

Left behind in transition?

The well-being of older people in Tajikistan

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January 2009

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January 2009

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1. Introduction

The break-up of the Soviet Union and the subsequent transition to market-led economies has been accompanied by a decade of economic and social upheaval on an unprecedented scale. In some countries, GDP per capita more than halved during the early 1990s and spending on social services such as health, education and social protection declined even further. There is now a substantial body of literature detailing the impact on the population of the decline in economic and social well-being in the new Republics of the Commonwealth of Independent States (CIS) during the 1990s (Alam et al, 2005; Dudwick et al, 2003; Falkingham 2005; World Bank, 2000). However, older people have been largely invisible in this literature, particularly in the poorer countries of the CIS in Central Asia and the Caucasus. One of the few studies explicitly focussing on older people in transition economies was carried out by HelpAge International (2002). However, that study was largely confined to Central and Eastern Europe, with case studies in Bosnia, Estonia, Romania, Moldova and Lithuania. There have also been some studies concerning older people in Russia (Tchernina and Tchernin, 2002). More recently, the European Centre for Social Welfare Policy & Research has carried out a study of 'Poverty of Elderly People in EU25', which includes the new member states (Zaidi et al, 2006), but there remains no equivalent literature on older people in Central Asia.

Older people in the region nevertheless face particular challenges. Having lived their entire working lives under a paternal and relatively generous welfare system, they now find themselves in later life facing a new world – politically, economically, socially, psychologically and physically. Where once older people faced retirement with guaranteed financial security, now most pension systems are being reformed and the value of benefits that are being paid have fallen in real terms (Dobronogov, 2003). Moreover, opportunities for continuing to participate in paid work are scarce in the face of rising unemployment.

This chapter draws on empirical analysis of recently available household survey data combined with in-depth qualitative research to shed light on the economic and social welfare of older people living in Tajikistan - one of the poorest countries in the world and ranking at the bottom of the ex-soviet republics (UNDP, 2007). The aim of the analysis is three-fold: firstly, to illustrate that poverty rates amongst older people in Tajikistan are highly sensitive to household composition and to the assumptions made concerning economies of scale within the household; secondly, to explore the relative importance of the state (in terms of public transfers) versus the family and community in alleviating pensioner poverty; and thirdly, to highlight the value of combining quantitative analysis with qualitative research in facilitating our understanding the concept of 'well-being' as experienced by older people themselves. A brief discussion of the context and the motivation for the study is provided below. The data and methods employed are then discussed prior to presenting the results.

2. The study context

Tajikistan lies in the south-eastern corner of Central Asia, bordered by China to its west, Afghanistan to the south, Uzbekistan to the east and Kyrgyzstan to the north. Its population of 6.3 million live in just 7 percent of the country's territory, with the other 93 percent being too mountainous for habitation. The vast majority (72%) of the population live in rural areas. Tajikistan remains a relatively youthful country, with 70 percent of the population aged under 30, and just 5 percent aged 60 and over. Although fertility has fallen over the past decade, it remains high by international standards with a total fertility rate of 3.68 in 2000 (UNICEF, 2007), and extended families are common.

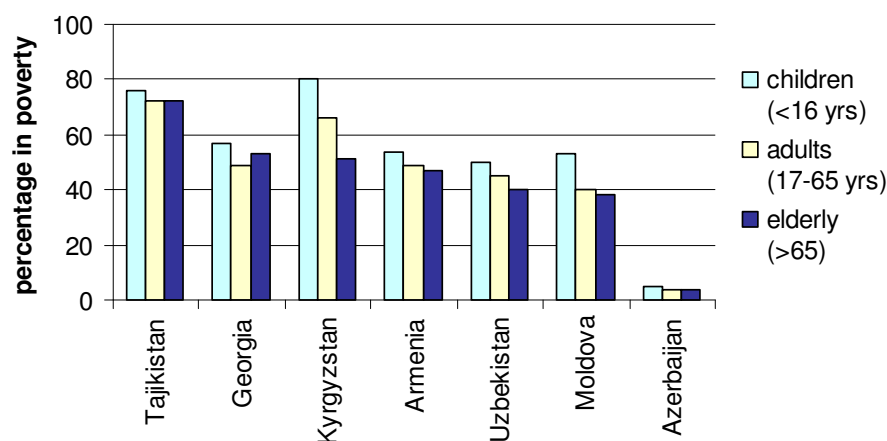
Since independence in 1991, Tajikistan has experienced major reversals in both economic and social development. The economic upheaval accompanying transition from a planned to market-led economy, the disruption of traditional trading partnerships and the withdrawal of subsidies from Moscow following the break-up of the Soviet Union, resulted in a dramatic drop in GDP and central government expenditures. In addition, the country experienced a civil war in 1992-3, followed by a long period of civil unrest that only ended with the signing of a peace agreement in 1997. During this time extensive damage was inflicted upon the country's economy and infrastructure. Although there has been positive economic growth since 1998,

