY, THE REPORT FOCUSES ON TARGETS 8.1, 8.2, 8.3, 8.4, AND 8.5, WHICH CAN BE GROUPED WITH SOME CONVENTION AS FOLLOWS: (A) ECONOMIC GROWTH FOR ALL AND (B) DECENT WORK FOR ALL.

Progress in achieving SDG 8 is assessed based on publicly available data and open sources of information, which, however, are not always sufficient to determine progress in achieving the goal from the perspective of ultimate beneficiaries – residents of Belarus.

2.2. Beyond statistics: how public opinion has been studied

The available statistical data on SDG 8 targets related to economic growth and the labor market (until the end of 2021 at most) describe a period of relatively uniform or inertial development. This data does not cover many important aspects to be considered when preparing a report on the progress toward SDG 8 from the perspective of ultimate beneficiaries. Therefore, to assess it, as well as the risks and threats to the achievement of SDG 8, additional data was used, in particular, concerning the economic self-perception of the Belarusian population (self-assessment of wellbeing and living standards, ranking of needs, vision of their wellbeing in the future), as well as (self)assessment of the main vulnerabilities in the labor market and the degree of mobility, characteristics of "decent work", etc. To this end, while preparing this report on SDG 8, the authors studied the economic self-perception of the residents of Belarus.

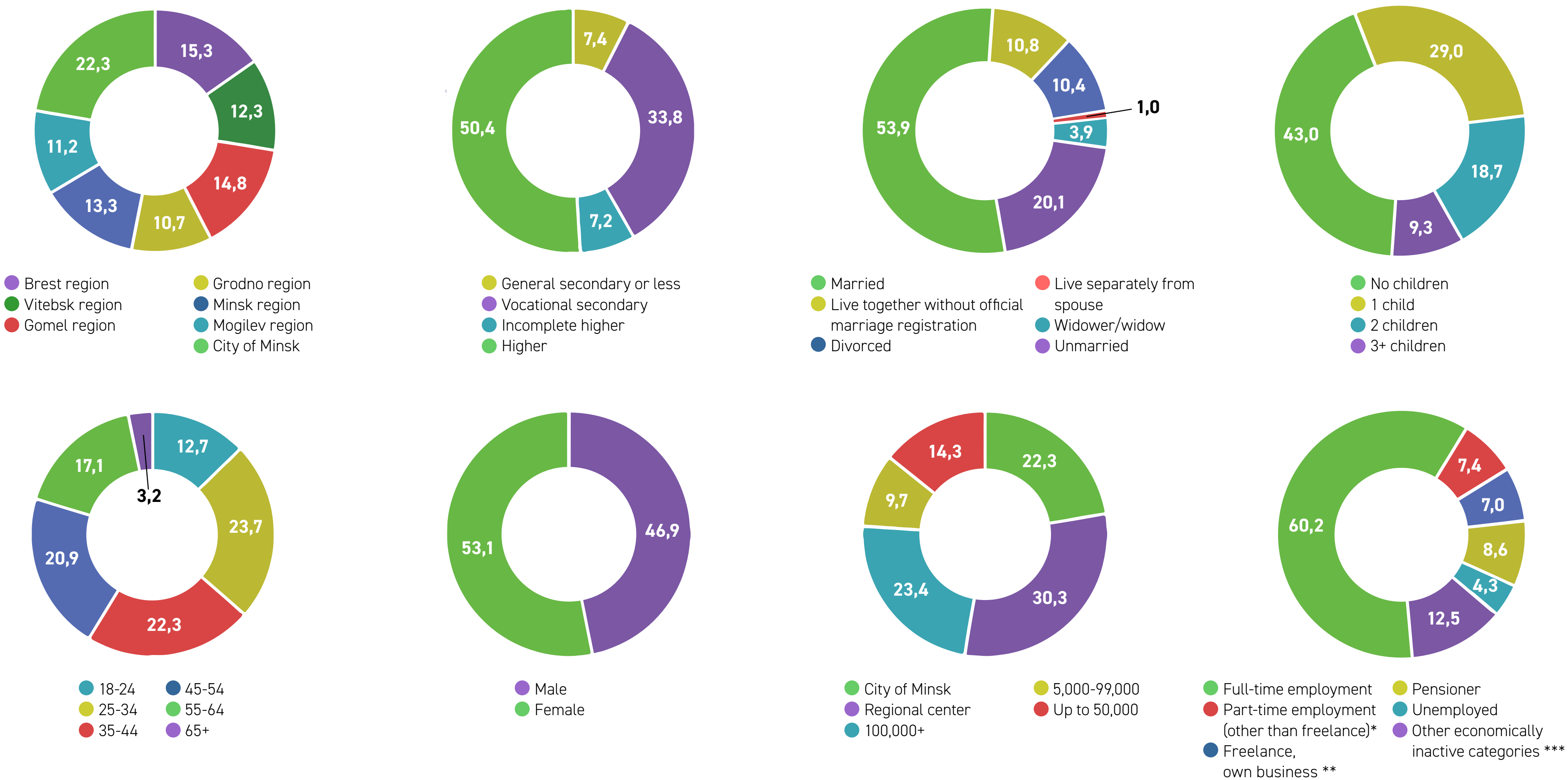
Developed upon the results of focus group discussions (see KEF, 2022a), the questionnaire for the national population survey included 32 questions grouped into four blocks: the first block focused on economic self-perception and needs (6 questions), the second – on decent work and employment strategies (14 questions), the third one – on living standards and life strategies (6 questions), and the fourth block – on information about the respondent (6 questions). The survey was conducted among urban residents aged 18 to 74 years. The sample was formed according to the regional and sex-and-age structure of the Belarusian urban population[12] using the following criteria: gender, age, region of residence, and the size of the settlement (regional center/city with more than 50,000 inhabitants/city with less than 50,000 inhabitants). The sample size was 1,052 units. The population survey was conducted online in April-May 2022 using an online panel[13].

For the sampling structure, please see Figure 1. The socio-demographic characteristics (age, sex, family composition (number of children, if any), education, occupation), and respondents' place of residence were the main classifying attributes of the national poll respondents. Regarding the survey results, age, gender, and occupation were the determining factors for the respondents' economic self-perception and perception of their position in the labor market. Since the "leave no one out" principle implies the disaggregation of indicators by gender, age, occupation, etc., these classifying attributes were used, where appropriate, to analyze the survey results.

[12] Since the survey was conducted using an online panel, people aged 65 years and older was less represented in the sample population than in the general population (the sample is skewed toward younger ages). Structure of general population (urban population aged 18 to 74 years old at the beginning of 2022) is as follows: 18-24 - 9.6%, 25-34 - 19.2%, 35-44 - 22.3%, 45-54 - 17.6%, 55-64 - 18.1%, 65 and older – 13.2%. The following analysis is done without weighting the data, unless otherwise specified.

[13] From April 27, 2022 through May 10, 2022.

Fig. 1. Sample structure, % of respondents



* The answer options are "part-time (or other partial employment)" and "part-time/seasonal job".

** The answer options are "own business" and "self-employed, freelancer, craftsman, etc.

*** The answer options are "student(s)", "do housework, childcare/caregiver" and "other (specify)"[14].

Source: Calculations based on the National Population Survey data (April-May 2022).

[14] Including 10 respondents (1% of the sample) who mentioned that they had a disability.

3 ECONOMIC GROWTH FOR ALL

ECONOMIC GROWTH IS THE CENTRAL INDICATOR OF SDG 8.

Given its integral nature (economic growth is necessary to overcome hunger and poverty, build effective models of healthcare, education, financing of green investments, etc.), this is one of the SDG key indicators. Since the target of maintaining economic growth "in accordance with national circumstances" match the target of ensuring full and productive employment and decent work for all, we can say that economic growth in the SDG paradigm is inclusive pro-poor growth, which provides shared prosperity[15].

Since the indicators characterizing the achievement of SDG 8 as part of the selected Targets (8.1 and 8.2) do not allow for assessing the effects of economic growth on ultimate beneficiaries, their analysis is supplemented by reviewing the data from the national population survey.

3.1. Key indicators

Target 8.1 "Maintain economic growth per capita in accordance with national circumstances" (indicator – "annual growth rate of real GDP per capita"). The wording of this target for Belarus is rather vague, as it does not apply to the "least developed countries" for which a target growth rate of real GDP per capita (at least 7% per year) is defined. At the national level, its target values are set for three different points: 2020 (+2.4%), 2025 (+4.5%), and 2030 (+5.2%). As of the first date, the indicator was not met (-0.3%). In 2020, however, when the world first faced the COVID-19 pandemic that became a severe shock, the Belarusian economy overcame it with minor losses only compared to most countries. But in our opinion, it is uninformative to approach the assessment of progress in this Target through such target values, so it is necessary to define "national circumstances" to maintain economic growth in the country.

[15] For brevity, the term "growth for all" will be used hereafter, see Gaiduk, Pelipas, Chubrik et al. (2007).

The "national circumstances" for Belarus are that it is a catching-up country whose GDP per capita lags far behind the benchmarks. According to the World Bank[16], GDP per capita for 2021 (current U.S. dollars) in Belarus was 17.3% (17.4% in 2015) of that in the Eurozone and 60% (64.1%) of that in Russia. The differences in current U.S. dollars at purchasing power parity were smaller but still significant: the Belarusian indicator was 42.7% of the Eurozone indicator (44.1% in 2015) and 66.1% of that of Russia (75.1% in 2015)[17]. The gap has increased over the six years since adopting Agenda 2030.

THUS, BASED ON THIS DEFINITION OF "NATIONAL CIRCUMSTANCES", BELARUS FAILED TO "MAINTAIN ECONOMIC GROWTH PER CAPITA" AT THE APPROPRIATE LEVEL.

If we consider the long-term perspective, we see that the period of catching-up development for Belarus ended in 2011. After that, the growth rate of real GDP per capita was generally lower than in Russia (6 years out of 10) and the Eurozone (3 years out of 10) (see Fig. 2a below). As a result, the average annual growth rate of real GDP declined over the decade from about 8% per year in 2005-2011 to 4.4% per year in 2015 and to 0.8% per year in 2021, which is lower than in Russia (1.1% per year) and only slightly higher than in the Eurozone (0.6% per year) (see Fig. 2b below).

It is important to note that such a sharp slowdown in long-term economic growth took place against the background of population decline in Belarus, i.e., the denominator was decreasing in the "GDP per capita" indicator, so the decline in the growth rate of this indicator was not as rapid as the decline in the real GDP growth rate. All three compared geopolitical units are obviously in the second demographic transition. Still, the annual growth rates of the Belarusian population were below both benchmarks throughout the entire period under review (Fig. 3a). The ten-year rates did not rise above zero (Fig. 3b). In the period under review, natural population growth was observed in the Eurozone up to and including 2014, in Russia – for three years (from 2013 to 2015). In Belarus, it was not observed at all. In the Eurozone, natural population decline was always compensated by migration growth, in Russia – for six years (from 2009 to 2012 and from 2016 to 2017[18]), and in Belarus – only for four years (from 2013 to 2016).

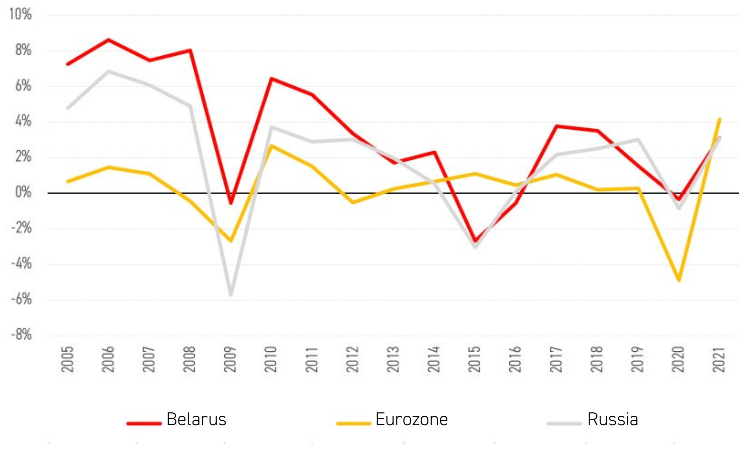
[16] See World Development Indicators database.

[17] The indicator "ratio of GDP, PPP in the Republic of Belarus to the average GDP, PPP in the neighboring countries" is supposed to be included in the indicators of economic security of Belarus (the threshold value is 70%).

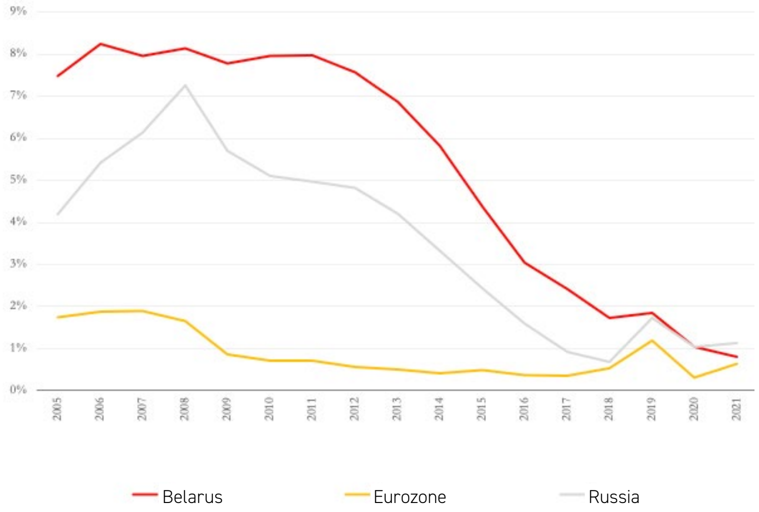
[18] There was a positive natural population growth in Russia from 2013 to 2015.

Fig. 2. Indicator 8.1.1. Annual growth rate of real GDP per capita

Source: Calculations based on Belstat, Eurostat, and Rosstat data.



(a) Growth rate of real GDP per capita, % YoY

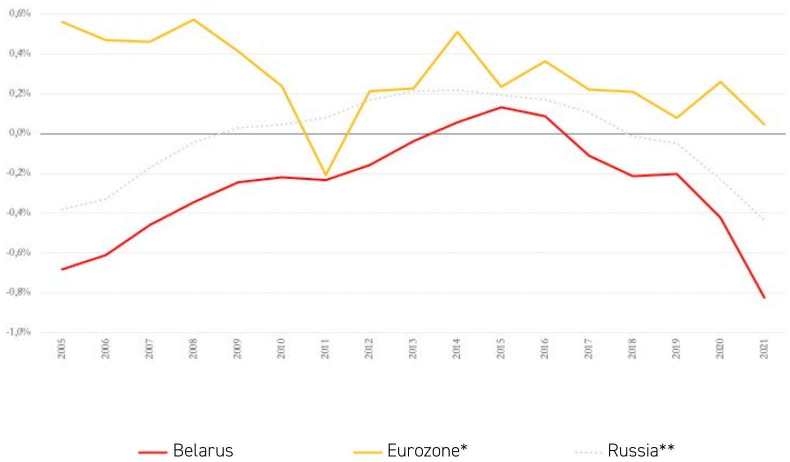


(b) Annual average growth rate of real GDP per capita over 10 years, %

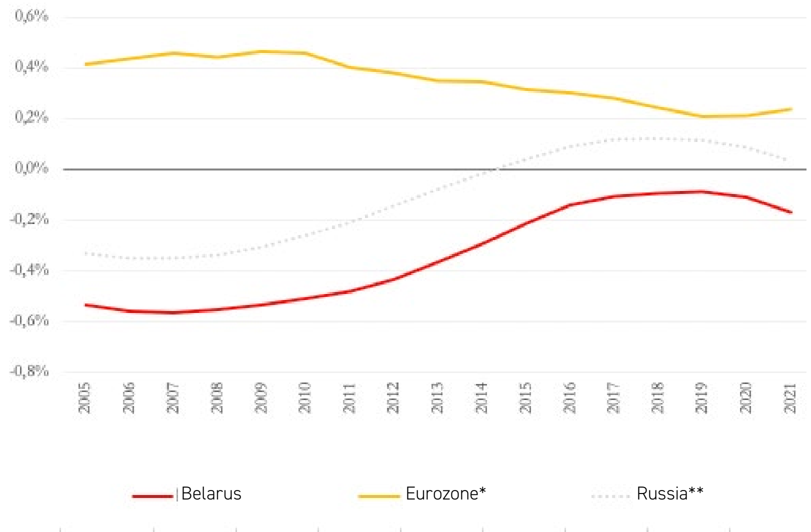
Fig. 3. Population growth rate

* Data presented as of January 1, with the annual average given for other countries.
** Excluding Crimea and Sevastopol annexed by Russia[19].

Source: Calculations based on Belstat, Eurostat, and Rosstat data.



(a) Population growth rate, YoY



(b) Annual average population growth rate over 10 years, %

[19] As defined by Rosstat, "Republic of Crimea" and "City of Federal Significance Sevastopol.

Starting in 2020, Belstat stopped publishing data on migration and natural population movement. Still, open-source data show a large-scale net outflow of people from Belarus, particularly from sectors with high labor productivity, such as the IT sector[20]. Considering how much the population declined in 2020 and 2021, we can assume that in addition to the natural decrease due to mortality from COVID-19 and the decline in the birth rate, the population decrease was also influenced by increased migration after the events of 2020 and 2021 and exacerbated by the war in Ukraine.

> AS A CATCHING-UP COUNTRY, BELARUS IS NOT GENERATING THE PER CAPITA ECONOMIC GROWTH NEEDED TO NARROW THE GAP IN LIVING STANDARDS WITH WEALTHIER COUNTRIES IN THE REGION. THIS (AMONG OTHER REASONS) IS A PUSH FACTOR FOR THE MOST PRODUCTIVE PART OF THE WORKFORCE, UNDERMINING THE COUNTRY'S ECONOMIC POTENTIAL.

Progress on **Target 8.2** "Achieve higher levels of productivity in the economy through diversification, technical upgrading and innovation, including through a focus to high value-added and labor-intensive sectors" is measured by a single indicator – the growth rate of labor productivity. As in the case of the first target, the target values for this indicator have been set for three dates: 2020, 2025, and 2030 (3, 4.4, and 5.3%, respectively, with the actual value of -0.4% achieved in 2020). Since no additional indicators are envisaged, the report will not analyze the factors determining the dynamics of labor productivity[21].

[20] From August 10, 2020 till June 30, 2022 Poland issued 36,614 humanitarian visas and 42,932 visas under the Poland Business Harbour program to citizens of Belarus; the number of Belarusians with residence permits in Poland almost doubled and exceeded 50,000 from January 2021 till June 2022. In 2021, Lithuania issued 20,500 temporary residence permits and 21,300 national visas to Belarusians, and during the first six months of 2022 – another 10,116 temporary residence permits. While in 2017-2019 about 1,100 Belarusian citizens per year sought asylum in EU countries, this figure increased to 1,295 in 2020 and to 3,760 in 2021. The number of immigrants can obviously exceed the number of asylum applicants by times and even more (Eurostat does not publish data on all countries, in particular, there is no data on Poland; for Lithuania the number of immigrants from Belarus exceeded the number of applications for asylum by 20-300 times depending on the year).

[21] See, for example, World Bank's publications, 2012; Kruk and Bornukova, 2014; Dobrinski et al, 2016; Richmond et al, 2019; Daneiko and Kruk, 2021; Bornukova and Alekhnovich, 2022, etc., for a discussion of this issue.

Table 2. Average annual growth rate of labor productivity by type of activity in real terms, %

	2015 vs. 2010 (5 years)	2021 vs. 2015 (6 years)	Change, percentage points
Total, by types of economic activity	2.4	1.8	-0.6
Agriculture, forestry, and fishery	**4.5**	**3.9**	-0.6
Mining and quarrying	**8.7**	1.7	-7.0
Processing industry	**3.5**	**4.1**	0.6
Supply of electricity, gas, steam, hot water, and conditioned air	-0.4	**3.8**	4.3
Water supply; waste collection, treatment, and disposal, and pollution abatement activities	0.6	-0.3	-0.9
Construction	1.3	-0.1	-1.5
Wholesale and retail trade; repair of motor vehicles and motorcycles	**4.6**	**1.8**	-2.8
Transport, warehousing, postal and courier services	1.9	1.0	-0.9
HoReCa	**3.1**	**3.5**	0.4
Information and communications	**6.5**	**2.5**	-4.0
Financial and insurance activities	**2.9**	**2.4**	-0.5
Real estate activities	-2.5	1.2	3.7
Professional, scientific, and technical activities	-4.7	-3.0	1.7
Administrative and support services activities	-3.5	-4.5	-1.0
Public administration	-0.4	-0.8	-0.5
Education	-1.0	-0.2	0.9
Healthcare and social services	0.7	1.0	0.3
Creative, sports, entertainment, and recreation activities	1.8	-2.1	-3.9
Provision of other services	-2.4	-4.0	-1.6

Note: The growth rate of labor productivity exceeding the average for the economy is highlighted in color.

Source: Calculations based on Belstat data.

Labor productivity grew unevenly by type of activity. In 2021 (vs. 2015), it increased only in 11 out of 18 activities (see Table 2), with average annual growth rates ranging from -4.5 to 4.1%[22]. Labor productivity growth slowed down in most activities (12 out of 19). At the same time, almost all activities (6 of 7), where productivity grew faster than the average for the economy in 2010-2015, maintained a faster growth rate in 2015-2021: agriculture, manufacturing, trade, HoReCa[23], information and communications, and financial sector and insurance[24]. In 2015-2021, with the commissioning of the Belarusian Nuclear Power Plant, the energy sector expanded the list of activities with high growth rates of labor productivity. The multidirectional dynamics of labor productivity led to significant changes in the structure of gross value added even compared to 2015: the share of the activities "information and communication" and "manufacturing industry" increased by 3.7 and 2.4 percentage points, respectively. At the same time, trade "lost" 4 percentage points, despite the rapid growth of productivity in this field, i.e., productivity in this activity increased due to "optimization" of employment.

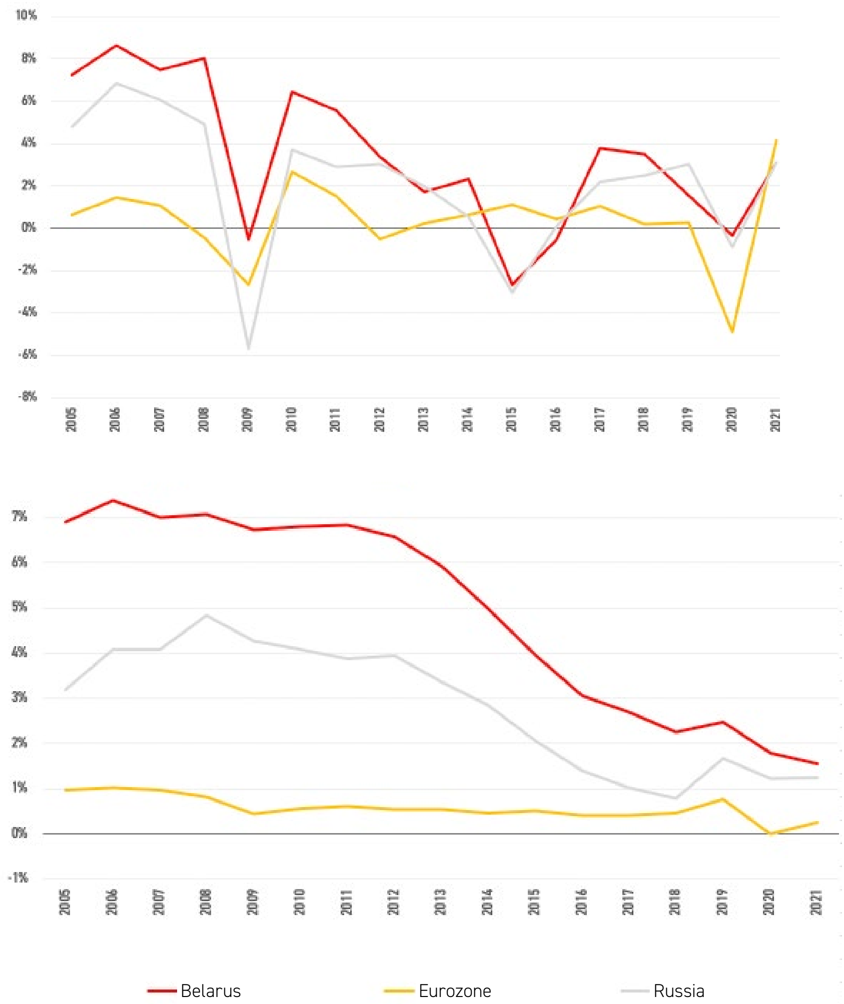
Since 2015, labor productivity in Belarus has generally grown faster than in the benchmarks – the Eurozone and Russia (Fig. 4a). That's why the long-term productivity growth rate has always been higher than in Russia and above the Eurozone average. Still, it has constantly been declining, falling below 2% per year on average in 2020 (Fig. 4b). Therefore, in terms of labor productivity dynamics, Belarus is gradually narrowing the gap with wealthier countries but, in terms of GDP per capita, the gap is even widening. Ensuring labor productivity growth should help solve the first problem (maintaining economic growth per capita), but it has been hampered by a decline in the employment rate. When the number of those who produce national income grows slower (falls faster) than the number of those to whom it is distributed, labor productivity growth

Fig. 4. Indicator 8.2.1 Annual growth rate of real GDP per employed person

Source: Calculations based on Belstat, Eurostat, ECB, and Rosstat data.

(a) Growth rate of labor productivity, % YoY

(b) Average annual growth rate of labor productivity over 10 years, %



[22] The economy as a whole is 3.9%, with a standard deviation of 2.6 percentage points.

[23] Type of activity "HoReCa" stands for hotels, restaurants, and café (temporary accommodation and catering services).

[24] All these sectors of the economy (except agriculture) were hit by the economic shock of 2022 due to the beginning of the war in Ukraine and the introduction of a wide range of restrictive measures against Belarus and its main trading partner, Russia, by the EU, the US and other countries. Agriculture got a number of advantages due to a sharp decrease in relative prices for fertilizers and fuel inside the country compared to world prices, but they will not be able to significantly affect the overall situation with the dynamics of productivity in the coming years.

will outpace per capita GDP growth, which happened in Belarus from 2011 to 2018. Accordingly, an important task is to involve the working-age population in economic activities as much as possible in accordance with Targets 8.3 and 8.6 (see Section 4.1)

> LABOR PRODUCTIVITY IN BELARUS GREW FASTER THAN IN THE MORE PROSPEROUS COUNTRIES OF THE REGION BUT NOT FAST ENOUGH TO ENSURE CATCH-UP DEVELOPMENT IN TERMS OF GDP PER CAPITA. PRODUCTIVITY GROWTH SLOWED DOWN IN MOST ACTIVITIES AND IN THE ECONOMY AS A WHOLE. EMPLOYMENT IN THE ECONOMY WAS DECLINING, LEADING TO AN EVEN SHARPER SLOWDOWN IN ECONOMIC GROWTH. MORE WORKFORCE SHOULD BE INVOLVED IN "PRODUCTIVE EMPLOYMENT" TO ENSURE "GROWTH FOR ALL".

3.2. The qualitative dimension of economic growth: a decent standard of living

The very formulation of the SDG "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all" implies that economic growth should lead to improved wellbeing for everyone in the country. Accordingly, this SDG has more than just a quantitative dimension. The extent to which people can benefit from economic growth can be measured by assessing needs and the extent to which they are satisfied, as well as whether their standard of living corresponds to their idea of a good/decent standard of living (all of which can be referred to economic self-perception). Finally, given the long-term nature of the SDGs, a qualitative assessment of progress in Target 8.1, "Sustain per capita economic growth in accordance with national circumstances," includes a vision of development prospects for oneself and one's children.

Economic self-perception is manifested in the way people define a good standard of living (Appendix A, question Q21), in their ideas about how to improve their standard of living (Appendix A, questions Q22 and Q23), in the self-assessment of living standards through the articulation of the most urgent current needs (Appendix A, question Q5), in their self-assessment of their ability to satisfy these needs (qualitative assessment of income, see Appendix A, question Q25), and, in the short-term, in adapting their consumer behavior to economic shocks and crises (Appendix A, question Q26) and in assessing changes in their welfare and the welfare of others (Appendix A, question Q24).

The concept of "good standard of living" was operationalized by nine answer options (Fig. 5) which were worded based on focus group discussions (see KEF, 2022a) and can be conventionally categorized into (1) money (freedom of money); (2) living conditions (housing, car); (3) health (medical services, recreation); (4) development (hobbies and interests, education); (5) dignity (adequate remuneration for work, freedom of action).

Fig. 5. Operationalization of the concept "good standard of living", % of respondents

Note: The question was worded as follows: When do you think a person has a good standard of living? Respondents could choose up to three options.
Source: Calculations based on the National Population Survey data (April-May 2022)

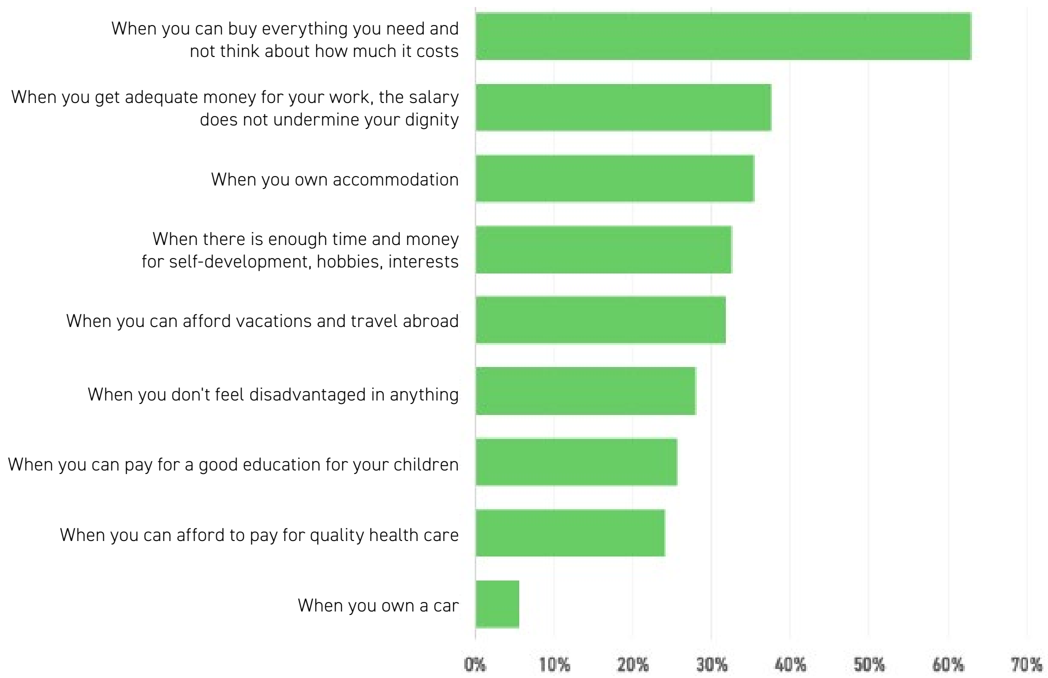
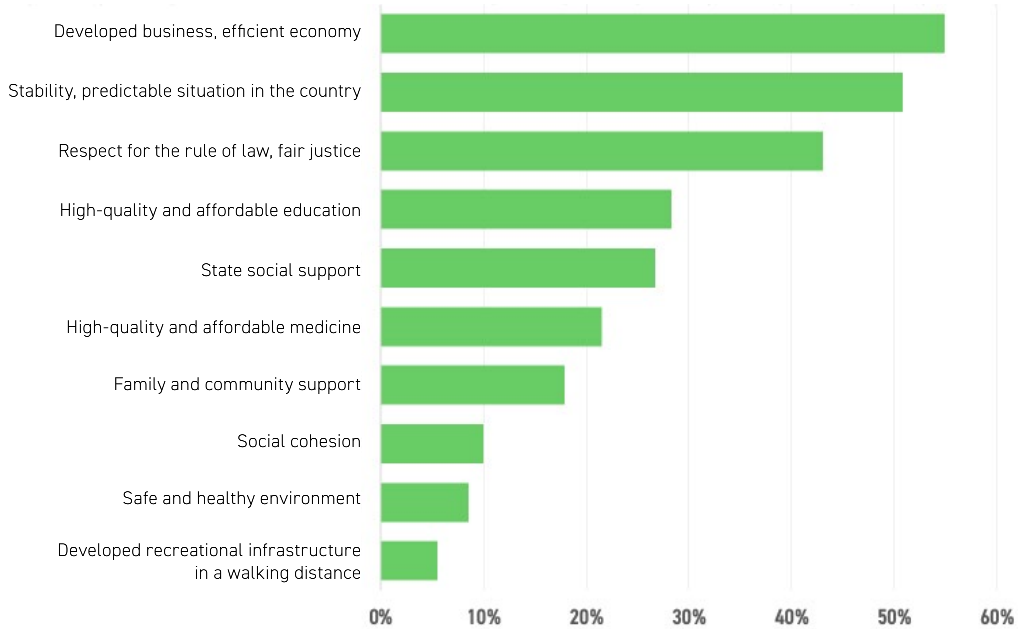


Fig. 6. Conditions for "growth for everyone", % of respondents

Note: The question was worded as follows: "What conditions should be in place so that everyone can achieve a good standard of living if they so choose?" Respondents could choose up to three options.
Source: Calculations based on the National Population Survey data (April-May 2022)



The choice between these categories was distributed as follows: money – dignity – development – health – living conditions. Having a sufficient income is the most important element of a good standard of living: 62.9% of the respondents believed that a good standard of living is "when you can buy everything you need and do not think about how much it costs" Fig. 5 (the category "money" turned out to be the most important, although it had only one answer option). The options falling into the "dignity" category were chosen by 54.5% of the respondents: 37.5% chose the option "when you get adequate money for your work so that the salary doesn't undermine your dignity" and 27.9% – the option "when you don't feel that you are inferior in some way". The categories "development" (53.4% of respondents) and "health" (50.1% of respondents) followed very closely. Significantly fewer respondents chose living conditions as a characteristic of a good standard of living (37.9% only): 35.4% chose the option "when you have your dwelling space," and only 5.5% (mostly the youth) – the option "when you have your car".

> A GOOD STANDARD OF LIVING IS THE ABILITY TO BUY WHATEVER ONE NEEDS WITHOUT CONSIDERING THE PRICE AND WHEN HUMAN DIGNITY (ADEQUATE REMUNERATION FOR WORK WITHOUT BEING DISADVANTAGED) IS NOT VIOLATED. DIGNITY (IN ITS ECONOMIC DIMENSION) HAS PROVEN TO BE EVEN MORE IMPORTANT AS A CHARACTERISTIC OF A GOOD STANDARD OF LIVING THAN OPPORTUNITIES FOR HEALTH AND DEVELOPMENT.

The conditions for improving living standards ("growth for all") can also be grouped into several categories: (1) economic situation; (2) institutional environment; (3) social infrastructure; (4) horizontal connections; and (5) living conditions.

The majority of respondents link opportunities to achieve a good standard of living with a favorable institutional environment – 73.7% of respondents listed such characteristics of the institutional environment as "stability, the predictable situation in the country" and "rule of law, fair justice"[26], see Fig. 6. 6. The second most important category is the state of social infrastructure (high-quality and accessible (1) education, (2) medicine and (3) state social support). In total, 61.9% of respondents named these three answer options as essential conditions for improving the standard of living[27]. According to respondents, accessibility and quality of education (28.3%) play the most crucial role. The economic situation in the country (the category represented by one answer option) turned out to be the most frequently mentioned condition of living standard improvement – 54.9% of the survey participants believe that the developed business and economy contribute to the improvement of the standard of living. A quarter of respondents (25.7%[28]) think that horizontal ties – support of family/nearest environment and solidarity of society – form conditions for improvement of living standards, with a more significant role given to support of the closest environment (17.8%). The living conditions, understood in the survey as the state of the environment and availability of the infrastructure for recreation and entertainment, are essential for increasing the standard of living for 13.9% of respondents. Less than 5% of respondents believe that "a good standard of living can be achieved in any conditions".

[25] Including 11% of respondents mentioned both options at the same time.

[26] Another 20.2% of respondents chose both options at the same time.

[27] Another 14.6% of respondents chose more than one of these options at the same time.

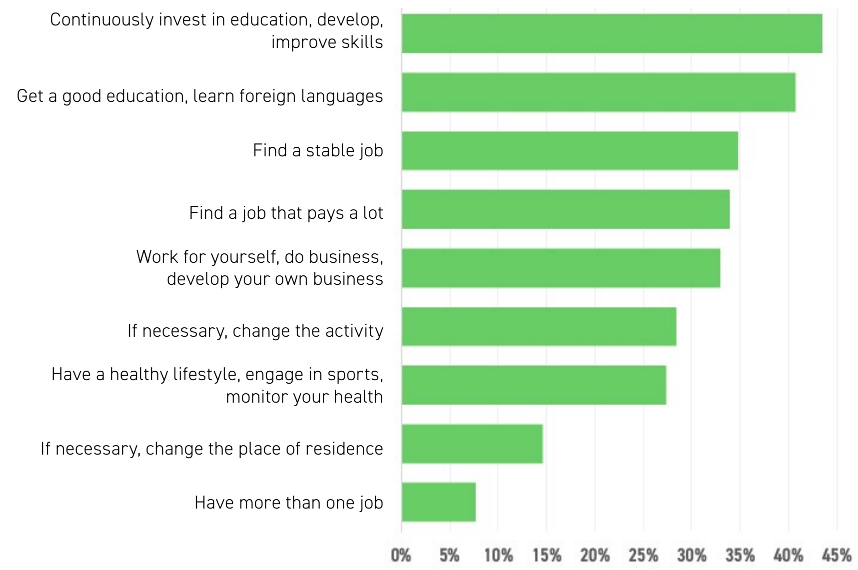
[28] Another 2.2% of respondents chose both options at the same time.

THE STATE PROVIDES THE CONDITIONS FOR ACHIEVING A GOOD STANDARD OF LIVING. THIS INCLUDES INSTITUTIONS (INCLUDING ENSURING THE RULE OF LAW AND SECURITY), CONDITIONS FOR ECONOMIC AND BUSINESS DEVELOPMENT, AND CONDITIONS FOR / IMMEDIATE FORMATION OF A QUALITY SOCIAL ENVIRONMENT. UNDER CONDITIONS OF UNCERTAINTY, THERE IS A GREAT NEED FOR STABILITY AND PREDICTABILITY.

Personal efforts to improve living standards included nine answer options. All options suggested an active position of the respondent. Answers to the question "What should a person who wants to achieve a good standard of living do?" can be grouped by the "vector" of efforts. Extensive strategies that imply focus on income from "here and now" employment (search for a job with a high salary, stable job, combining several jobs) were supported by 59.1% of respondents in total[29], see Fig. 7.

Strategies of investing in human capital (getting a good education, a healthy lifestyle) are, in this case, "static", i.e., people are willing to invest time, financial resources, and physical effort in achieving a higher level of their human capital, which, presumably, will be monetized into a higher level of income. In such strategies (answer options included in this group were mentioned by 58.8% of the respondents), education is considered a basis, a kind of guarantee of a good standard of living. One of the possible explanations is that there are socially approved stable stereotypes about education and a healthy lifestyle which are inherent attributes of a modern person (people aged 55 and older choose both of these options significantly more often than young people do as necessary efforts for increasing their living standards).

Fig. 7. Personal efforts to improve living standards, % of respondents



Note: The question is worded as follows: "What should a person who wants to achieve a good standard of living do?" Respondents could choose up to three options.
Source: Calculations based on the National Population Survey data (April-May 2022)

Studies have shown a relationship between wages and the level of education in Belarus (see Chubrik and Shimanovich, 2013). Still, in the reality of public accessibility and wide coverage of higher education without additional efforts to "monetize" it (both in terms of labor strategies and lifelong learning), it does not guarantee high incomes and good living standards. Lifelong education is the most popular option for making an effort to improve one's standard of living. The prevalence of such views may be related to the rapid development of the IT sector in Belarus (especially in the last five years) and the increased demand

[29] Another 17.3% of respondents chose more than one of these options at the same time.
[30] Another 9.3% of respondents chose both options at the same time.

for IT companies for a highly educated workforce. In this sense, we refer development strategies to education, including the options "constantly invest in your education, develop, improve your skills" and "work for yourself, do business, develop your business". In total, development strategies were supported by 65.1% of respondents[31].

Finally, 39% of respondents[32] mentioned change strategies, including 28.4% who think that to achieve a good standard of living, one should change their activity, and 14.6% who believe they should change their residence. Change strategies are the least popular among the respondents: on the one hand, a change in the activity or residence can be a forced measure; on the other, a positive result of such changes is not always obvious, especially in the medium/long term. The opinion that a change in the activity will help improve the standard of living is most common among respondents aged 25-34 (33.3%), and the opinion that a change of residence will help improve the standard of living is most common among the 18-24 age group (18.6%).

People's place of residence determines their views on objective (availability of conditions for a higher standard of living) and subjective (efforts to take for a higher standard of living) factors of a higher standard of living. As focus-group discussions showed (see KEF, 2022) that Minsk residents spoke more often about subjective factors (a person's desire, occupation, qualifications, personal efforts), while survey participants from other regions pointed to objective factors, in particular to advantages of living in the capital: "a big city gives more opportunities".

> WHAT EFFORTS ONE MUST TAKE TO ACHIEVE A GOOD STANDARD OF LIVING ARE DETERMINED BY ONE'S INDIVIDUAL ATTITUDES AND PERSONAL EXPERIENCE. THE MOST POPULAR EFFORTS CAN BE ATTRIBUTED TO NORMATIVE JUDGMENTS: TO LIVE WELL, ONE MUST STUDY A LOT, LEAD A HEALTHY LIFESTYLE, AND HAVE A BUSINESS. INDIVIDUAL EXPERIENCE (ACTUAL "STOCK" OF HUMAN CAPITAL, PLACE OF RESIDENCE, A FIELD OF ACTIVITY, AGE) CAN DETERMINE THE CHOICE OF EXTENSIVE STRATEGIES (SEARCH FOR THE BEST OF WHAT IS POSSIBLE) OR CHANGE STRATEGIES ("ZEROING OUT").

The definitions of the concept "good standard of living", necessary conditions, and actions to be taken to achieve it are closely related to the **urgent needs** of the respondents. According to the poll, the top three most pressing needs today include health preservation – 66.1% of answers, providing the family with the basic necessities (food, clothes, and basic services) – 65.3%, and personal safety and safety of relatives –59.3%. All other needs appear to be significantly less critical than the first three. A good education for children was mentioned as the most important need by 35% of respondents, and professional growth and self-realization – by 30%. The need to own housing or improve living conditions is essential for 29.6% of the poll's participants. The penultimate line in the needs rating is leaving the country for long-term or permanent residence, which is relevant for 7.9% of respondents.

This answer option was worded upon the analysis of the focus group discussions. According to the initial hypothesis, the need to leave the country repeatedly mentioned by focus group participants was associated with their demand for personal safety. However, the survey results show no significant direct connection between these needs. At the same time, the respondents who chose this option consider the rule of law and fair justice as essential

[31] Another 15% of respondents chose both options at the same time.

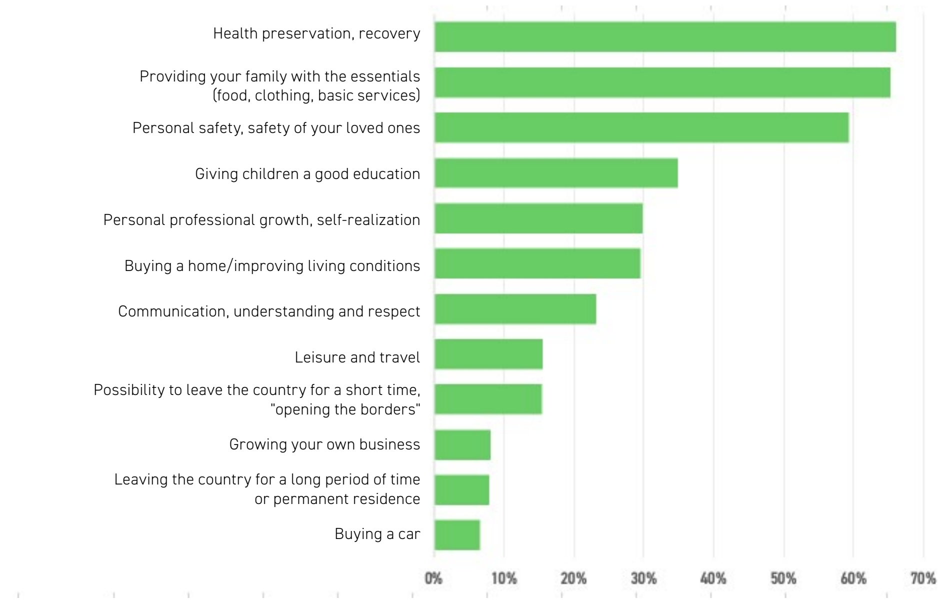
[32] Another 4.1% of respondents chose both options at the same time.

conditions for achieving a good standard of living. It seems complicated for this group of respondents to achieve a good standard of living and fulfill their urgent needs without these conditions, which creates the need to leave the country for long-term or permanent residence.