GDP per capita in 2006 was estimated at \$247, under half the 1989 level of \$501 (values in purchasing power parity (\$PPP) and constant 2000 prices for both years) (UNICEF, 2007). The decline in GDP has been accompanied by growing inequality and high rates of poverty; in 2003, 57 percent of the Tajik population were living on less than \$2.15 PPP a day (World Bank, 2005).

Given experiences elsewhere in the world and bearing in mind the financial pressures on the formal safety net, one might have expected that poverty rates would be highest amongst older people and children. However, analysis carried out as part of the World Bank Poverty Assessment Update found that older people in Tajikistan faced a *lower* risk of being poor than the population in general (Falkingham and Klytchnikova, 2006). According to analysis by Alam et al (2005) this was also the case elsewhere in the region, with poverty rates amongst older people being *lower* than those experienced by children and working age adults all countries in the CIS-7, with the exception of Georgia (see Figure 1 below).

This surprising finding provided the motivation for much of the analysis in this chapter, as it runs counter both to a priori expectations and personal observation of life in Tajikistan acquired from regular visits to the country by members of the study team since 1998. Thus the first part of the results section focuses on the measurement of poverty and the sensitivity to the choice of equivalence scale used to account for the economies of scale faced by households of differing sizes.

Figure 1: Percentage living below poverty line of \$2.15PPP per day by age (2003)



Source: Table 4 in Alam et al (2005)

As a result of the political and economic disruption, Tajikistan has experienced almost unprecedented levels of population mobility. In common with other ex-Soviet republics, Tajikistan was affected by a huge wave of out-migration of the non-titular population in the years immediately preceding and subsequent to independence. The civil conflict in the early post-independence years led to the internal displacement of around 500,000-600,000 people, while an estimated 70,000-100,000 fled to Afghanistan (Foroughi 2002), although it is thought that the overwhelming majority of these groups had returned to their permanent place of residence by 1997 (Rowland 2005). Since the mid-1990s, there has been a rapid growth in 'labour migration' for economic reasons and today Tajikistan is thought to have one of the highest rates of per-capita labour emigration in the world (Erllich 2006). A survey carried out by in 2003 showed that 26% of all households had at least one household member working abroad, with the vast majority of migrants being men working in Russia (Olimova and Bosc, 2003).

In recent years, remittances have come to constitute an important part of the social safety net in Tajikistan (World Bank, 2005). Murghal (2007) estimates that remittances sent by absent international migrants to families represented over a quarter of Tajikistan's GDP in 2004. More recent data suggests that remittances had grown to account for just under half (45.5%) of GDP in 2007 (Ratha, Mohapatra and Xu, 2008), putting Tajikistan at the top of the world league table, followed by Moldova (38%) and Tonga (35%). Thus a second motivation for the chapter was to investigate the relative role of public and private transfers in keeping older people out of poverty. This is particularly pertinent given the likely negative impact of the current global financial crisis on the flow of remittances as well as the fact that reform of the Tajik system of old age social protection is currently being discussed. Finally, the project was also interested in how older people themselves viewed the tumultuous experiences of the last 15 years and what 'transition' has meant to them in terms of their every day lives and well-being.

3. Data and methods

The study employs a mixed method design, combining quantitative analysis of the living standards of older people using recently available household survey data, with qualitative research to provide deeper insight into the reality of life for older people

today. The quantitative analysis is based on the 2003 Tajikistan Living Standards Survey (TLSS). The 2003 TLSS is a cross-sectional multi-topic nationally representative survey of 26,141 individuals living in 4,156 households; of these 671 were men aged 63 and over and 899 women aged 58 and over (the official retirement age at the time of the survey in summer 2003). It was conducted by the National Statistical Committee of Tajikistan with funding from the UK Department for International Development (DFID) via a World Bank trust fund and its main aim was to provide the evidence base for the analysis of living standards in the country.