The need to leave the country for long-term or permanent residence mentioned by respondents allows us to assess the potential for emigration caused by negative internal and external shocks[33]. For this purpose, the data were weighted (given the actual age structure of the general population): the share of urban residents aged 18-74 years, who mentioned emigration as a pressing need, was 7.5% (95% confidence interval, 5.9 – 9.1%), equal to 405 thousand people (from 319 to 492 thousand people). Respondents were further grouped by the number of children under 18 years of age: without children, with one, two, and three or more children. In the latter group, the average number of children was assumed to be 3.33 (the average for the sample). Assuming that departure is relevant for the entire family, the potential number of children whose parents have a pressing need to leave the country for long-term or permanent residence is 114,000, or 7.7% of the total number of children in urban areas at the beginning of 2022[34].

Intuitively, the relevance of emigration for rural areas is lower than for urban areas. However, the definition of an urban area plays an important role here. Statistics classify settlements as urban based on their official status, not the population size. Based on the U.S. Census Bureau's definition of urban areas, which defines towns and cities as those with more than 2,500 residents (see GARM, 1994), the 2019 census counts 68,500 fewer urban residents. At the same time, some settlements, which statistics classify as rural areas, are de-facto urbanized. If we use the population of a rural area of 5,000 inhabitants or more as a criterion for the 2019 census, the rural population will be almost

Fig. 8. The most pressing needs today, % of respondents



Note: The question is worded as follows: "Please choose for yourself the most urgent needs for today" Respondents could choose up to four answer options. The average number of options chosen was 3.62.
Source: Calculations based on the National Population Survey data (April-May 2022)

392 thousand people (18.5%) less. In the Minsk region alone, there were 261.7 thousand such "rural urban dwellers" or 39.6% of the region's rural population. Therefore, the data on the perception of emigration as a pressing need can be extrapolated to about 1/5 of the rural population, so the final number of people, for whom leaving the country for a long time/permanent residence is an urgent

[33] See footnote 20 for estimated emigration rate after the 2020 election.

[34] Assuming the same number of children per adult, the interval would be between 90,000 and 138,000 children.

need, will be even greater.

The departure of such a large number of people would have highly negative economic consequences. Firstly, relatively younger people consider emigration as a need: the average age of urban residents[35] in this group was 42.6 years, and the median – 42.1 years, and those for whom emigration is not a need - 44.9 and 44 years, respectively; 87.2% were of pre-pension age (women under 57 years old inclusive, men under 62 years old inclusive) in the first group, and 79.8% of urban residents aged 18 to 74 years in the second group. This will increase the demographic burden (there will be more pensioners per working person) and consequently aggravate the problems of the pension system. Secondly, more productive employees (among them half as many state employees as among those for whom emigration is not relevant, while salaries of state employees are much lower than the average wages in the economy – 79.1% of average wages in 2021) and those who have not yet started working (i.e., young people, in whose human capital their parents and taxpayers have invested funds, see Shcherbina and Chubrik, 2021) consider emigration as a need. This will reduce the potential for increasing productivity. Third, the departure of such a large part of the population (including children) significantly reduces the size of the domestic market and, consequently, investors' interest in the country.

> TO BE HEALTHY, TO PROVIDE ONESELF AND ONE'S FAMILY WITH EVERYTHING NECESSARY, AND TO LIVE IN SAFETY ARE THE MOST URGENT NEEDS OF BELARUSIANS. SOME PEOPLE DO NOT SEE FOR THEMSELVES POSSIBILITIES TO COVER THESE NEEDS IN BELARUS – FOR 7.5% OF THE URBAN POPULATION (FROM 5.8% TO 11.9% DEPENDING ON THEIR AGE), THE LIST OF THE MOST URGENT NEEDS INCLUDES LEAVING THE COUNTRY FOR LONG-TERM OR PERMANENT RESIDENCE.

People's urgent needs correlate with their definition of a good standard of living, external conditions, and personal efforts needed to achieve it. For corresponding correlation matrices, refer to Appendix B, and the main correlations are summarized in Table 3.

Respondents, who mentioned the need to provide their families with essentials as an urgent need, often defined a good standard of living as their ability to buy everything they needed without considering how much it cost and the availability of housing. These respondents often indicated predictability and stability of the situation in the country and state social support as the conditions for achieving a good standard of living, and the search for a stable job and/or well-paid job as the necessary personal efforts to achieve it. Those for whom purchasing housing/improving living conditions was an urgent need defined a good standard of living as the availability of housing, named the social support of the state and support from their family/close circle as conditions to achieve it, and were willing to change their activity to satisfy this need. Similarly, there are links between the need to give children a good education and to maintain health/recover: and it is the need that determines how people define a good standard of living, conditions, and steps to achieve it.

Those respondents, who named leaving the country for long-term or permanent residence, personal safety/safety of relatives, and the possibility of leaving the country for a short time as their needs, mentioned the rule of law and fair justice as a condition for achieving a good standard of living more often. For the last two groups and for those respondents who mentioned the development of their own business and personal professional growth/self-realization as urgent needs, an efficient economy was more often a condition of achieving a good standard of living. At the same time, the group of respondents who mentioned personal safety as an urgent need often named getting a good educa-

[35] The ages range from 18 to 74 years old.

tion and learning foreign languages as their personal efforts to achieve a good standard of living (essential conditions for "finding oneself" abroad), and there was no correlation of this need with the need for emigration and the action "if necessary to change the place of residence"[36].

Quite a significant group of respondents (23.2%, see Fig. 8), who named communication, mutual understanding, and respect as their urgent needs, defined a good standard of living by the availability of time for self-development and decent pay (both characteristics can be assessed through the category "dignity"), while the conditions for its achievement were social cohesion and support of the immediate surroundings. The only need that correlated with the answer "a good standard of living can be achieved under any conditions" was the need for rest and travel (the definition of the standard of living corresponded to this need).

NEEDS OFTEN DETERMINE PEOPLE'S UNDERSTANDING OF A GOOD STANDARD OF LIVING AND THEIR IDEAS ABOUT WHAT CONDITIONS AND INDIVIDUAL ACTIONS ARE NECESSARY TO ACHIEVE IT. PEOPLE, WHO MENTIONED LEAVING THE COUNTRY FOR LONG-TERM/PERMANENT RESIDENCE AS AN URGENT NEED, ARE USUALLY WILLING TO CHANGE THEIR PLACE OF RESIDENCE TO ACHIEVE A GOOD STANDARD OF LIVING, AND PROBLEMS WITH THE RULE OF LAW/FAIR JUSTICE IN THE COUNTRY APPEAR TO BE THE MAIN PUSH FACTOR FOR THEM.

[36] There was even a weak inverse correlation between the choice of emigration and personal security as urgent needs, see Appendix B. This is difficult to interpret. Perhaps, the need for personal security is felt more by those who plan to stay in the country. But for those who consider emigrating, the lack of security guarantees becomes a push factor. It is not an individual problem, but rather a general characteristic of the legal environment in the country (respect for the rule of law, effective justice as a condition of achieving a good standard of living).

The relationship between needs and characteristics/conditions/efforts to achieve a good standard of living

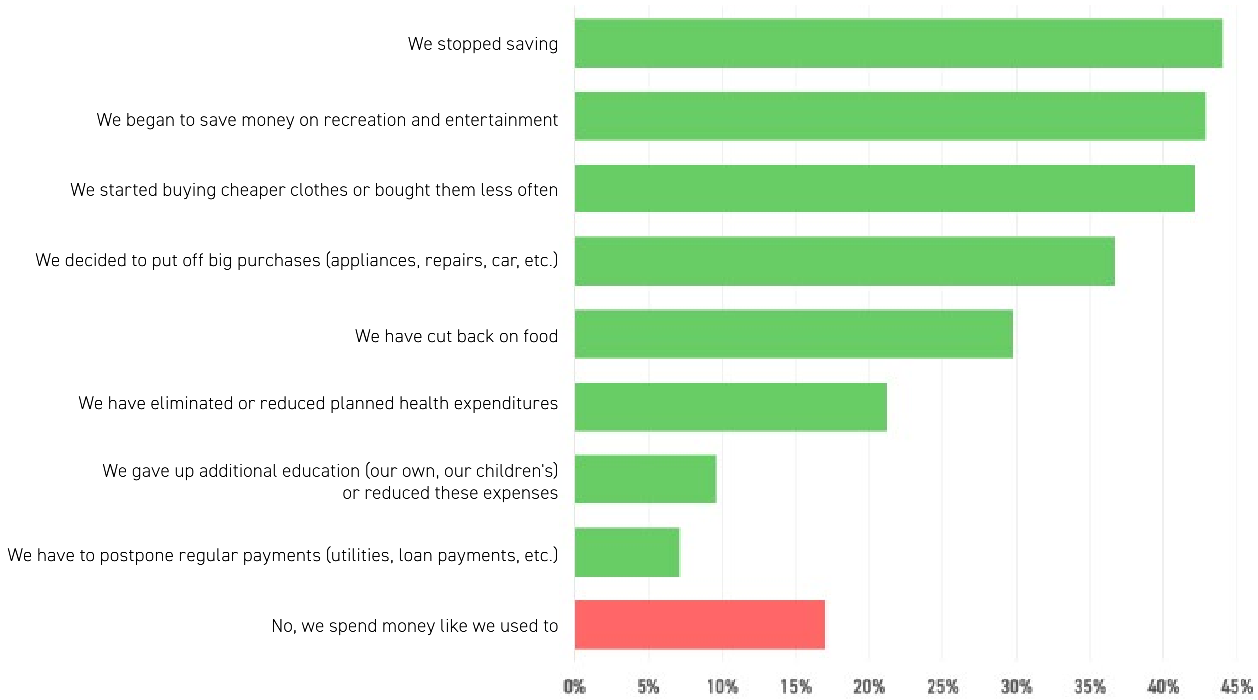
Needs	Characteristics of a good standard of living	Conditions for achieving a good standard of living	Efforts for achieving a good standard of living *
Providing your family with the essentials (food, clothing, basic services)	When you can buy everything you need and not think about how much it costs When you own accommodation	Stability, predictable situation in the country State social support	Find a stable job Find a job that pays a lot
Vacation and travel	When you can afford vacations and travel abroad When there is enough time and money for self-development, hobbies, interests	**A good standard of living can be achieved under any conditions**	
Buying a home/improving living conditions	When you own accommodation	State social support Family and community support	If necessary, change the activity
Buying a car	When you own a car		
Health preservation, recovery	When you can afford to pay for quality healthcare	High-quality and affordable medicine Safe and healthy environment	Have a healthy lifestyle, engage in sports, monitor your health
Personal safety, safety of your loved ones	When you don't feel disadvantaged in anything	Respect for the rule of law, fair justice Developed business, efficient economy	Get a good education, learn foreign languages
Giving children a good education	When you can pay for a good education for your children	High-quality and affordable education	Find a job that pays a lot Find a stable job
Personal professional growth, self-realization	When there is enough time and money for self-development, hobbies, interests	Developed business, efficient economy High-quality and affordable education	Continuously invest in education, develop, and improve skills If necessary, change the activity
Growing your own business		Developed business, efficient economy Developed recreational infrastructure	Work for yourself, do business, develop your own business Continuously invest in education, develop, and improve skills
Leaving the country for a long time or for permanent residence		Respect for the rule of law, fair justice	If necessary, change the place of residence

Note: See the correlation matrices in Appendix B. * "Have more than one job" option does not correlate with actual needs.

Source: Calculations based on the National Population Survey data (April-May 2022)

Needs	Characteristics of a good standard of living	Conditions for achieving a good standard of living	Efforts for achieving a good standard of living *
Possibility to leave the country for a short time, "opening the borders"	When you can afford vacations and travel abroad	Developed business, efficient economy Respect for the rule of law, fair justice Stability, predictable situation in the country	If necessary, change the place of residence
Communication, understanding and respect	When there is enough time and money for self-development, hobbies, interests When you get adequate money for your work, the salary does not undermine your dignity	Social cohesion Family and community support	

Fig. 9. Change in consumer behavior, % of respondents



Note: The question is worded as follows: "Has your family changed their consumer behavior in the last couple of months?" The option "No, we spend money like we used to" was the exclusive answer. Respondents could have chosen all of the following options.
Source: Calculations based on the National Population Survey data (April-May 2022)

3.3. Prospects and main challenges

The impact of the unfolding economic crisis on people's welfare can be seen both in the short-term decline in living standards and in the formation of negative medium-term expectations. After the first two months since the beginning of the war in Ukraine, more than 80% of the urban residents – respondents to a national poll – noted a change in their consumption behavior "over the past couple of months". First of all, households gave up new savings, saved on recreation and entertainment, and bought fewer clothes (or started buying cheaper clothes). Each of these options was chosen by more than 40% of respondents (Fig. 9). More than 35% of the respondents postponed big purchases (including repairs). It happened against the background of rush demand for nonfoods, observed a month before the survey[37]. Almost 30% of respondents saved on food, over 20% on health, almost 10% on education, and 7.1% had to postpone regular payments (utility bills, installments of loans, etc.).

> ONLY 17% OF THE URBAN POPULATION DID NOT CHANGE THEIR CONSUMPTION BEHAVIOR AND CONTINUED TO "SPEND MONEY LIKE WE USED TO".

Students (35.1% of respondents in this group continued to spend money as like we used to), people who have their own business (30.4%), freelancers (21.6%) and pensioners (21.1%) noted unchanged consumption habits more often than others. The unemployed (4.4%) and part-time workers (5.1%)[38] were the most vulnerable to the current economic shock. The fact that the crisis hit the least well-off part of the population is also confirmed by the data showing the connection between the standard of living and the invariability of consumer behavior (see Table 4). At the time of the survey, most urban residents – 42% (weighted data) – indicated that their family usually has enough income to buy food and clothes, but buying durable goods (TV, refrigerator, etc.) causes difficulties. Slightly more than 1% of respondents said they could afford a house or apartment if necessary, and 10.3% said they did not always have enough money, even for food. Compared to the 2019 survey[39], the share of this category increased most significantly (4.2% in 2019), followed by those who have enough money for food but have trouble buying clothes (from 17.3% in 2019 to 21.9% in 2022). The increase in the proportion of respondents in these categories was due to a decrease in the proportion of respondents who refused to answer. An analysis of the 2019 survey data showed that the category of respondents who refuse to answer is most likely people with a standard of living that corresponds to the answer option "we have enough money for food, but it is difficult to buy clothes," see Chubrik and Shcherbina, 2021.

[37] According to Belstat, retail turnover of non-foods in March 2022 increased by 15.6% vs. March 2021, and fell by 16% vs. April 2021

[38] Given the sample size and, therefore, the number of respondents per group, the figures should not be taken as exact figures, but as an indicator of the relative vulnerability of the unemployed and underemployed compared to businessmen/freelancers and pensioners/students, the latter two groups being less vulnerable to shocks for different reasons.

[39] Survey "People's Attitudes toward the Social Security System: Pensions and the Labor Market, 2019"

[40] Question Q25, see Appendix A.

Table 4. Correlation between the level of wellbeing and the invariability of consumer behavior during the crisis[40]

	We don't always have enough money even for food	We have enough money for food, but it is difficult to buy clothes	We have enough money for food and clothes, but buying a television, refrigerator, etc. would be difficult **	We can buy basic household appliances, but we don't have enough for a car	We can buy a car if we want ***	Total
We spend money like we used to	5.8	3.9	15.6	30.3	57.8	17.0

* * % of respondents in each group who indicated that they spend money like they used to;
** including the "don't want to answer" option,
*** including options "we can buy a car if we want, but our money is not enough to buy an apartment/home" and "We can buy an apartment or house if we want".

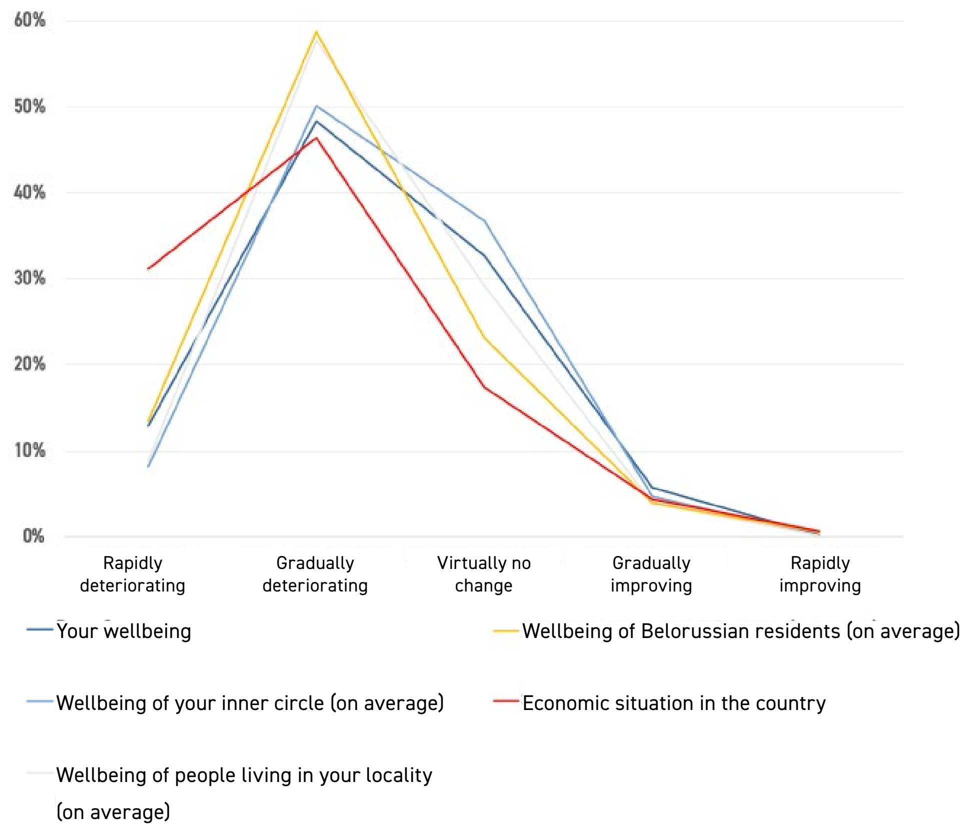
Source: Calculations based on the National Population Survey data (April-May 2022)

Most respondents unambiguously considered the situation at the moment of the survey as a crisis. They assessed changes in the economic situation in the country and changes in people's wellbeing pessimistically. According to respondents, the economy was deteriorating faster than people's wellbeing. Almost a third of the respondents (31.2%) considered that the economic situation in Belarus was worsening quickly, and 46.4% – gradually (less than 5% of the respondents said that the economic situation in the country had improved). According to the respondents' assessments, changes in people's wellbeing are occurring more slowly. About half of the respondents noted gradual deterioration of their wellbeing and that of the people close to them – 48.4% and 50.1%, respectively (which approximately corresponds to the share of respondents who chose the same option for the economic situation). The

Fig. 10. Assessment of the current change in welfare and economic situation, % of respondents

Note: Distribution of answers to the question "In your opinion, how is ... changing now?"

Source: Calculations based on the National Population Survey data (April-May 2022)



rapid deterioration was mentioned by 12.9% and 8.2%, respectively (which is much lower compared to the similar share for the economic situation), see Fig. 10. However, in general, assessments of changes in people's wellbeing correlated with assessments of changes in the economic situation, and the "further" from personal experience was the population group for which such assessments were made (people of your circle, residents of your locality, residents of Belarus in general), the tighter the correlation was[41].

There were small but statistically significant differences between the assessments of changes in personal wellbeing and the wellbeing of people in the inner circle in settlements not related to Minsk, while in Minsk the average assessments of changes in personal wellbeing, the wellbeing of people in the inner circle and the respondent's settlement did not differ significantly from each other. Respondents from Minsk feel that their wellbeing changes to the same extent as the wellbeing of "people of their circle". In the rest of the cities there are differences between the assessments of changes in one's wellbeing and that of the nearest environment: according to the respondents, their wellbeing is deteriorating faster than that of the people in their inner circle[42], see Fig. 11. As in Minsk, there are no differences in the perceived dynamics of respondents' wellbeing as compared to an "average" resident of their settlement. Both in Minsk and outside of it, respondents identify themselves with an "average" resident of their settlement (probably, this can be called the attitude "I live not worse than others"). Still, respondents outside the capital perceive differences in the dynamics of their wellbeing and the wellbeing of people in their inner circle, which is based to a greater extent on personal experience[43].

Short-term expectations – expectations within a year – were the most pessimistic. Only 8% of respondents expected the life "of people like them" to improve in the current year, whereas almost 60% expected deterioration, including strong deterioration – 12.3% . 31% of respondents thought that life would not change (and this after the upheavals that had already happened). People's expectations in the medium term were more positive: almost a third of respon-

Fig. 11. Respondents' assessment of the current change in wellbeing (mean score)

Note: The assessment is based on the distribution of answers to the question, "In your opinion, how is ... changing now?" on a five-point scale, where 1 – rapidly deteriorating, 2 – gradually deteriorating, 3 – virtually no change, 4 – gradually improving, 5 – rapidly improving. The margin of error refers to the 95% confidence interval. The options "people in the inner circle", "people living in your locality" and "people living in Belarus" contained the specification "(on average)".

Source: Calculations based on the National Population Survey data (April-May 2022)

[41] Paired correlation coefficients between the assessments of the changes of the economic situation in the country on the one hand, and the wellbeing of Belarusians, residents of the respondent's settlement, people in the inner circle and the respondents themselves are 0.720, 0.617, 0.510 and 0.463, respectively (all significant at the 1% level).
[42] The differences are small (the corresponding mean scores are 2.32 and 2.41), but statistically significant.
[43] The composition of the "inner circle" of respondents was not assessed as part of this survey. Presumably, for Minsk residents people from the inner circle are likely to be residents of the respondent's settlement, i.e. Minsk, for residents of other cities the geography of the "inner circle" may be wider and include Minsk residents where the living standard is objectively higher and its dynamics looks less dramatic in respondents' perception of other cities.

dents said their lives would improve in three years, but this was still less than the proportion who expected deterioration in this time interval. In the long term (five years), almost 40% of respondents expected that their life would improve, see Fig. 13. It can hardly be said that respondents were unsure of their answers when it came to forecasting the situation in the longer term: even when it came to assessing the situation in five years' time, only 18.2% found it difficult to answer, which is not so much given the level of uncertainty at the time of the survey.

Fig. 12. Current change in wellbeing and expected change in life, % of respondents

Note: Distribution of answers to the questions "In your opinion, how will the lives of people like you change compared to 2021?" (How will it change this year) and "In your opinion, how is your wellbeing changing now" (How is it changing now).

Source: Calculations based on the National Population Survey data (April-May 2022).

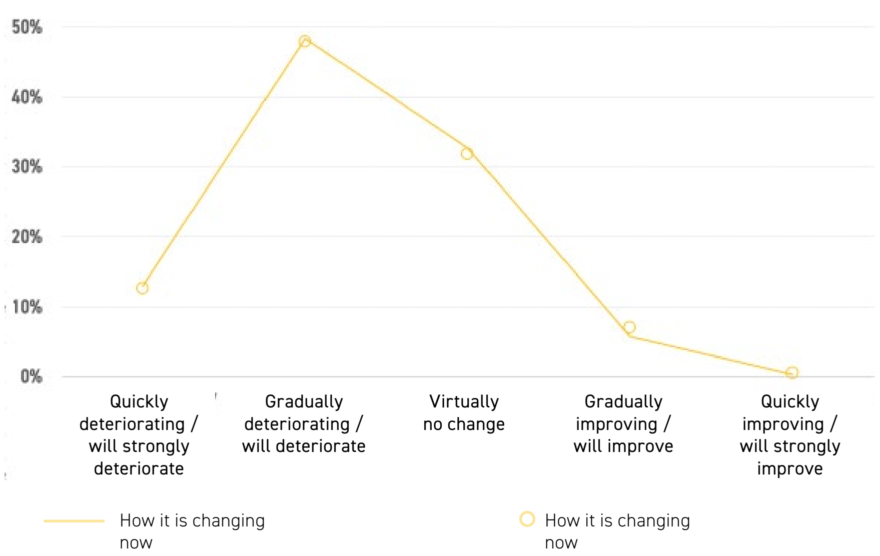
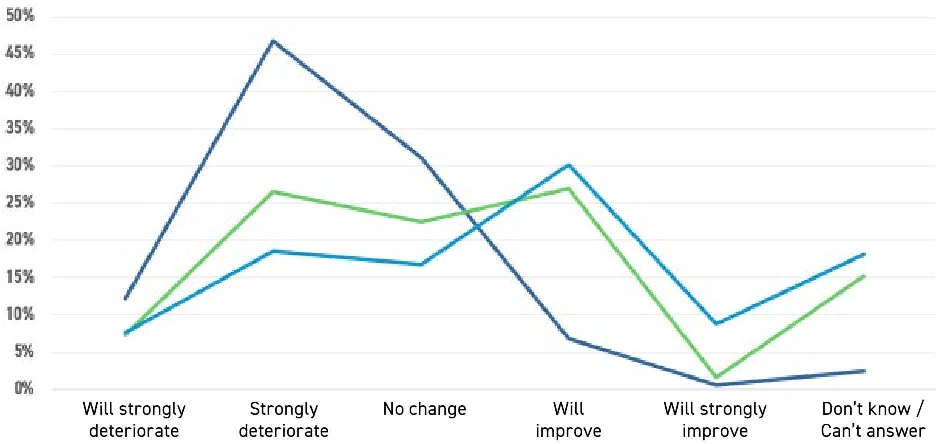
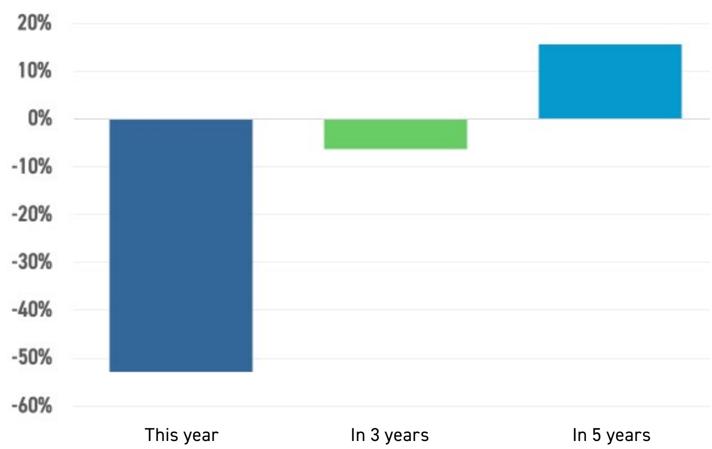


Fig. 13. Expectations about the future at different time horizons

Note: Response balances are calculated based on valid percentages.
Source: Calculations based on the National Population Survey data (April-May 2022)



(a)) Distribution of answers to the question "In your opinion, how the life of people like you will change compared to 2021?", % of respondents



(b) Balances of answers (positive minus negative), percentage points

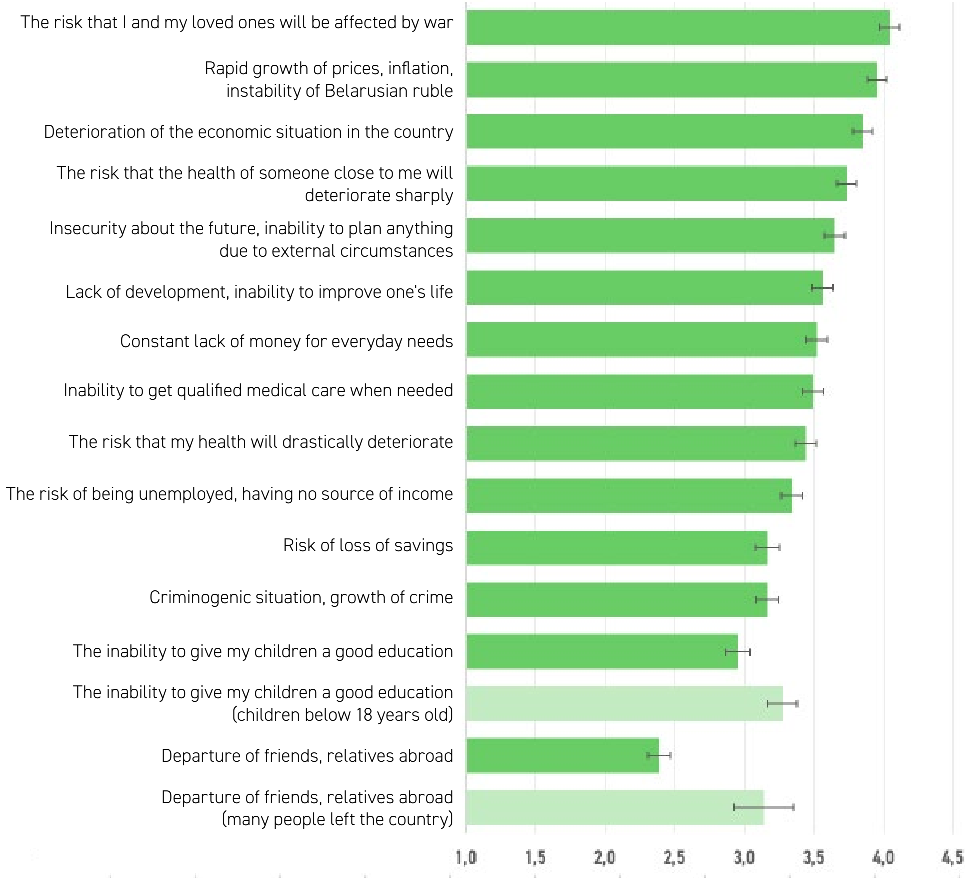
[44] Only 7.4% of respondents said their lives might improve this year, and only 0.6% expected significant improvements.

The situation at the time of the survey was perceived as a crisis, with respondents viewing the crisis as medium to long-term. The immediate reaction to the shock was a reduction in spending and a change in consumer behavior. The most vulnerable categories of respondents were the unemployed and part-timers.

The change in the economic situation is assessed as worse than the change in people's wellbeing. Short-term expectations (within a year) are the most pessimistic. Expectations on the horizon of three and especially five years are better. Still, even in three years, the welfare (according to the "average" respondent) will not return to the pre-crisis level.

Negative expectations about changes in the standard of living were accompanied by a fairly high level of concern among respondents about the various manifestations of the current crisis and its associated risks. The greatest concern at the time of the survey was the threats associated with the war in Ukraine. The fear that the respondents themselves and their relatives could be affected by the war was assessed by the survey participants on average by 4.04 points on a five-point scale. Only the beginning of economic problems – the rapid growth of prices, unstable exchange rates, and deterioration of the economic situation – caused almost the same level of concern as the war. Uncertainty about the future and other subjective risks (inability to improve one's life, lack of money, risk of unemployment, etc.) also caused anxiety for the majority of respondents (the average score for all economic risks was significantly higher than 3 or even 3.5). Concerns about their own and their relatives' health and about the quality of medical care against the background of the recently ended pandemic, the worsening economic situation, and the intensification of other threats were also high, see Fig. 14.

Fig. 14. Assessment of respondents' fear (mean score)



Note: Assessment based on the distribution of responses to the question "To what extent are you concerned about..." using a five-point scale, where 1 is not at all, 2 – a little, 3 – from time to time, 4 – I am concerned, and 5 – Very much concerned.
The margin of error refers to the 95% confidence interval. For the two options ("Impossibility to give children a good education" and "Departure of friends, relatives abroad" the averages were also calculated for the groups of respondents with the corresponding "personal experience" (shaded).
Source: Calculations based on the National Population Survey data (April-May 2022)

The attitude of the survey participants to possible negative scenarios of further developments in the events shows the state of high anxiety in which the Belarusian society is staying. Of the 14 "reasons for anxiety" offered, respondents gave only one meaningfully lower-than-average rating (i.e., below three points on a five-point scale). The departure of friends and relatives abroad is the only option that aroused not high anxiety in the poll participants (average score – 2.39 points). However, when singling out the group of respondents surrounded by many who have already left Belarus, the average estimate of the anxiety about their friends and relatives leaving for abroad went up to 3.14 points (Fig. 14).

THE GREATEST FEARS OF URBAN BELARUSIANS AT THE TIME OF THE SURVEY WERE CAUSED BY THE WAR, THE ECONOMIC SITUATION AND THE HEALTH OF THEIR LOVED ONES, ALL OF WHICH ARE BEYOND THEIR CONTROL. THE MOST DISTURBING RISKS AND THE GENERAL LEVEL OF FEAR SHOW THAT MOST RESPONDENTS UNDERSTAND THE MECHANISMS OF THE IMPACT OF THE CURRENT SHOCK ON THEIR WELLBEING.

4 Decent work for all

The challenges related to labor market development naturally continue the theme of "growth for all". In this report, we will focus on two tasks related to creating conditions for achieving "full and productive employment" and fair wages, i.e., ensuring the inclusive nature of economic growth through "decent work for all" (Targets 8.3 and 8.5). To better understand the labor market situation in Belarus, this section will explore the official indicators of the relevant objectives and additional statistical indicators characterizing the labor market in the country. As in the previous section, this analysis is complemented by the analysis of the data of the National Opinion Survey.

4.1. Key indicators

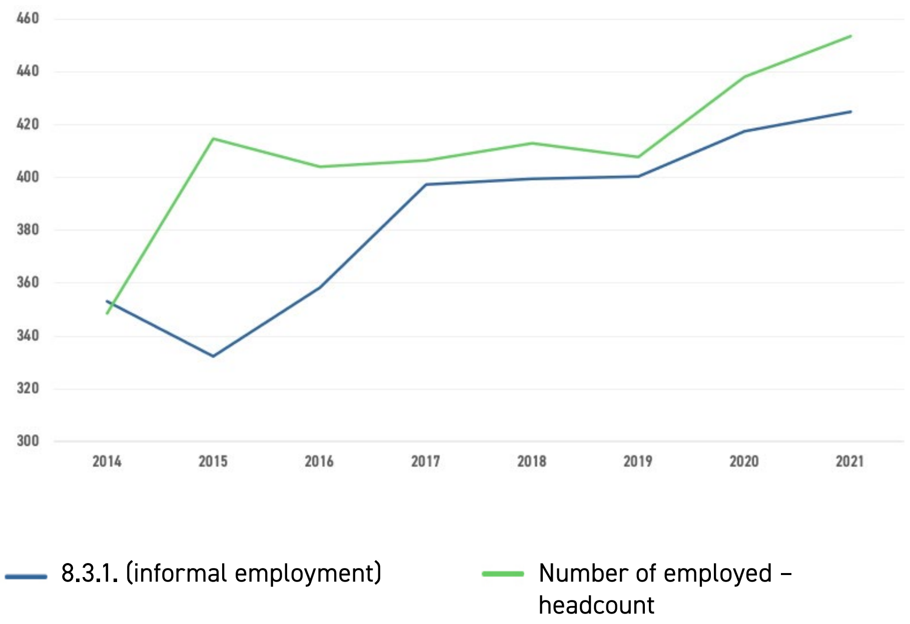
The complex wording of **Target 8.3** – "Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services" – is measured only by one indicator "Share of informal employment in total employment by sector and gender"[45]. This indicator is more relevant for countries with a high share of informal employment (e.g., in the agricultural sector), where its reduction indicates improving the situation of workers, increasing their protection, legalization of MSME sector activities, etc. In countries such as Belarus, informal employment may increase due to the development of more flexible forms of employment (such as freelancing and various forms of self-employment) and, accordingly, indicates a movement towards the goal, not vice versa. Therefore, the gradual increase in informal employment, measured both by data from a sample survey of employees and by the difference between the number of employees in the economy and the average number of employees over the period under review (Fig. 15), may indicate a gradual increase in the flexibility rather than a deterioration in the labor market. In particular, among freelancers (part of informal employment), the proportion of people who did not change their consumption behavior two months after the beginning of the war in Ukraine was 20% (see section 3.3), which is higher than the proportion of such people among full-time employees (17.4%) and even more among part-time employees (5.2%).

[45] Belstat defines the indicator as "the percentage of the number of employees of the respective gender engaged in informal employment in the non-agricultural sector out of the total number of employees of the respective gender in the non-agricultural sector". Informal employment is defined as "the work of persons employed in the informal sector as well as persons employed in organizations without formal labor relations," while the informal sector is defined as "the totality of households and individuals (informal sector units) that produce goods and services for the purpose of employment and income generation" (see Belstat, 2019).

*Fig. 15. Informal employment rates, administrative data and LFS data **

Note: Indicator 8.3.1 is the share of employed in the informal sector in the total number of employed, according to the LFS. The number of employed in the informal sector is calculated with the retrospective refinement of data on the population aged 15-74 years after the 2019 census. * Sample household survey to study employment problems of the population (Workforce Survey, LFS).

Source: Calculations based on Belstat data.



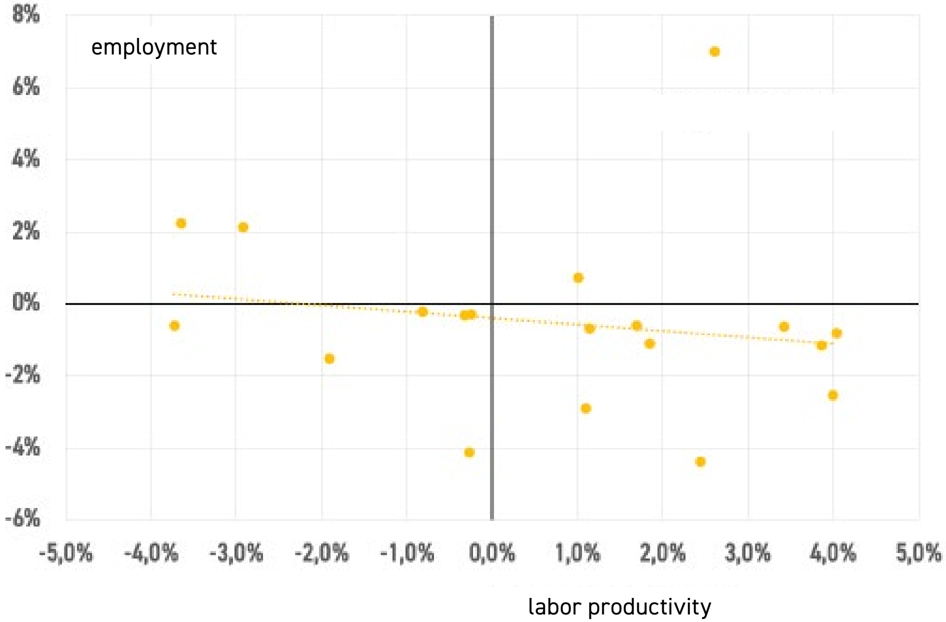
It is difficult to say unequivocally how effectively the labor market has reallocated labor to more productive activities. On the one hand, there were only two sectors in which both employment and labor productivity increased, while in a further six they fell "synchronously", see Fig. 16a. On the other hand, in the majority of activities (8 out of 18), a fall in employment went hand in hand with an increase in labor productivity (accounting for 95.5% of the fall in employment over the period under review), which means that restructuring (in this context, the reduction of excessive numbers of workers) has at least made it possible to increase labor productivity. If we compare productivity with benchmarks for each sector (using labor productivity in the Eurozone as a benchmark), the reallocation of labor to more productive activities becomes more evident. On average, the faster the gap in labor productivity in Belarus and the Eurozone (in identical sectors of the economy) narrowed, the higher the growth rate of employment in that sector over the same period (Fig. 16b). Of particular note is the situation in the IT sector, where the rapid growth in labor productivity (see Table 2) was accompanied by an increase in employment. This situation was observed up to and including February 2022, but the outbreak of war in Ukraine had a devastating impact on the sector and its potential as an employer. In March-July 2022, 11,000 people, or 58.2% of those hired between January 2016 and February 2022, were dismissed from the IT sector[46] on a net basis. This means that the sector, which was quite stable and efficient enough to cope with the consequences of the internal political crisis, turned out to be extremely vulnerable to the current shock.

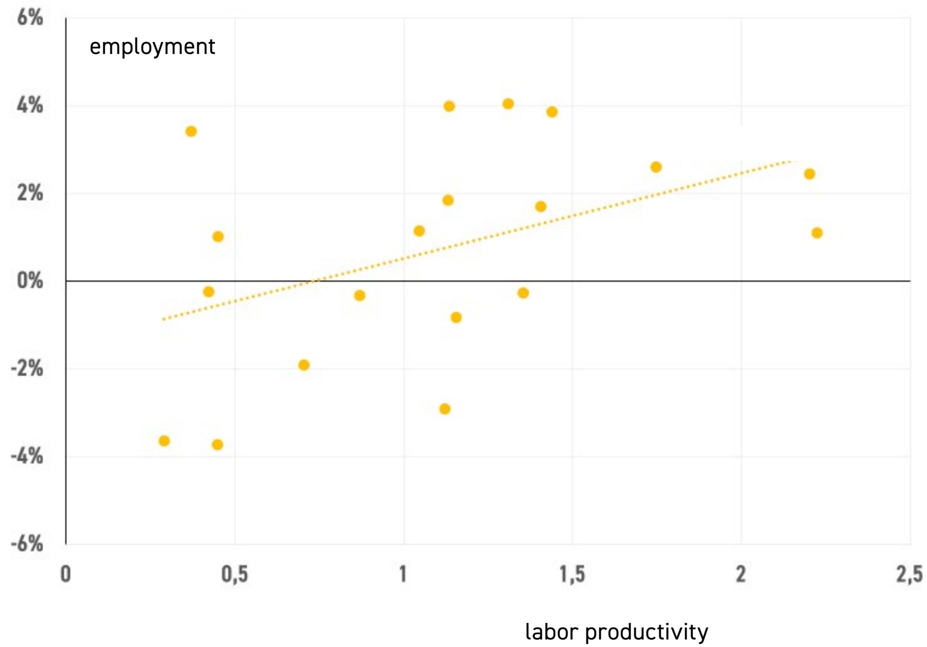
> THE LEVEL OF INFORMAL EMPLOYMENT HAS GRADUALLY INCREASED SINCE 2015, BUT THIS CAN BE SEEN AS A SIGN OF INCREASED FLEXIBILITY IN THE LABOR MARKET RATHER THAN EVIDENCE OF ITS INEFFICIENCY. IN MOST TYPES OF ACTIVITY, THERE WAS A REDUCTION IN THE EXCESS NUMBER OF EMPLOYEES, WHICH LED TO AN INCREASE IN LABOR PRODUCTIVITY.

An example of efficient labor allocation was the IT sector, where increased demand for labor was accompanied by rapid productivity growth. However, it was vulnerable to the current shock: the IT sector is characterized by a rapid outflow of workers after the outbreak of the war in Ukraine.

[46] Activity "Information technologies and activities in the field of information services"

Fig. 16. Relationship between the dynamics of employment and labor productivity by type of activity





(a) Growth rate of employment and labor productivity for 2016-2021, % annual average

(b) TGrowth rate of employment (% average per year) and change in the ratio of labor productivity in Belarus to the level of the Eurozone (percentage points) for 2016-2020

Note: Activities: agriculture, forestry, and fishing; industry (the sum of the activities "mining and quarrying", "processing industry", "supply of electricity, gas, steam, hot water, and conditioned air" and "water supply; collection, processing, and disposal of waste, pollution abatement activities"); construction; wholesale and retail trade; repair of cars and motorcycles; transport activities, storage, postal and courier services; HoReCa; information and communication; financial and insurance activities; real estate activities; professional, scientific and technical activities; administrative and support services activities; public administration; education; healthcare and social services; creative, sports, entertainment and recreation activities; provision of other services.

Source: Calculations based on Belstat and Eurostat data.

Despite the redistribution of part of the workforce between sectors (from less efficient to more efficient) and an increase in the retirement age, the employment rate decreased from 68.1% of the population aged 15-74 in 2015 to 67.3% in 2021 due to a decrease in the employment rate in the 15-29 age group (from 62.6% to 58.3%) and an increase in the share of the population aged 60-74 in the total employment (this group has an employment rate three times below average). The employment rate is not included in the indicators of **Target 8.5** "By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value", but it is even more important characteristic of the labor market than the unemployment rate, and requires further analysis. Such an analysis, however, is complicated since Belstat tends to restrict access to statistical data that has also affected the LFS. Since 2021, Belstat has stopped publishing data by five-year age groups (with indicator 8.5.2 "Unemployment rate, by sex, age and persons with disabilities" as the only exception). This restriction made data on the Belarusian labor market much less informative.

Nevertheless, the dynamics of the structure of labor resources compared to the pre-pandemic period (see Table 5) helps to see some critical changes. First, the specific weight of the population aged 15-29 years decreased significantly (by 2 percentage points in just 2 years). At the same time, the decrease in the specific weight of this group in the structure of labor resources was almost entirely accounted for by the employed in the country. The specific weight of another important population group – people aged 60-74 – increased by almost the same amount (2.1 percentage points), with the largest increase coming from the economically inactive (+1.25 percentage points). Both changes can be explained by demographics – a sharp decline in the proportion of young people and an increase in the proportion of older people in the workforce structure. As a result, compared to 2019, both the employment rate (by 0.42 percentage points) and the unemployment rate decreased (from 4.2 to 3.8% of the economically active population), but the latter decrease was almost entirely due to the decrease in the number of young people (15-29 years old), among whom the unemployment rate is highest (6.6% of the economically active population in this age group compared to 3.3% of the average for other age groups). In

Table 5. Change in the structure of the workforce in 2021 vs. 2019

Age	Workforce[1]			Employed domestically [2]			Employed abroad [3]			Unemployed			Inactive[4]		
	2019	2021	Change	2019	2021	Change	2019	2021	Change	2019	2021	Change	2019	2021	Change
Total	100.00	100.00	--	66.37	66.09	-0.28	1.36	1.22	-0.14	2.94	2.73	-0.21	29.33	29.96	**0.63**
15–29	22.28	20.27	-2.01	13.46	11.64	-1.81	0.29	0.17	-0.12	0.97	0.83	-0.13	7.56	7.63	0.06
30–39	20.70	21.17	0.47	18.51	18.86	0.35	0.51	0.49	-0.02	0.69	0.70	0.01	0.99	1.11	0.12
40–49	17.88	18.33	0.46	16.09	16.51	0.42	0.30	0.32	0.02	0.60	0.53	-0.08	0.88	0.98	0.09
50–59	18.88	17.90	-0.97	14.36	14.41	0.05	0.24	0.20	-0.04	0.52	0.43	-0.09	3.76	2.87	-0.89
60–74	20.26	22.32	2.06	3.95	4.67	0.72	0.01	0.03	0.02	0.16	0.24	0.08	16.13	17.38	1.25

Note: Data by year are given as % of the total workforce in the respective year, with change shown in percentage points. 1 Population aged 15-74 (employed population plus unemployed plus inactive. 2 Employed population minus employed abroad. 3 Citizens working outside the country (up to 1 year). 4 Economically inactive population (the official wording is "persons not part of the workforce").
Source: Calculations based on Belstat data.

addition, the duration of unemployment has increased: compared to 2019, the share of the unemployed with 1 to 3 months of job search has decreased by 3.2 percentage points (25.9% in 2021), 3 to 6 months – increased by 2.7 percentage points; 6 to 9 months – decreased by 1 percentage point, over 9 months – increased by 1.4 percentage points.

Employment abroad (short-term labor migration), as measured by the workforce survey, has not changed much (there has been a slight decrease, mainly in the youngest age group). It should be taken into account that there were many restrictions related to the COVID-19 pandemic in 2021, which probably played a major role in the decline of the relevant group in the workforce structure. These data certainly do not reflect the current state of affairs (changes in labor migration since the outbreak of the war in Ukraine) or the number of returnees, as they take into account only short-term labor migration and are collected based on a survey of those migrants who were in the country and were included in the sample at the time of the survey.

> THE UNEMPLOYMENT RATE AMONG MEN IS STEADILY HIGHER THAN WOMEN'S, BUT THE DIFFERENCES ARE GRADUALLY DECREASING.

As a rule, the proportion of unemployed women is higher among young people 15-19 years old (2021 is one of the rare exceptions); for the last 3 years the proportion of unemployed women is also slightly higher in the 60-74 age group, probably due to differences in retirement age: after retirement (up to age 58 in the period under review) many women would be willing to work. Still, there are not enough work opportunities in retirement. Compared to 2019, the unemployment rate among women aged 60-74 increased by one percentage point to 5.2% in 2021 compared to a 0.8 percentage point increase to 4.6% among men of that age. The youth unemployment rate increased even more substantially: by 14.7 percentage points to 31.5% among men aged 15-19 and by 11.5 percentage points to 29.3% among women of this age group[47]. Also, the unemployment rate among women aged 20-24 increased from 6.1% in 2019 to 8.7% in 2020 (the peak of the pandemic effects) and 7% in 2021, which showed the vulnerability of women in these age groups to shocks like the coronavirus pandemic[48]. The unemployment rate among people with disabilities[49] decreased significantly compared to the period before the pandemic (from 16% to 12.8% of the economically active population in this group). However, published data do not allow us to judge the reasons for this decrease.

> THE UNEMPLOYMENT RATE (AT A RECORD LOW OF 3.9% OF THE ECONOMICALLY ACTIVE POPULATION IN 2021) WAS FALLING AGAINST DECLINING EMPLOYMENT. ACCORDINGLY, ECONOMIC ACTIVITY FELL, PARTLY BECAUSE OF DEMOGRAPHIC FACTORS (AGING) AND PARTLY BECAUSE OF ECONOMIC FACTORS (LACK OF SUFFICIENT EMPLOYMENT OPPORTUNITIES FOR PENSIONERS AND YOUNG PEOPLE).

[47] The level of economic activity at this age is very low (9.8% of the age group population in 2020, 10.3% on average for 2014-2020), so the unemployment rate relative to the population at this age would not exceed the unemployment rate for the general population calculated in the same way.

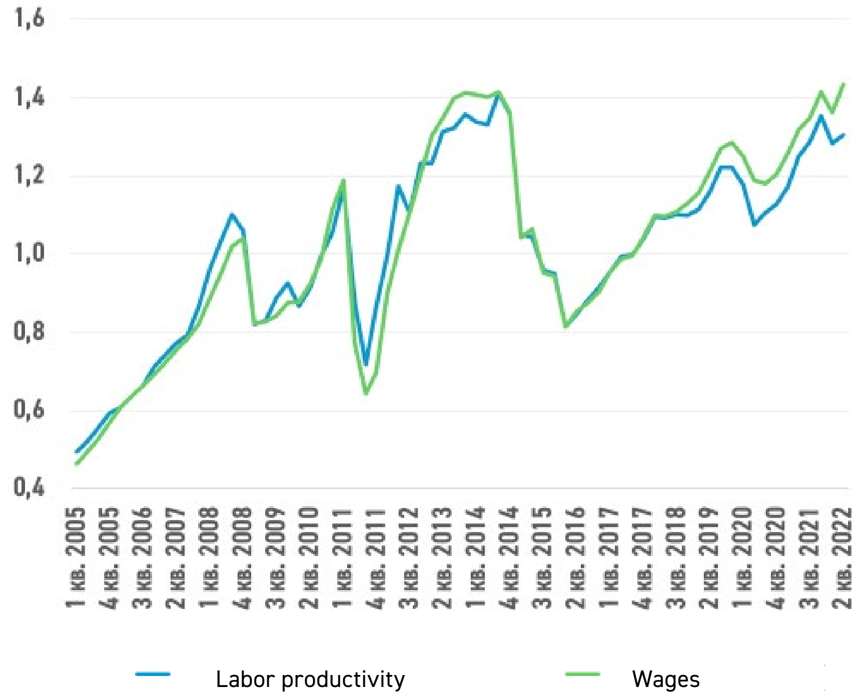
[48] On women's vulnerability to pandemic shocks, see, for example, de Paz Nieves, Gaddis, and Muller (2021). Women were also more vulnerable to the risks of hidden unemployment: for example, in HoReCa in the first wave of the pandemic, a significant proportion of workers "took" leave of absence (see Chubrik, 2022), and these are the activities that are predominantly "female": at the beginning of 2021, 77.9% of those employed in "retail trade, excluding trade in automobiles and motorcycles" were women (headcount); "transient accommodation and food services" were 70.3%.

[49] The official wording was persons aged 18-74 with disabilities.

These groups were the most vulnerable to the risk of unemployment, and it was in the "extreme" age groups that the vulnerability of women was higher (especially in the context of the coronavirus pandemic). People with disabilities also fall into the category of people vulnerable to the risk of unemployment, although the situation for this group has improved in recent years.

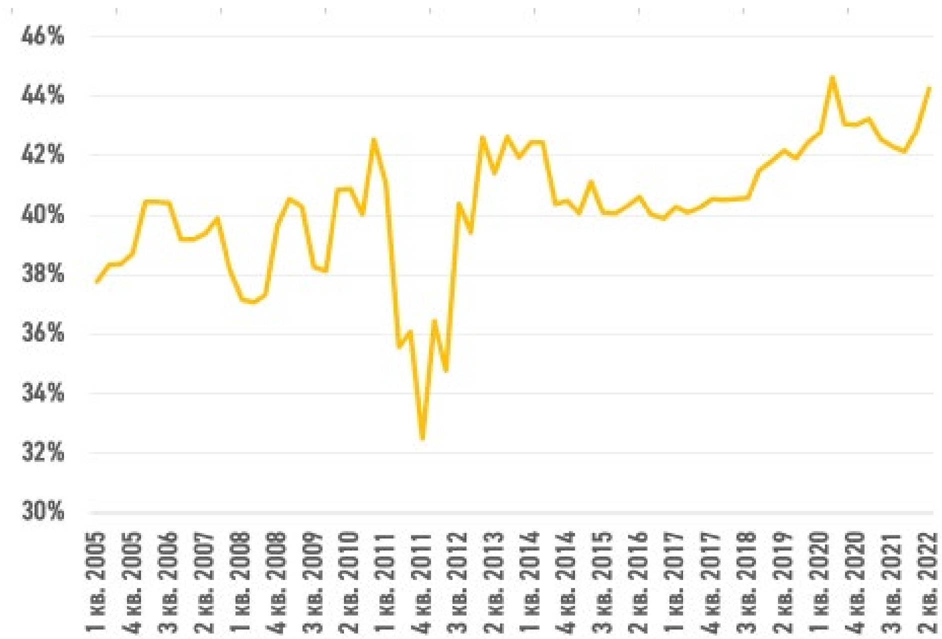
If unemployment does not give a comprehensive understanding of the situation with "provision of full employment", the 2030 Agenda has no indicators at all for "productive employment". Under the "growth for all" approach, an increase in labor productivity should be translated into an equivalent increase in wages. Wages and labor productivity in Belarus have always been very closely linked: in the long run, 1% growth in labor productivity provided about 1% growth in wages[50] (Fig. 17a), and with the rapid growth of the IT sector (2018), competition for human resources within the country, and due to the increasing gap in living standards with neighboring countries, competition with these countries intensified. As a result, the share of wages in the structure of business costs increased (Fig. 17b). Thus, the economy provided channels for the distribution of the benefits of economic growth: labor productivity growth was transformed into wage growth, to which social benefits, including pensions, were to some extent tied.

Fig. 17. Labor productivity and wages



(a) Wages and labor productivity (in U.S. dollar equivalent), index, 2015= 1

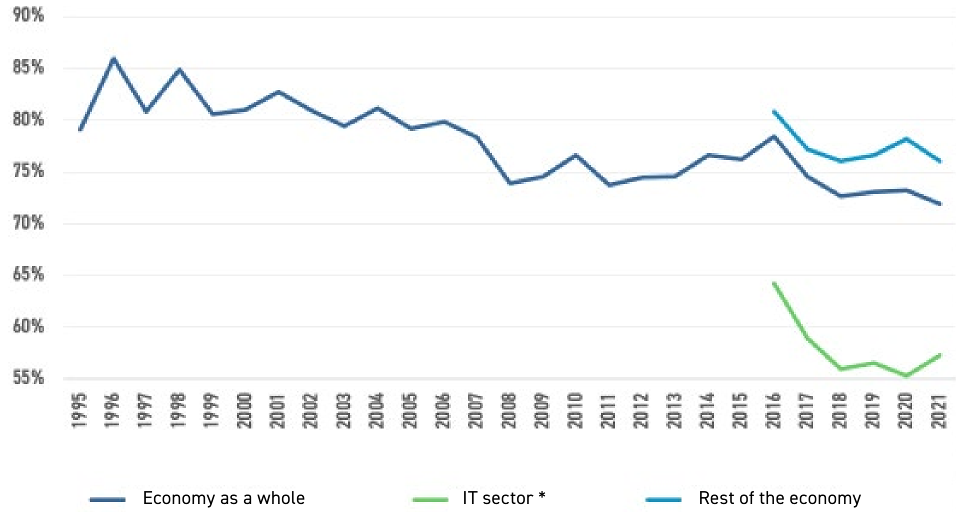
[50] We are talking about nominal indicators (or currency equivalent indicators) because the comparison of real indicators is flawed due to the difference in deflators – the CPI for real wages and the GDP deflator for real labor productivity. The GDP deflator is usually higher than the CPI, which leads to a "faster" growth rate of real wages compared to real labor productivity.



(b) Unit labor costs, % of GDP per person employed*

Wage disaggregation by gender and disability (indicators 8.5.1, 8.5.1.1, and 8.5.1.2) can be seen as an approximation for the "equal pay for work of equal value" target. However, it does not measure the "value" of labor. In the first approximation (comparison of average wages of women and men in the economy as a whole), there was a trend of increasing gender gap: if, before 2006, the average wage of women was about 80% of the average wage of men, by 2015 it decreased to 76.2%, and by 2021 – to 71.9%, which is a historical minimum for Belarus. One of the reasons for this decline is the increase in the proportion of women working in the IT sector in the total number of women employed (from 1.8% in 2016 to 2.7% in 2021), as the pay gap between men and women in the IT sector is the widest compared to other activities: in 2021, the salary of women working in this sector will be 57.3% of the salary of men (see Fig. 18a). Women's wages in IT are significantly (2.56 times) higher than in the rest of the economy, but for men this difference is even greater (3.21 times), see Fig. 18b.

Fig. 18. Gender pay gap, %



*(a) Indicator 8.5.1.1 Ratio of average wages of women and men***

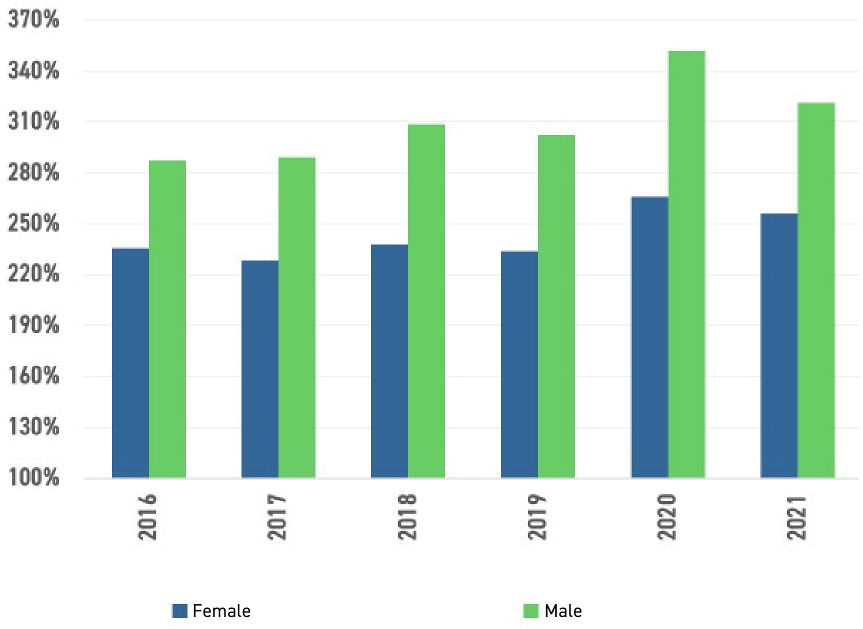
* Type of activity "Information technology and information service activities".

** % of the average salary of men.

Source: Calculations based on Belstat data.

* calculated as the ratio of the average monthly wage in the respective quarter to the average monthly labor productivity (GDP per person employed) in that quarter (seasonality eliminated). The indicator does not include contributions paid by the employer to the Social Security Fund.

Source: Calculations based on Belstat data.



(b) Ratio of salaries in the IT sector to the rest of the economy

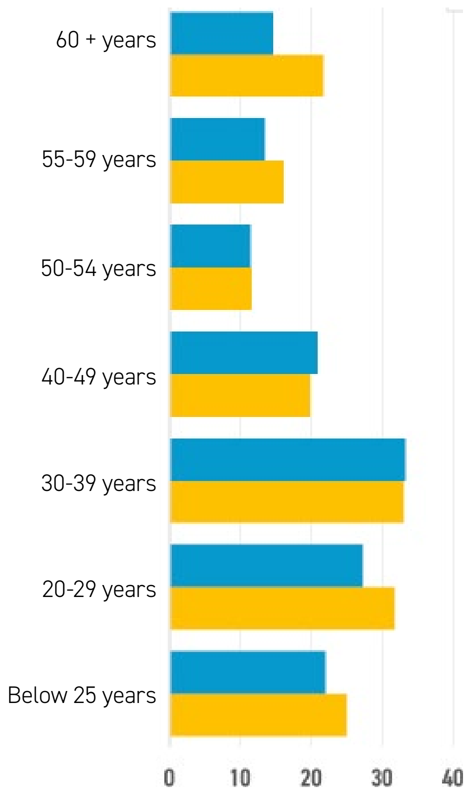
Further disaggregation of pay data (indicator 8.5.1 " Average hourly earnings of employees, by sex, age, occupation and persons with disabilities," which actually includes indicator 8.5.2 "Ratio of average hourly earnings of disabled people to average hourly earnings of employees") is available for a shorter period: 2019 and 2021 – by age, 2011, 2014, 2016, 2019, and 2021 – by occupation (average hourly earnings), and 2019 and 2021 – by gender and occupation (monthly averages). Unlike Indicator 8.5.1.1, these data are collected in October rather than December, which accounts for some differences in the gender pay gap: for example, in October 2019, the average monthly wage for women was 71.5% of the average monthly wage for men (73.1% in December 2019); in October 2021 it was 71.1% (71.9% in December of the same year).

The greatest differences in wages were observed in the age groups up to age 39, i.e., in the period of childbirth and parenting, when women are on maternity leave and adjust their labor strategies to the need to devote more time to children during their pre-school and at least elementary school years (see Shimanovich, Shcherbina, Chubrik, 2018; Shcherbina, Smolenskaya, Bornukova et al., 2021). After the age of 50, the differences significantly decrease (Fig. 19a): on the one hand, as children grow up, women have more time to devote to their careers, and on the other hand, men lose such an important incentive to earn money as the need to "provide for the family." Compared to 2019, wage differences between women and men in the two youngest and two oldest age groups have narrowed, but this has not led to a reduction in the gender pay gap across all ages as a whole (apparently due to an increase in the employment share of the age groups with the highest wage differences between men and women).

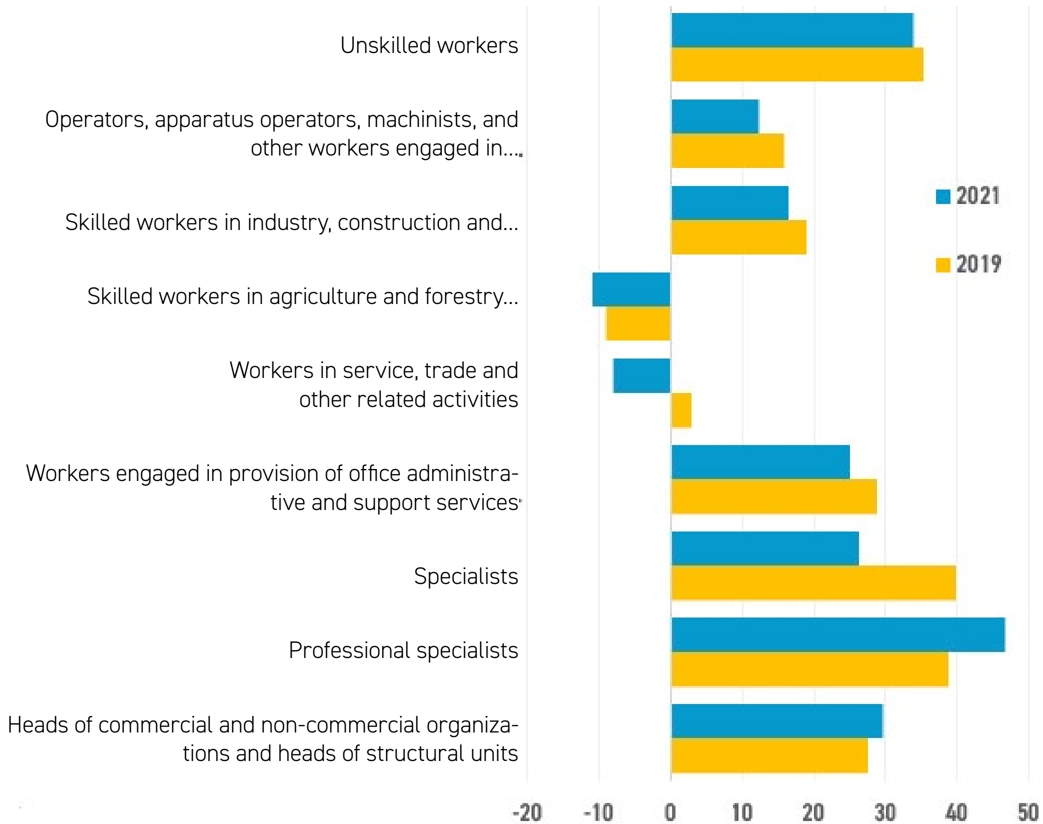
According to the type of occupation[51], the differences were most remarkable among professionals (this includes a significant part of IT sector professionals), unskilled workers, and managers (Fig. 19b). And if the high differences within the groups "specialists/professionals" and "managers" are explained by the specifics of professions/activities in which women or men predominantly work, the significant differences in payment for unskilled labor of women and men show problems with ensuring "equal pay for work of equal value". In two occupations (skilled agricultural workers and service workers), women's average hourly earnings were higher than men's in 2021. Still, in these occupations, the average pay level is the lowest among all occupations, excluding unskilled workers (69.7% and 60.6% of the average for all occupations, respectively). That is, men who work in such spheres are unlikely to consider them in terms of career prospects and earning opportunities

[51] See the National Classifier of the Republic of Belarus OKRB 014-2017 Activities.

Fig. 19. Gender pay gap indicators, %*



(a) By age



(b) By occupation

* The difference between men's and women's average hourly wages relative to men's average hourly wages (indicator 8.5.1). The full wording of occupation options with dots: heads of commercial and non-commercial organizations and heads of structural units; workers engaged in the provision of office administrative and support services, consumer services, preparation, processing of information and accounting; workers in service, trade and other related activities; skilled workers in agriculture and forestry, fishing and fishery; skilled workers in industry, construction, and workers in similar occupations; operators, apparatus operators, machinists, and other workers engaged in the management, operation, and maintenance of installations and machines, and product assemblers

Source: Calculations based on Belstat data.

The economy provided channels for distributing the benefits of economic growth: productivity growth was translated into wage growth, to which social benefits were to some extent linked.

However, women and men did not share equally in the benefits of economic growth: the pay gap widened. This was mainly due to established gender roles in society and changes in the economy's structure rather than the problem of unequal pay for work of "equal value" (the share of the IT sector in employment was growing by 2022).

4.2. The qualitative dimension of decent work

None of the official indicators in the 2030 Agenda measures progress toward "decent work for all". This part of Target 8.5 is highly subjective and therefore requires qualitative assessments. This report uses data from the above-mentioned national population survey, which studied, among other things, respondents' ideas about decent work, their understanding of the problems characteristic of the Belarusian labor market, and their individual labor strategies.

The concept of "decent work"[52] was operationalized by ten answer options (one more than in the poll of 2019). Comparing the results of the population surveys in 2019[53] and 2022 allows us to see how people's ideas about a decent job have changed. The characteristic of a decent job "when I like and enjoy my job" is the most stable over time and popular among respondents: 53.6% of respondents held this view in 2022 and 54.8% in 2019. Another characteristic that is stable in time is stable employment ("stable employment, confidence that I will not be fired"): in 2019 and 2022, this option was chosen by about 20% of respondents (Fig. 20a).

The respondents' views on the other characteristics of a decent job have changed significantly over the past three years (Fig. 20b). The new option – "a job that guarantees a stable income" – was second by importance (it was chosen by 52.7% of respondents). High pay in 2019 was more of a basic "hygienic" factor (any job should provide an opportunity to earn money)[54] – only 9% of respondents chose "a job where you can earn a lot" as its characteristic. In 2022, 43.6% of respondents were in favor of this characteristic, which is likely to indicate significant changes in the labor market - a decrease in the availability of well-paid jobs, insecurity about the future, and also seen as a way of coping with falling living standards due to rising prices of goods and services.

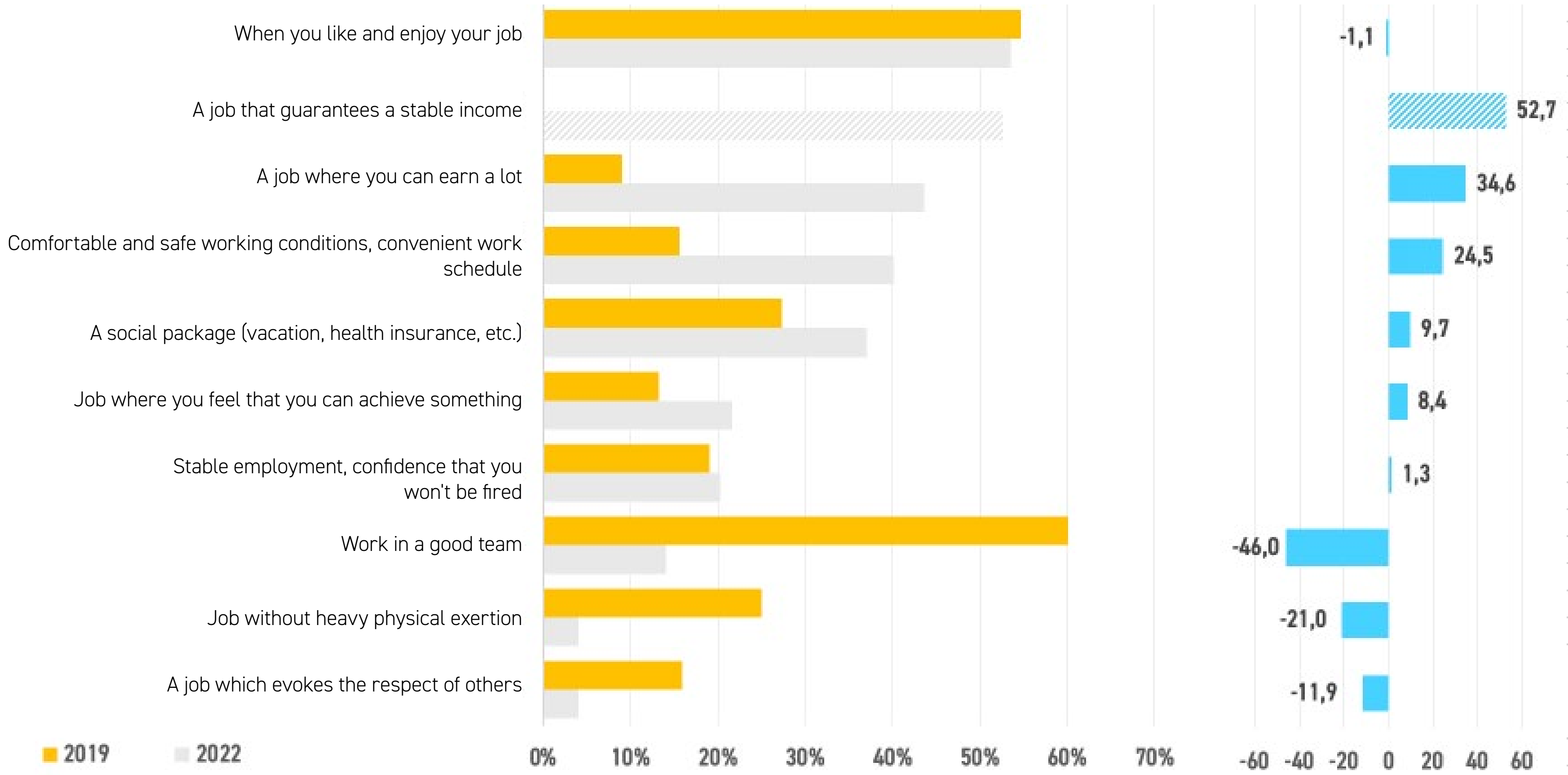
An even sharper change occurred in the understanding of decent work as "work in a good team": if in 2019 the factor of positive emotions derived from joint activities and communication with colleagues was important for 60% of respondents, in 2022 the emotional component of work lost 46% of respondents' support points - it was replaced in respondents' preferences by earnings. The importance of comfortable and safe working conditions has increased compared to 2019. 15.7% of respondents associated this characteristic with decent work, in 2022 it was already 40.1% (perhaps this change is a consequence of increased employment flexibility during the pandemic). Other notable changes include a sharp decline in the proportion of respondents who consider a job that does not involve heavy physical labor to be dignified, and in the proportion of respondents for whom it is important that the job is respected by others. At the same time, the social package was chosen more often as a characteristic of decent work. Perceptions of decent work have thus changed significantly during the two years of the pandemic and political shocks.

[52] Question Q8, see Appendix A.

[53] Survey "People's Attitudes toward the Social Security System: Pensions and the Labor Market, 2019"

[54] See Shimanovich, 2021.

Fig. 20. Operationalization of the concept of "decent work"



(a) distribution of answers to the question "In your opinion, what is a "decent job", % of respondents (urban population)

(b) difference, % points

Note: Respondents could choose up to three options. In the 2019 survey, the question had slightly different wording ("What can correspond to the concept of 'decent work'?", and there were one less option (shaded in the graph). Nevertheless, the questions can be compared without adjustments: from identical 9 answer choices, respondents in 2019 chose an average of 2.40 answer options, and in 2022 they chose 2.39 answer options. So, the added option ("a job that guarantees a stable income") simply allowed us to complete the "picture of the world," although, of course, the questions are comparable with certain caveats because of the added option.

Source: Calculations based on data from the IPM Research Center (2019) and the National Population Survey (April-May 2022).

Gender differences in the understanding of decent work are due to ingrained stereotypes about gender roles in society and traditional ideas about the distribution of family responsibilities (Shcherbina, Smolenskaya, Bornukova et al., 2021). For women, the need to combine professional and family responsibilities is a determining factor in choosing a job, employment conditions, and assessing their prospects in the labor market. This also explains the greater importance for women of having a social package (vacation, sick leave, etc.) – 40.8% of women and 32.8% of men chose this characteristic of a decent job. Working conditions, including flexible schedules, are important for 44.5% of women and 35.1% of men. The understanding of a decent job as an opportunity to achieve something in life is more characteristic of men than of women: more than a quarter of men chose the option "a job where you feel you can achieve something" (25.6%), among women such answers were 18.6%. Differences in men's and women's views on the "basic" characteristics of a decent job – high and stable earnings – are insignificant.

> PEOPLE'S PERCEPTIONS OF WHAT CONSTITUTES A DECENT JOB VARY. APART FROM THE EMOTIONAL COMPONENT (WORK THAT GIVES PLEASURE), THE OTHER MOST FREQUENTLY MENTIONED CHARACTERISTICS RELATE TO EARNINGS (SIZE, STABILITY), WORKING CONDITIONS AND SOCIAL GUARANTEES.

Compared to 2019, the importance of these three characteristics of a decent job increased significantly in 2022. Women are more likely to associate decent work with social guarantees, and the need to reconcile professional and family responsibilities influences their professional strategies.

The attitude of respondents to their work (emotions, finances, comfort, career perspectives, etc.)[55] shows how their own work corresponds to their ideas about decent work. According to the offered variants of the attitude to their work, the majority of respondents agreed with the statements characterizing emotional comfort - good team (the majority of respondents agreed with the statement "I have a good relationship with my colleagues, I like the team": the average score exceeded 4). As noted above, it is this characteristic of a decent job that has been strongly "devalued" since the national poll "People's Attitudes toward the Social Security System: Pensions and the Labor Market" in 2019, and is the least consistent with people's ideas of a decent job[56]. Job satisfaction – "I like my job", "I have an interesting job", "I have a convenient work schedule" and "My rights as an employee are not infringed" was also quite high (average score significantly higher than 3.5). The respondents were least satisfied with their earnings (the score was significantly below average), although a decent job is primarily associated with a high and stable income (Fig. 21).

Depending on the evaluation[57] of the statements concerning the attitude to work, there are three clusters of respondents[58]: with low, high and medium job satisfaction (Table 6). The first cluster ("bad job"), on average, did not agree with all the statements except for the statement "I have a good relationship with my colleagues, I like the team" (average assessments prevailed here). Respondents in the "good job" cluster tend to agree with all statements, including "I am satisfied with my salary" (the center of the cluster for this option is below 4, but above 3). Respondents in the last cluster positively assess the climate in the team, negatively assess the size of earnings and opportunities for professional growth, and moderately (range from 3 to 4) assess the other statements.

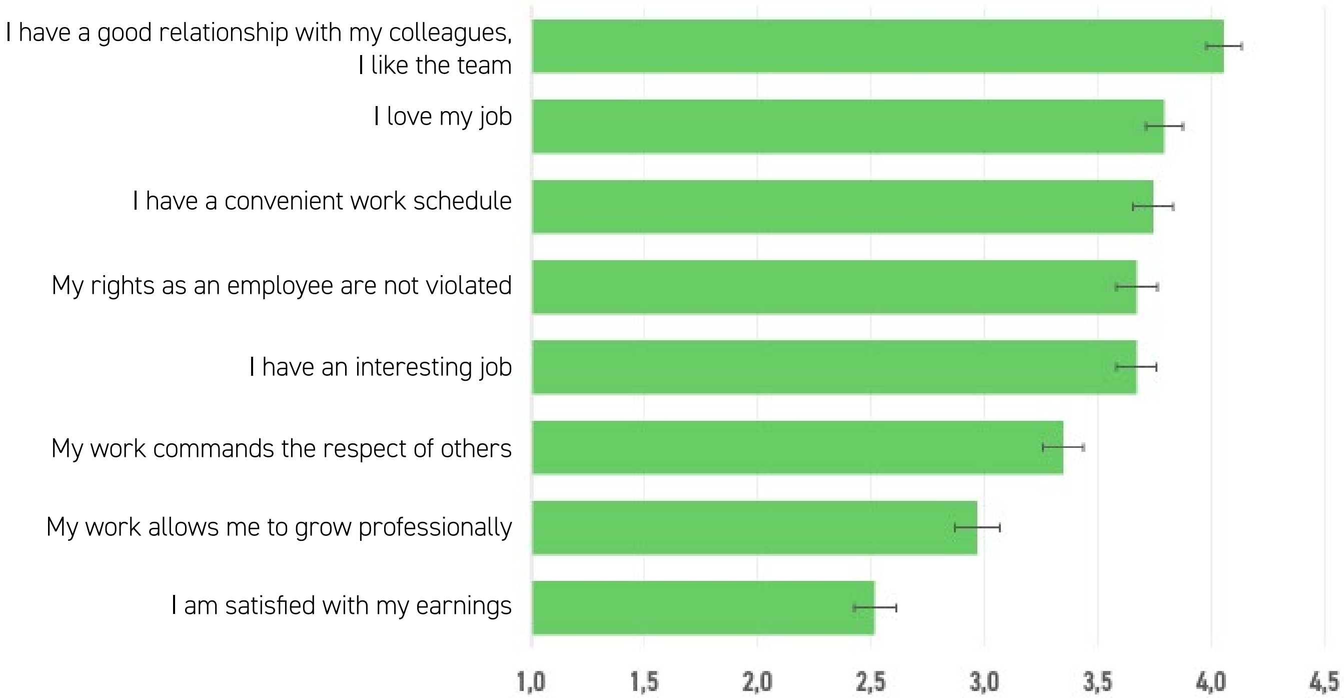
[55] For question Q12, there were a list of 9 statements, see Appendix A.

[56] If in 2019. the "hygiene factor" for choosing a job was the level of pay (it was assumed that there were opportunities to earn well). In 2022, this hygiene factor is team relations – most respondents are satisfied with them, but they are no longer an important characteristic of a decent job.

[57] Assessed using a five-point scale from 1 (strongly disagree) to 5 (strongly agree).

[58] K-means clustering, convergence was achieved at 9 iterations.

Fig. 21. Respondents' attitudes toward their work



Note: The assessment is based on the distribution of responses to the question "How much do you agree with the following statements?" using a five-point scale, where 1 – Strongly disagree, 2 – Rather disagree, 3 – I find it difficult to answer, 4 – Rather agree, 5 – Strongly agree. The margin of error refers to the 95% confidence interval.

Source: c (April-May 2022)

Table 6. Job satisfaction: final cluster centers

Note: The assessment is based on the distribution of answers to the question: "How much do you agree with the following statements?" using a five-point scale, where: 1 – Strongly disagree, 2 – Rather disagree, 3 – I find it difficult to answer, 4 – Rather agree, 5 – Strongly agree.

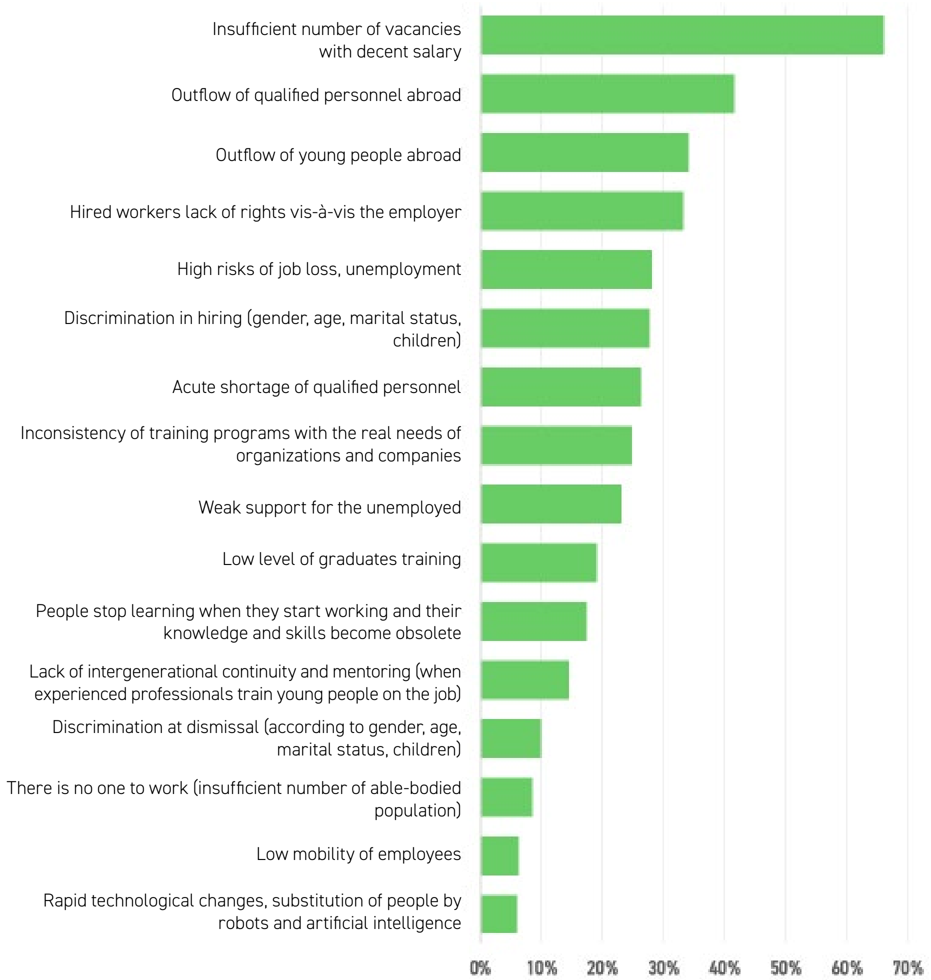
Source: Calculations based on the National Population Survey data (April-May 2022)

Statements about the job	Bad job	Good job	Convenient job
I love my job	2.2	**4.4**	3.9
My rights as an employee are not violated	2.7	**4.3**	3.5
I am satisfied with my earnings	**1.6**	3.3	**2.2**
I have a convenient work schedule	2.5	**4.2**	3.9
I have an interesting job	2.0	**4.4**	3.7
My work allows me to grow professionally	**1.7**	**4.3**	**2.2**
My work commands the respect of others	2.1	**4.2**	3.1
I have a good relationship with my colleagues, I like the team	3.1	**4.4**	**4.2**
Number of respondents in the cluster, people	**152**	**310**	**297**
% of the total number of respondents	**14.4**	**29.5**	**28.2**
Valid % (of the number of employed)	**20.0**	**40.8**	**39.1**

Respondents' assessment of the most urgent problems in employment depended on many factors – gender, age, place of residence, job satisfaction, etc. The problems were grouped into the following categories: (1) demand-related problems (lack of good vacancies, rapid technological changes) mentioned 68.5% of the respondents; (2) supply-related problems (lack of qualified personnel, employable population, low labor mobility) – 37.5%; (3) personnel training (mismatch between training programs and business needs, low level of graduate training, lack of lifetime education practice) – 56.8%; (4) legal and social guarantees (discrimination in hiring and firing, lack of job training) – 56.6%; (5) labor migration (outflow of qualified personnel and youth abroad) – 53.6%; (6) unemployment - 43.3% (high risks of job loss, poor support for the unemployed).

[59] Question Q14, see Appendix A

Fig. 22. Current problems in employment, % of respondents



Note: The question is worded as follows: "What do you think are the most pressing problems in the field of employment for our country?" You could choose up to five answer options.

Source: Calculations based on the National Population Survey data (April-May 2022).

According to respondents, the most pressing problem is the insufficient number of vacancies with decent wages (66.1% of respondents, Fig. 22). The same problem was the most urgent for 60% of respondents to the 2019 survey. The problem was more often mentioned by those who have never worked (81.3% of respondents in this group), women (71.9% compared to 59.4% among men, which is consistent with the problem of a significant and growing gender pay gap), "non-capital" residents (especially in cities of 50 to 100 thousand residents, demonstrating the weakness of local labor markets), people aged 25-44 (these age groups account for the most active period of raising children), and respondents who are not satisfied or not very satisfied with their jobs (clusters "bad job" and "comfortable job" respectively).

The outflow of personnel represents the next most urgent problems of the labor market. The 2022 poll offered two options to respondents: the outflow of qualified personnel abroad and the outflow of young people abroad[60]. The problem of the outflow of skilled personnel abroad turned out to be the second important, and the problem of the outflow of young people abroad was the third: 41.5% and 34.1% chose them as the most urgent for the Belarusian labor market, respectively. The relevance of the outflow of qualified personnel was more often noted by people over 55 years old, residents of Minsk and regional centers, and those who worked "on their own". Relevance of the outflow of young people caused greater concern among people over 55 years old, residents of Minsk and regional centers, as well as among budgetary workers and those who have never worked.

The high (and increased) relevance of these problems is related to the spread of relevant personal experience: among respondents who had many/not many relatives, friends and acquaintances who had gone abroad for the last two years, more than half (54.3/54.9%) indicated that the outflow of qualified personnel was a problem, and among those who had no such friends/difficulties in answering, less than 30% indicated the presence of this problem.

[60] In the 2019 survey, there was one option "no one to work – young people and qualified personnel go abroad." This option was chosen by 24.6% of respondents as one of the most pressing labor market problems.

A similar situation was observed in the outflow of young people: among the first two groups of respondents, this problem was mentioned by 53.7/42.8%, among the latter – by 20.9/23.8%.

According to the 2022 poll, another important problem was the lack of rights of the hired workers vis-à-vis the employer[61], which was mentioned by 33.2% of the respondents. Interestingly, the part of the respondents who mentioned this problem among the most pressing problems increased with their age (15.7% in the 18-24 group and 45.8% in the 55+ group showing the vulnerability of people of the pre-retirement age to the risks of losing jobs). Powerlessness in the face of the employer was probably one of the reasons for low job satisfaction: this problem was mentioned by only 21% of respondents in the "good job" cluster, 40.8% in the 'bad job' cluster, and 38.4% and 36.9% respectively in the 'comfortable job' cluster and among the inactive.

Problems of discrimination against employees by employers (based on gender, age, marital status, children) were less pressing: 27.7% of respondents pointed to discrimination in hiring and 9.9% in firing. Discrimination in recruitment turned out to be a "women's" problem: 35.8% of women and only 18.5% of men mentioned it in their personal "top five" labor market problems. For women, this problem ranked third, after the lack of jobs offering decent pay and the brain drain (for men it ranked tenth).

As the importance of brain drain has risen sharply, the perception of the risks of job loss and unemployment has become less acute. In 2022, this problem was in fifth place: it was mentioned by 28% of respondents, significantly less than in 2019 (second place and 55.3% of respondents). Turnover was higher in 2019, but it was easier to find a job (turnover – the sum of hirings and firings over the past 12 months – peaked in March 2020, and by July 2022 had fallen to almost the "bottom" of the pandemic period). The flip side of the risk of job loss – weak support for the unemployed – was cited as an urgent problem by only 12.9% of respondents in 2019. In 2022, the threat of long-term unemployment increases if the risk of job loss is realized, so that weak support for the unemployed is cited as a labor market problem by 23.1% of respondents. Both problems were perceived more by workers who were dissatisfied or not very satisfied with their job and by those who had recently lost their job. The risk of losing one's job was more often mentioned as a labor market problem by residents of cities with a concentration of large industries, while poor protection for the unemployed was mentioned more often by men than women (28.2% vs. 18.6%).

The supply problems employers face – the shortage of qualified personnel and low labor mobility – seem less pressing in respondents' eyes. The vicious circle "we pay little, because there is nobody to pay" and "we earn little, because there is no work with decent wages" indicates not only problems with the efficiency of workforce distribution in the Belarusian labor market but is the result of problems in education, the actual implementation of labor guarantees, the continued financial support of non-viable state enterprises, etc.

[61] In 2019, the question was worded as "workers are disadvantaged because of fixed-term employment contracts" (27.1% of respondents chose the option).

In addition, the outflow of qualified personnel and young people reduces the number of "positive examples" for those who stay in the country, reducing the internal motivation to improve skills and continuous training, supporting the vicious circle described above.

> BELARUS DOES NOT HAVE ENOUGH VACANCIES WITH DECENT WAGES (WITH HIGH WAGES BEING THE MAIN CHARACTERISTIC OF A DECENT JOB), WHICH IS LESS A REFLECTION OF THE STATE OF THE LABOR MARKET THAN OF THE ECONOMY AS A WHOLE, AND POINTS TO PROBLEMS IN ACHIEVING SDG 8 IN TERMS OF 'CREATING DECENT JOBS' AND 'ENSURING FULL AND PRODUCTIVE EMPLOYMENT'.

According to the respondents, the top 5 most pressing problems also include the brain drain and the youth drain – their relevance has increased significantly compared to 2019, which is related to the growing emigration and the corresponding spread of relevant personal experiences (knowledge of people who have left). This is followed by the disenfranchisement of hired workers in the list of problems of the Belarusian labor market (discrimination in hiring took the third place for women), which is also a "sign of the times" and indicates the problems in achieving SDG 8 in terms of ensuring "decent work for all".

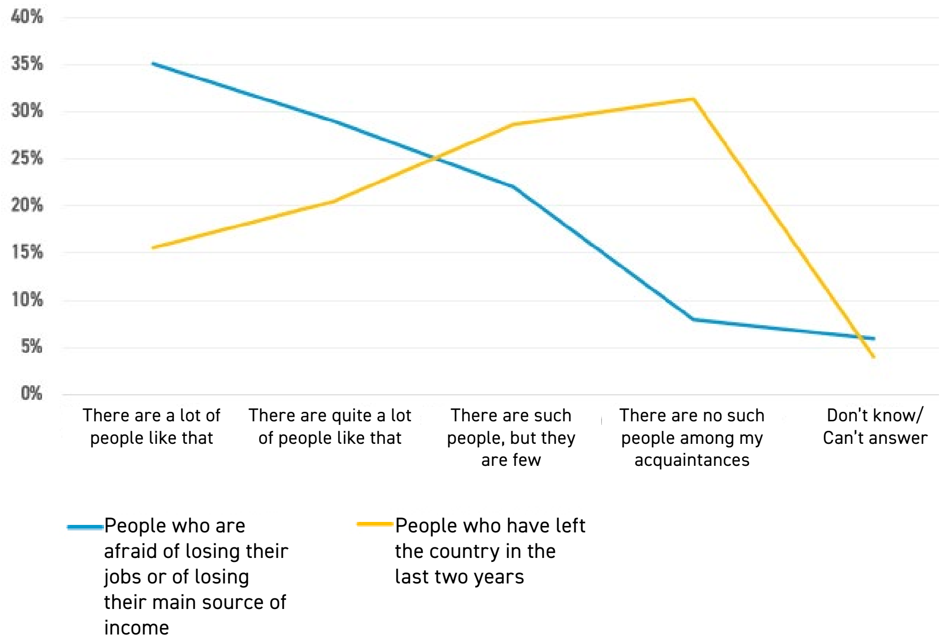
4.3. Perspectives, risks and threats

Risks to achieving Goal 8 with regard to labor market objectives arise from three main factors: demographic (aging, entry of a small group born in a period of low fertility enters the main working-age cohorts that limit opportunities for entrepreneurship and decent job creation), economic (recession resulting from current shocks reduces opportunities for decent work for all), and sociopolitical (this includes emigration and politically motivated layoffs pushing qualified personnel from the workforce and further limiting business development opportunities in the country).

How acute economic and socio-political risks for the labor market are can be assessed based on the distribution of answers to questions about relevant personal experiences (questions Q18 and Q19, see Appendix A). In total, more than 2/3 of respondents answered that they know people who are afraid of losing their job/main source of income: 35.1% of respondents said that there are a lot such people among their acquaintances, quite a lot – 29%. Only 13.9% of respondents did not know such people or found it difficult to answer (Fig. 23). Emigration is certainly less common, but nevertheless, over 1/3 of respondents answered that they knew people who had left the country in the last two years, and some said that there were a lot of such people (15.6%) or quite a lot (20.4%). Approximately the same percentage of respondents (35.4%) did not know people who had emigrated from the country in the past two years or found it difficult to answer. At the same time, such experience is fairly evenly distributed regardless of the size of the locality, place of work, and age of the respondents, which indicates the significance of the risks involved.

Individual perspectives in the labor market are perceived by survey participants by assessing their demandability ("is it easy to find a job for people like you?") and vulnerability ("is it easy for people like you to lose a job?"), see Table 7. **In general, survey participants feel insecure in the labor market: finding a job is difficult, losing one is easy: 41.5% of respondents** (valid percentage, i.e. without considering DK/CA answers) indicated that it is easier for them to lose a job than to find one, 23.4% believe that it is easier to find a job than to lose one. Compared

Fig. 23. Economic and socio-political risks for the labor market: personal experience, % of respondents



Note: The question was worded as follows: "Are there any of your relatives, friends, acquaintances who...".
Source: Calculations based on the National Population Survey data (April-May 2022)

to 2019 (data for urban residents), the proportion of the former decreased by 7.4 percentage points and the latter increased by 5.7 percentage points, meaning that respondents' self-perception of the labor market increased. This is consistent with the perception of labor market problems – lack of vacancies with a decent salary and high risks of job loss. More than a quarter of respondents believe that it is very easy for people like them to lose their jobs. The same percentage of respondents noted that it is very difficult for people like them to find a job. Women assessed their competitiveness in the labor market lower than men: the percentage of women who chose both "it is easy to lose a job" and "it is difficult to find a job" was 19.3%. The share of men who chose these extreme assessments was 11.9%.

Potential opportunities to improve one's position on the labor market are related to people's willingness to change or adapt their labor strategies to new conditions. Although only 17.2% of respondents are completely satisfied with their job and do not see the need to change anything in it (Fig. 24), the majority of survey participants did not show the desire for active actions which could lead to a quick change of their position in the labor market. As a rule, people prefer "passive" labor strategies that do not imply cardinal changes in their usual way of life and physical movement but are ready to invest time and money in a potential change of their position in the labor market in the future. In search of a better job, most respondents are ready to get additional education or to get re-trained in another profession – 33.4%. Options related to changes in the geography of employment or the usual way of life are less popular among respondents. Willingness to move to another country for a better job was expressed by 19.4% of respondents[62], while almost twice as few respondents (10.5%) chose the option of going to work in another country without changing their place of residence. Only 8% of respondents are ready to agree to work in any locality of Belarus but not to change their place of residence, which may testify to the perception of the domestic labor market as narrow, not allowing to provide such an amount of income which would compensate the costs connected with work in another locality (the problem of lack of vacancies with decent wages). The maximum in terms of changing the location of employment to which 22.4% of respondents are ready is to work in a settlement within one hour of their residence.

[62] Of these, 5.6 percentage points consider moving to another country for long-term or permanent residence as an urgent need (the total proportion of respondents for whom this need is relevant is 7.9%, see section 3.2).

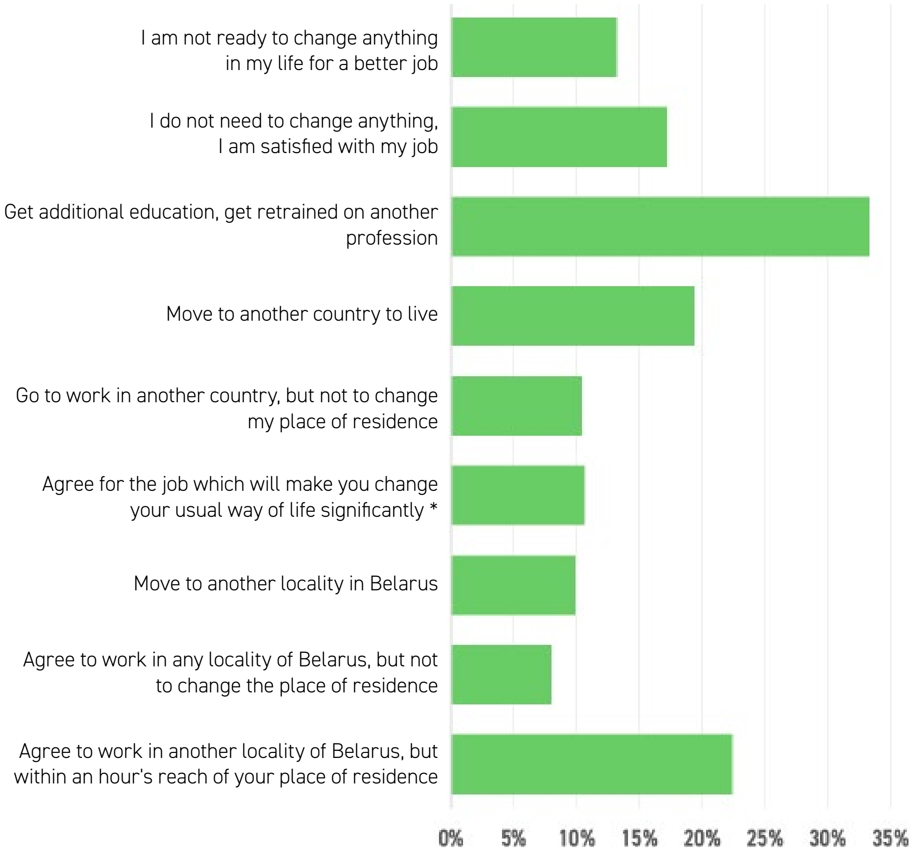
Table 7. Respondents' assessment of their prospects in the labor market, % of respondents

The whole sample		Ease of finding a job					
		5 – Very difficult	4	3	2	1 – Very easy	Total
Ease of losing a job	1 – Very easy	15.7	2.8	3.0	1.1	4.0	26.6
	2	2.8	2.2	3.5	2.0	0.5	11.0
	3	4.1	6.3	18.8	4.3	1.3	34.8
	4	1.9	5.2	5.6	5.4	0.9	19.0
	5 – Very difficult	2.1	0.8	1.9	1.2	2.6	8.6
	Total	26.6	17.4	32.8	14.0	9.3	100.0
Men		Ease of finding a job					
		5 – Very difficult	4	3	2	1 – Very easy	Total
Ease of losing a job	1 – Very easy	11.9	2.9	3.4	1.2	4.6	24.0
	2	3.2	2.9	3.9	1.7	0.5	12.1
	3	4.1	6.8	19.7	4.9	2.2	37.6
	4	1.5	4.9	5.1	5.1	1.0	17.5
	5 – Very difficult	1.9	1.0	1.9	1.0	2.9	8.7
	Total	22.6	18.4	34.0	13.8	11.2	100.0
Women		Ease of finding a job					
		5 – Very difficult	4	3	2	1 – Very easy	Total
Ease of losing a job	1 – Very easy	19.3	2.7	2.7	0.9	3.4	29.0
	2	2.5	1.6	3.2	2.3	0.5	10.0
	3	4.1	5.9	17.9	3.9	0.5	32.2
	4	2.3	5.4	6.1	5.7	0.9	20.4
	5 – Very difficult	2.3	0.7	1.8	1.4	2.3	8.4
	Total	30.4	16.3	31.7	14.1	7.5	100.0
Difference (men – women)		Ease of finding a job					
		5 – Very difficult	4	3	2	1 – Very easy	Total
Ease of losing a job	1 – Very easy	-7.4	0.2	0.7	0.3	1.2	-5.0
	2	0.7	1.3	0.7	-0.6	0.0	2.2
	3	0.0	0.9	1.7	1.0	1.7	5.4
	4	-0.8	-0.6	-1.0	-0.6	0.1	-2.9
	5 – Very difficult	-0.3	0.3	0.1	-0.4	0.6	0.3
	Total	-7.8	2.1	2.2	-0.2	3.7	

Note: The question is worded as follows: Is it easy for people like you to lose/get a job?"

Source: Calculations based on the National Population Survey data (April-May 2022)

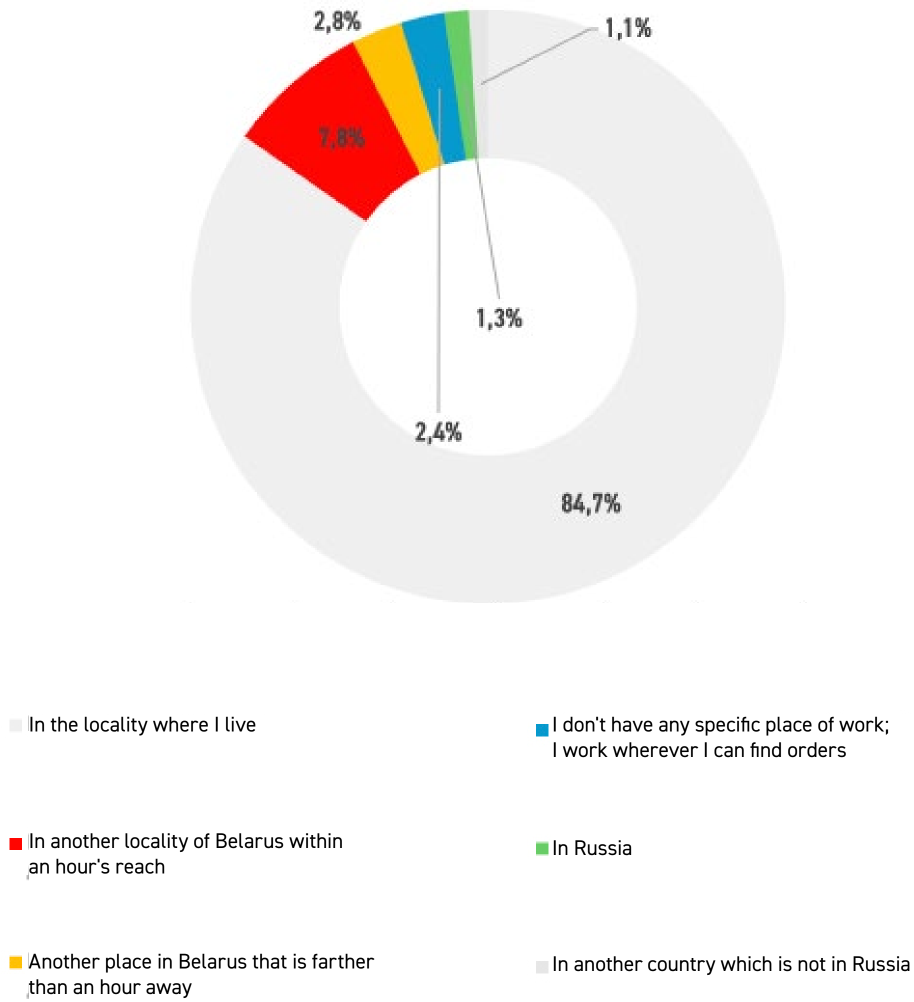
Fig. 24. Willingness of respondents to change for a better job, % of respondents



Note: The question is worded as follows: "In search of a better job, you are willing to...". You could choose up to two answer options. * Full wording: "Accept a job in another locality of Belarus, but within an hour's distance from your residence".

Source: Calculations based on the National Population Survey data (April-May 2022)

Fig. 25. Location of work, % of respondents



Note: The question is as follows: "Where do you work?"

Source: Calculations based on the National Population Survey data (April-May 2022)

The actual degree of worker mobility is even lower. The overwhelming majority of the respondents worked at their place of residence – 84.7% of the working respondents (Fig. 25), while 7.8% of respondents worked in another locality of Belarus within an hour's reach of their place of residence. The discrepancy between the declared willingness to work within an hour's distance from the place of residence for a better job and the actual share of such workers may indicate the underdevelopment of transport and other infrastructure accelerating the movement of workers within the country, the lack of suitable jobs within an hour's distance, and the actual unreadiness for commuting (with the declared readiness for it). Only 2.8% of the respondents work farther than an hour from their residence (but within the country), 2.4% of the respondents work abroad, including 1.3% in Russia.

Belarusians are well aware of the weaknesses of the national labor market because they have personal experience of them: more than 2/3 of respondents to the national poll know a lot of people who are afraid of losing their job/main source of income, and 1/3 know a lot of people who have left the country in the last two years.

MOST WORKERS FEEL INSECURE IN THE LABOR MARKET: JOBS ARE EASIER TO LOSE THAN TO FIND. WOMEN ARE LESS OPTIMISTIC ABOUT THEIR PROSPECTS ON THE LABOR MARKET THAN MEN. WITH INCREASING AGE, THE RISK OF LOSING ONE'S JOB INCREASES AND THE PROSPECTS OF FINDING A NEW JOB DECREASE. ONLY 17.2% OF RESPONDENTS ARE COMPLETELY SATISFIED WITH THEIR JOB AND WOULD NOT CHANGE IT. PEOPLE ARE WILLING TO INVEST IN THEIR TRAINING AND DEVELOPMENT IN ORDER TO FIND A BETTER JOB, BUT THEY ARE GENERALLY UNWILLING TO MAKE MAJOR LIFESTYLE CHANGES. ACTUAL LABOR MOBILITY IS EVEN LOWER THAN DECLARED: 84.7% OF RESPONDENTS HAVE A JOB IN THEIR PLACE OF RESIDENCE.

5 PROGRESS TOWARD SDG 8: KEY FINDINGS AND RECOMMENDATIONS

Even before the political events of 2020 and the war in Ukraine, the Belarusian economy lost momentum – GDP per capita stopped approaching the indicators of wealthier countries of the region. Until the beginning of 2022, labor productivity in Belarus was still growing faster, but due to declining employment (and even employment rates) the gap in living standards between Belarus and the wealthier countries of the region remained and even increased.

The nature of the current crisis (both external and internal shocks, with extremely limited possibilities to counteract them, in particular due to the limited ability of economic authorities to influence human rights and rule of law policies) further undermines the possibilities for long-term economic growth and increased productivity. First, there are the hard-to-measure effects of political repression on creative and entrepreneurial potential, both through losses of human capital (emigration, imprisonment, productivity losses, etc.) and through reduced investment in domestic development (in both fixed and human capital). Second, the shocks affected highly productive sectors of the economy (such as IT), which are important for exports and the domestic market (see Shimanovich and Chubrik, 2019). Third, the population structure changed (the share of older age groups increased) and the labor force structure changed (the share of workers in highly productive sectors decreased). Fourth, the country's isolation from the world market increased sharply, depriving it of the benefits of integration into global supply chains, access to necessary financing, and even international technical assistance and communication with most international organizations.

Given that the stagnation experienced by the economy over the last decade has already cost the country four positions down in the Human Development Index from 2014 to 2019[63], the current recession and future stagnation may cause Belarus to leave the group of countries with a very high level of human development, where it has been since 2011. Belstat has stopped publishing data on life expectancy at birth (the last published data is 2019), which is the first sign of "unacceptable" dynamics of the indicator; emigration of young people will worsen the indicators of average and life expectancy, and gross national income is obviously decreasing – these trends cannot help but worsen the country's achievements in human development. Consequently, the possibility of achieving SDG Targets 8.1 and 8.2 is at least in question, which, in turn, threatens the achievement of most of the SDGs, which are inevitably related to economic development.

[63] See HDR 2020, Table 2: Trends in the Human Development Index, 1990-2019

The most significant risks to the implementation of Targets 8.1 "Sustain per capita economic growth in accordance with national circumstances" and 8.2 "Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors" are related to the direct consequences of the war in Ukraine, as well as the direct and indirect effects of sanctions and restrictions which have been and are imposed by countries and foreign companies against the governments, economic entities and citizens of Belarus and Russia (as a major trade and economic partner). The current shock threatens to push the country's economy further away from the developed countries of the region. Although crises are commonly believed as "times of opportunity", the current crisis is not one of them: some benefits have been seen so far only in agriculture (relative cheapness of fertilizers and fuel) and domestic tourism (inflow of Russian tourists, for whom habitual tourist destinations were closed) as well as some processing companies with high localization of production and logistics/transport companies servicing new supply chains. The current shock was a serious blow for most companies and for most people in the country.

For the residents of Belarus – the ultimate beneficiaries of progress in achieving SDG 8 – the growth of personal wellbeing and improvement of living standards are directly related to the economic situation and institutional conditions that allow them to realize their human potential through effective employment and decent remuneration for their work. The current situation is perceived as a crisis, and the crisis is viewed by respondents as medium- and long-term. Its impact on people's wellbeing is manifested both in a short-term drop in living standards (reduction of incomes, change in consumer behavior) and in the formation of negative expectations about the near future, which are a "pushing" factor for a significant part of the country's urban population.

In the period under review, the economy of Belarus provided channels for the distribution of the benefits of economic growth: growth in labor productivity was transformed into an increase in wages, to which social benefits are more or less tied. However, it did not ensure the creation of a sufficient number of "decent jobs" (there was a steady decline in employment and even employment rates), and progress towards achieving SDG Target 8.3 "Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services" and 8.5 "By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value" was limited at best. Further opportunities for the state to improve the situation with the achievement of SDG 8 in terms of targets related to the functioning of the labor market depend on the recognition of existing problems and awareness of the consequences of its actions, which can lead to the freezing or intensification of these problems. In particular, we are talking about the situation in the most dynamic sectors of the recent past (the IT sector and the private sector in general), where the number of employees continues to decline, and about the outflow of young and qualified personnel abroad. The existence of such problems is now recognized, but the fact that their source is rooted in the internal political situation is not.

Due to its systemic nature, the current crisis has affected virtually all sectors of the economy. For the labor market, this has led to a decline in demand – layoffs and a freeze in the creation of "decent jobs". According to the respondents of the national opinion poll, the lack of vacancies with decent salaries (a high salary is the main characteristic of a decent job) is the main problem of the Belarusian labor market, which reflects the problems of the economy. The majority of workers feel insecure on the labor market: it is easier to lose a job than to find one, and women assess their prospects on the labor market worse than men. According to respondents to the national poll, the high risk of unemployment is one of the top 5 problems facing the labor market. At the same time, the system of social protection of the unemployed remains unchanged – it is based on the outdated assumption that state enterprises, supported during the crisis, can act as an employer of last resort and provide at least partial employment to the population (Shimanovich, 2021). As a result, people are forced to find their own solutions to their problems.

More effective employment support measures could help mitigate the impact of the recession. The World Bank (2020) proposed a program of active labor market measures (ALMM) to increase labor supply, which included a list of potentially effective instruments that could improve labor market functioning by increasing the supply of skilled labor (training in demanded professions), increasing labor demand (for example, through wage/employment subsidies as well as public works), and developing employment services. However, implementation of ALMM requires recognition of problems in the labor market and awareness of their consequences, both to resolve internal contradictions in the understanding of goals and objectives of employment policy, and to create prerequisites for restoration of the necessary institutional environment (macroeconomic stability, favorable investment climate and environment for business, competitive commodity markets), providing a predictable situation in the economy and in the labor market.

> An even more important condition for the effectiveness of measures such as those proposed by the World Bank is the normalization of the socio-political situation.

The practice of politically motivated layoffs and closing/applying economic measures and other sanctions to businesses deemed "disloyal" increased unemployment, had a negative impact on human resources, especially in the public sector (including the public administration sector), and became a push factor for emigration. Such practices were clearly contrary to Target 8.3, hindering "productive activities, entrepreneurship, creativity and innovation. Intensification of the migration outflow of the most productive part of the country's able-bodied population (entrepreneurs, highly educated personnel) became so obvious that the outflow of qualified personnel and young people abroad took second and third place in the list of labor market problems. Another "warning sign of the times" was the appearance in the top 5 of such problems as the disenfranchisement of employees to employers (for women – discrimination in hiring), which also indicates the problems in achieving SDG 8 in terms of ensuring "decent work for all".

To understand measures that could stem the outflow of young people and skilled workers from the country, we should turn to the definition of the social contract. Its components include loyalty (to authorities and the benefits associated with it), voice (protest, its "legal" possibilities and sanctions for "illegal" protest), and exit (a set of behavioral options for the disloyal part of society that does not turn to protest), see Gaiduk, Rakova, Silitsky, 2010. It is objectively impossible to ensure the growth of loyalty in the current economic situation and at the current stage of formation of the country's political system. Individual risks associated with protest are very high, and there are practically no legal opportunities left. Accordingly, the majority of the population should be covered by the "provisions" of the social contract related to "exit". Attempts to "force loyalty" and to increase the already prohibitively high sanctions for protest narrow the possibilities for exit within the country ("I live and stay out of politics"), and, consequently, force us to look for an exit outside the country. Consequently, in order to counter emigration, internal exit opportunities should be expanded, which requires normalization of the socio-political situation, at least through an end to actions to eradicate "dissidence. More difficult measures are associated with the restoration of the rule of law, since it is problems in this area that motivate many of those who see emigration as their urgent need.

Finally, such a long-term problem of the Belarusian labor market as the ageing of the population also requires attention. An increase in the share of older age groups in the total labor force leads to a decrease in employment, as the employment rate in the 60-74 age group is three times lower than the average for all age groups. Moreover, despite the increase in the retirement age, the economic activity of this group is declining. At the same time, many people are highly motivated to continue working after retirement: the relatively high unemployment rate in this age group (4.6% for men and 5.2% for women) indicates that people continue to look for work even after retirement. An analysis of the reasons for early retirement and of the employment opportunities for pensioners would help to develop measures to increase the employment rate of this group. It should also be noted that civil society will play an important role (until 2021) in retraining and reintegrating pensioners into the labor market. The state cannot replace this activity because it does not have the necessary degree of flexibility, as well as pro-government "public organizations", which operate on a top-down rather than bottom-up basis like civil society initiatives, and therefore have a distorted understanding of the needs of target groups and areas of work with them.

In this context, the role of business associations is very important. Most of them have continued to operate in the country and remain almost the only element of civil society (see Aginskaya, 2021) capable of maintaining a dialogue with the state administration in the current situation. They face the difficult task of creating such feedback mechanisms that would help to reduce the risks for business associated with incorrect decisions by the state administration and, consequently, prevent the Belarusian economy's vulnerability to external shocks from increasing.

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APPENDIX A

NATIONAL POLL QUESTIONNAIRE
"ECONOMIC GROWTH AND THE LABOR MARKET: KEY VULNERABILITIES"

A. OPPORTUNITIES AND NEEDS

1) Choose the statements you agree with:

Tick off all the appropriate options.

1. It is better to have a lower salary but a guaranteed job
2. It is better to have mid-level healthcare, but free of charge.
3. It is better to distribute graduates involuntarily, but not to leave them unemployed
4. It is better to work for a state-owned company than a private one
5. It is better for Belarusian enterprises to earn not very big profits, but not to be bought up by foreigners
6. It is better to have fewer opportunities to express my opinion, but to have more stability

2) Where do people like you live better – in Belarus or abroad?

1. In Belarus
2. There is no difference
3. Abroad
4. Don't know / Can't answer

3) In your opinion, how will the lives of people like you change compared to 2021?

Give an answer for each line.	Will severely deteriorate	Deteriorate	Will not change	Will improve	Will strongly improve	DK/CA
This year	1	2	3	4	5	99
In 3 years	1	2	3	4	5	99
In 5 years	1	2	3	4	5	99

4) Do you agree with the following statements about life in our country?

Give an answer for each line.	Strongly disagree	Rather disagree	Rather agree	Strongly agree	DK/CA
Anyone can make a good living if they want to.	1	2	3	4	99
Most people live about the same; there are not so many rich and poor people.	1	2	3	4	99
Talented children from poor families can easily be "out in the world".	1	2	3	4	99
The difference between rich and poor has grown in recent years	1	2	3	4	99
In difficult life situations everyone can count on the help of the state	1	2	3	4	99

5) Please choose for yourself the most urgent needs for today

Choose up to four answers.

1. Providing your family with the essentials (food, clothing, basic services)
2. Leisure and travel
3. Buying a home/improving living conditions
4. Buying a car
5. Health preservation, recovery
6. Personal safety, safety of your loved ones
7. Giving children a good education
8. Personal professional growth, self-realization
9. Growing your own business
10. Leaving the country for a long period of time or permanent residence
11. Possibility to leave the country for a short time, "opening the borders"
12. Communication, understanding and respect
13. Other (please specify)

6) To what extent are you concerned about ...

Give an answer for each line.	Not at all	A little	From time to time	I am concerned	Very much concerned
The risk of being unemployed, having no source of income	1	2	3	4	5
The risk that my health will drastically deteriorate	1	2	3	4	5
The risk that the health of someone close to me will deteriorate sharply	1	2	3	4	5
The inability to give my children a good education	1	2	3	4	5
Rapid growth of prices, inflation, instability of Belarusian ruble	1	2	3	4	5
Departure of friends, relatives abroad	1	2	3	4	5
Risk of loss of savings	1	2	3	4	5
Inability to get qualified medical care when needed	1	2	3	4	5
Constant lack of money for everyday needs	1	2	3	4	5
The risk that I and my loved ones will be affected by war	1	2	3	4	5
Criminogenic situation, growth of crime	1	2	3	4	5
Insecurity about the future, inability to plan anything due to external circumstances	1	2	3	4	5
Lack of development, inability to improve one's life	1	2	3	4	5
Deterioration of the economic situation in the country	1	2	3	4	5

B. DECENT JOB

7) Which statement do you agree with?

1 – I absolutely agree with statement A, 10 – I absolutely agree with statement B.

(A) The vast majority of companies should be state-owned.	1	2	3	4	5	6	7	8	9	10	(B) The vast majority of companies should be privately owned

8) In your opinion, what is a "decent job"?

Choose up to three options.

1. When you like and enjoy your job.
2. A job where you can earn a lot
3. A job that guarantees a stable income
4. When there is stable employment, confidence that I won't be fired
5. When there is a social package (vacation, health insurance, corporate benefits, etc.)
6. A job which evokes the respect of others
7. Work in a good team
8. Comfortable and safe working conditions, convenient work schedule, and a possibility to do work remotely
9. Job that does not involve heavy physical exertion
10. Job where you feel that you can achieve something
11. Other (please specify) ______________________________

9) Have you ever worked before?

Yes, I am working now.	Skip to Q 10
Yes, but I recently lost my job and am trying to get a new job or find a source of income	Skip to Q 13
Yes, I used to work, but I am not working or looking for a job	
No, I have never worked	

10) Who is your employer?

1. A budgetary organization (educational institution, medical institution, cultural institution, etc.)
2. A state enterprise
3. A private company (business)
4. I do not know the form of ownership
5. I am self-employed

11) Where do you work?

1. In the locality where I live
2. In another locality of Belarus within an hour's reach
3. Another place in Belarus that is farther than an hour away
4. In Russia
5. In another country which is not in Russia
6. I don't have any specific place of work; I work wherever I can find orders

12) How much do you agree with the following statements?

Give an answer for each line.	Strongly disagree	Rather disagree	DK/CA	Rather agree	Strongly agree
I love my job	1	2	3	4	5
My rights as an employee are not violated	1	2	3	4	5
I am satisfied with my earnings	1	2	3	4	5
I have a convenient work schedule	1	2	3	4	5
I have an interesting job	1	2	3	4	5
My work allows me to grow professionally	1	2	3	4	5
My work commands the respect of others	1	2	3	4	5
I have a good relationship with my colleagues, I like the team	1	2	3	4	5

13) In search of a better job you are willing to…

Choose up to two options.

1. Agree to work in another locality of Belarus, but within an hour's reach of your place of residence
2. Agree to work in any locality of Belarus, but not to change the place of residence
3. Move to another locality in Belarus
4. Agree for the job which will make you change your usual way of life significantly (long business trips, shift work, flexible schedule)
5. Get additional education, get retrained on another profession
6. Go to work in another country, but not to change my place of residence.
7. Move to another country to live
8. I do not need to change anything, I am satisfied with my job
9. I am not ready to change anything in my life for a better job

14) What do you think are the most pressing employment problems in our country?

Choose up to five options.

1. There is no one to work (insufficient number of able-bodied population)
2. Acute shortage of qualified personnel
3. Insufficient number of vacancies with decent salary
4. Hired workers lack of rights vis-à-vis the employer
5. Low level of graduates training
6. Inconsistency of training programs with the real needs of organizations and companies
7. Lack of intergenerational continuity and mentoring (when experienced professionals train young people on the job)
8. People stop learning when they start working and their knowledge and skills become obsolete
9. Low mobility of employees
10. Rapid technological changes, substitution of people by robots and artificial intelligence
11. Outflow of qualified personnel abroad
12. Outflow of young people abroad
13. Discrimination in hiring (gender, age, marital status, children)
14. Discrimination at dismissal (according to gender, age, marital status, children)
15. High risks of job loss, unemployment
16. Weak support for the unemployed

15) Is it easy for people like you to lose your job?

Very easy	1	2	3	4	5	Very difficult

99. Can't answer

16) Is it easy for people like you to find a new job?

Very easy	1	2	3	4	5	Very difficult

99. Can't answer

17) How often do you have to save money for the essentials?

All the time or almost all the time	Often	Occasionally	Rarely	Never or almost never

18) Are there people among your relatives, friends, and acquaintances who are afraid of losing their jobs or of losing their main source of income?

1. Yes, there are a lot of people like that.
2. Yes, there are quite a lot of people like that.
3. Yes, there are such people, but they are few.
4. There are no such people among my acquaintances
5. Don't know/Can't answer

19) Are there any of your relatives, friends, or acquaintances who have left the country in the last two years?

1. Yes, there are a lot of people like that.
2. Yes, there are quite a lot of people like that
3. Yes, there are such people, but they are few
4. There are no such people among my acquaintances
5. Don't know/Can't answer

20) Which groups face higher risks of unemployment?

Give an answer for each line.	Very low risk	Low risk	Medium risk	High risk	Very high risk	DK/ CA
Young people (recent graduates)	1	2	3	4	5	99
Employees over 45 years old	1	2	3	4	5	99
People of pre-retirement age	1	2	3	4	5	99
Working pensioners	1	2	3	4	5	99
Employees of state-owned enterprises	1	2	3	4	5	99
Public sector workers (teachers, doctors, etc.)	1	2	3	4	5	99
Workers of private enterprises	1	2	3	4	5	99
Workers of foreign enterprises	1	2	3	4	5	99
Young women without children	1	2	3	4	5	99
Women with minor children	1	2	3	4	5	99
Mothers with many children	1	2	3	4	5	99

C. STANDARD OF LIVING, LIFE STRATEGIES

21) When do you think a person has a good standard of living?

Choose up to three options.

1. When you own accommodation
2. When you own a car
3. When you can afford vacations and travel abroad
4. When you get adequate money for your work, the salary does not undermine your dignity
5. When you can pay for a good education for your children
6. When there is enough time and money for self-development, hobbies, interests
7. When you can buy everything you need and not think about how much it costs
8. When you can afford to pay for quality healthcare
9. When you don't feel disadvantaged in anything
10. Other (please specify) ________________________________

22) What conditions are required for anyone to achieve a good standard of living if they want to?

Choose up to three options.

1. High-quality and affordable education
2. State social support
3. Family and community support
4. Developed recreational infrastructure in a walking distance
5. Stability, predictable situation in the country
6. High-quality and affordable medicine
7. Developed business, efficient economy
8. Respect for the rule of law, fair justice
9. Social cohesion
10. Safe and healthy environment

11. Other (please specify) ________________________________
12. A good standard of living can be achieved under any conditions

23) What should a person who wants to achieve a good standard of living do?

Choose up to three options

1. Find a stable job
2. Find a job that pays a lot
3. Get a good education, learn foreign languages
4. Have more than one job
5. Work for yourself, do business, develop your own business
6. If necessary, change the activity
7. If necessary, change the place of residence
8. Continuously invest in education, develop, and improve skills
9. Have a healthy lifestyle, engage in sports, monitor your health
10. Other (please specify) ________________________________

24) In your opinion, how is ... changing now?

Give an answer for each line.	Rapidly deteriorating	Gradually deteriorating	Virtually no change	Gradually improving	Rapidly improving
Your wellbeing	1	2	3	4	5
Wellbeing of people in the inner circle (on average)	1	2	3	4	5
Wellbeing of people living in your locality (on average)	1	2	3	4	5
Wellbeing of people living in Belarus (on average)	1	2	3	4	5
Economic situation in the country	1	2	3	4	5

25) What do you/your family have enough income for?

1. We don't always have enough money even for food.
2. We have enough money for food, but it is difficult to buy clothes
3. We have enough money for food and clothes, but buying a television, refrigerator, etc. would be difficult.
4. We can buy basic household appliances, but we don't have enough for a car.
5. We can buy a car if we want, but our money is not enough to buy an apartment/home.
6. We can buy an apartment or house, if we want.
7. I don't want to answer.

26) Has your family changed consumer behavior in the last couple of months?

Choose all the appropriate options

1. Yes, we stopped saving.
2. Yes, we decided to put off big purchases (appliances, repairs, car, etc.)
3. Yes, we started buying cheaper clothes or bought them less often
4. Yes, we began to save money on recreation and entertainment
5. Yes, we have eliminated or reduced planned health expenditures
6. Yes, we gave up additional education (our own, our children's) or reduced these expenses
7. Yes, we have cut back on food
8. Yes, we have to postpone regular payments (utilities, loan payments, etc.)
9. No, we spend money like we used to

D. RESPONDENT INFORMATION

27) Specify your gend
1. Male
2. Female

28) How old are you?

__________ years

29) What is your education?
1. Elementary, incomplete secondary education
2. Secondary general education
3. Secondary special education
4. Incomplete higher education
5. Higher
6. Academic degree/title

30) 30) How many people, including you, currently live with you and make up your family?

_____________ people, including __________ children under 18 years of age

31) Now you are...

1. married
2. live together, but you are not officially married.
3. divorced
4. live separately from your spouse
5. widow/widower
6. unmarried

32) Now you ...

Work:
1. have a full-time job
2. work part-time (or have another part-time job)
3. work part-time from time to time/you are employed seasonally
4. have your own business
5. are self-employed, freelancer, craftsman, etc.

Don't work:
1. are retired/resigned
2. do housework, childcare/nursing, etc.
3. are a student
4. are unemployed
5. Other (please specify) ________________________

Appendix B

Table 8. Correlation between actual needs and definitions of a good standard of living

	When you own accom-modation	When you own a car	When you can af-ford vacations and travel abroad	When you get adequate money for your work, the salary does not undermine your dignity	When you can pay for a good education for your children	When there is enough time and money for self-de-velopment, hobbies, interests	When you can buy everything you need and not think about how much it costs	When you can afford to pay for quality healthcare	When you don't feel disadvantaged in anything
Providing your family with the essentials (food, clothing, basic services)	0.117**						0.123**		
Leisure and travel			0.111**			0.065*			
Buying a home/improving living conditions	0.196**								
Buying a car		0.071*							
Health preservation, recovery								0.107**	
Personal safety, safety of your loved ones									0.080**
Giving children a good education					0.282**				
Personal professional growth, self-realization						0.146**			
Growing your own business									
Leaving the country for a long time or for permanent residence									
Possibility to leave the country for a short time, "opening the borders"			0.155**						
Communication, understanding and respect				0.062*		0.085**			

Note: Only significant correlation coefficients are given (direct correlation). * and ** – correlation is significant at 5% and 1%, respectively.
Source: Calculations based on the National Population Survey data (April-May 2022)

Table 9. Correlation between actual needs and the conditions necessary to achieve a good standard of living

	High-quality and affordable education	State social support	Family and community support	Developed recreational infrastructure	Stability, predictable situation in the country	High-quality and affordable medicine	Developed business, efficient economy	Respect for the rule of law, fair justice	Social cohesion	Safe and healthy environment	A good standard of living can be achieved under any conditions
Providing your family with the essentials (food, clothing, basic services)		0.065*			0.078*						
Leisure and travel											**0.083****
Buying a home/improving living conditions		0.080**	0.078*								
Buying a car											
Health preservation, recovery						0.135**				0.068*	
Personal safety, safety of your loved ones							0.094**	0.107**			
Giving children a good education	0.142**										
Personal professional growth, self-realization	0.102**						0.102**				
Growing your own business				0.096**			0.100**				
Leaving the country for a long time or for permanent residence								0.151**			
Possibility to leave the country for a short time, "opening the borders"					0.066*		0.132**	0.097**			
Communication, understanding and respect			0.091**						0.095**		

Note: Only significant correlation coefficients are given (direct correlations). * and ** – correlation is significant at 5% and 1%, respectively.
Source: Calculations based on the National Population Survey data (April-May 2022)

Table 10. Correlation between actual needs and efforts one should take to achieve a good standard of living

	Find a stable job	Find a job that pays a lot	Get a good education, learn foreign languages	Have more than one job	Work for yourself, do business, develop your own business	If necessary, change the activity	If necessary, change the place of residence	Continuously invest in education, develop, and improve skills	Have a healthy lifestyle, engage in sports, monitor your health
Providing your family with the essentials (food, clothing, basic services)	0.197**	0.096**							
Leisure and travel									
Buying a home/improving living conditions						0.063*			
Buying a car									
Health preservation, recovery									0.156**
Personal safety, safety of your loved ones			0.128**						
Giving children a good education	0.089**	0.107**							
Personal professional growth, self-realization						0.068*		0.198**	
Growing your own business					0.156**			0.063*	
Leaving the country for a long time or for permanent residence							0.188**		
Possibility to leave the country for a short time, "opening the borders"							0.106**		
Communication, understanding and respect									

Note: Only significant correlation coefficients are given (direct correlation). * and ** – correlation is significant at 5% and 1%, respectively.
Source: Calculations based on the National Population Survey data (April-May 2022)

Table 11. Correlation between actual needs

	Providing your family with the essentials (food, clothing, basic services)	Leisure and travel	Purchase of housing/ improvement of living conditions	Buying a car	Health preservation, recovery	Personal safety, safety of your loved ones	Giving children a good education	Personal professional growth, self-realization	Growing your own business	Leaving the country for a long time or for permanent residence	Possibility to leave the country for a short time, "opening the borders"
Leisure and travel	-0.232**										
Buying a home/improving living conditions	-0.084**										
Buying a car	-0.081**										
Health preservation, recovery			-0.178**	-0.151**							
Personal safety, safety of your loved ones		-0.151**	-0.223**	-0.140**	0.097**						
Giving children a good education		-0.117**	-0.076*		-0.078*						
Personal professional growth, self-realization	-0.162**		0.069*		-0.129**	-0.174**	-0.107**				
Growing your own business	-0.128**				-0.148**	-0.102**	-0.078*				
Leaving the country for a long time or for permanent residence	-0.098**				-0.140**	-0.066*					
Possibility to leave the country for a short time, "opening the borders"	-0.192**	0.100**	-0.086**		-0.100**		-0.124**	-0.117**			
Communication, understanding and respect	-0.110**	-0.069*	-0.144**	-0.073*			-0.171**	-0.093**	-0.064*	-0.102**	

Note: Only significant correlation coefficients are given (direct and inverse correlations are highlighted in different colors). * and ** – correlation is significant at 5% and 1%, respectively.
Source: Calculations based on the National Population Survey data (April-May 2022)

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