Detailed information was collected on a range of different sources of income including income from wages, social assistance, remittances, rent obtained from land, income from farm activities, family businesses and non-farm enterprise, the volume and value of home produced foodstuffs and gifts of food received. In addition, the survey collected information on household expenditures on a comprehensive list of food items and other common items using a week long recall period. Information on less common household expenditures, including rent, utilities and consumer durables was collected using monthly and yearly recall periods. From these data it was possible to compute two measures of household welfare based on total monthly income and expenditure. There is no officially sanctioned or universally accepted poverty standard within Tajikistan. The approach used here mirrors that in recent World Bank analysis and employs a poverty line of \$2.15 per capita per day at purchasing power parity. This is equivalent to a poverty line of 47.06 Somoni per month in 2003 prices.

The quantitative analysis of poverty is complemented by qualitative analysis that sheds light on how older people themselves perceive their living standards, what problems they face in their day to day lives and what they think should be done. This analysis adds depth to the statistics, providing contextual information which is difficult or impossible to measure using quantitative methods. Two methods of data collection were used. First, a series of focus groups were held to find out about older people in general, in a particular community. These were then followed by in-depth interviews to find out about individual experiences, and in particular their social networks and the role these play in alleviating poverty.

The qualitative fieldwork was carried out over two visits to Tajikistan in April and September 2008, with data collection in three different locations: the capital city Dushanbe; a smaller town in the north-west, Istravshan; and a rural area near Kulyab,

not far from the border with Afghanistan. The full results of the qualitative study are presented in Grant et al (2009) and selected vignettes illustrating the key areas of investigation are presented here.

4. Poverty in later life

As discussed above, using the conventional World Bank approach to measuring poverty in Tajikistan, older people are less likely to be poor than younger age groups. Table 1 shows that around 60 per cent of older Tajik men and 58 percent of older Tajik women (defined using official state pension ages at the time of the survey) live below the 2.25\$ PPP a day poverty line. These rates are similar to those of the working age population and significantly lower than the poverty rate amongst children (Table 1).

Table 1: Poverty rate by age category, TLSS 2003.

	Poverty rate	Relative risk of poverty	95% CI
Children under 15	66.7	1.05	[64.3-69.2]
Women aged 15 to 57	61.5	0.97	[58.9-64.0]
Men age 15 to 62	60.7	0.96	[58.2-63.3]
Women pension age (58+)	59.1	0.93	[55.4-62.8]
Men pension age (63+)	60.5	0.95	[55.9-65.1]
<i>Total</i>	63.4	1.00	[61.0-65.8]

Source: authors' own analysis of TLSS 2003.

Note: Total number of observations, 25653.

As poverty is calculated at the household level, it is important to take the living arrangements of older people into account. According to the TLSS 2003, the majority of older people in Tajikistan live in extended family households of two generations or more. Almost half of the elderly population live in three generational households with other adult members and children, whilst only 5 percent live alone and a further 5 percent in a pensioner couple household (see Table 2).

Table 2: Household composition of older people, TLSS 2003.

	<i>Percentage</i>	<i>Observation(s)</i>	<i>Average household size</i>
Lone pensioner	5.9	94	1
Two person, pensioner household	5.2	83	2.13
Pensioner + working age adult (WAA)	2.5	40	2
Pensioner + 2 or more WAA	9.3	154	5.06
Pensioner + WAA + 1-2 children	29.1	484	6.70
Pensioner + WAA + 3-4 children	28.9	435	8.40
Pensioner + WAA + 5+ children	17.8	261	13.72
Pensioner + children	1.4	19	3.30
Total	100.0	1570	

Source: authors' own analysis of TLSS 2003.

Note: Total number of observations, 1570. WAA= working age adult defined as 15-57 for women, 15-62 for men, Pensioner defined as those aged over 57 for women and over 62 for men.

As illustrated in Table 3, pensioners living alone are much *less* likely to be poor than those living in extended households, with only 34 per cent of them living below the poverty line compared with 63.4 for the whole population. Conversely older persons living in a 3 generation household with more than 5 children are almost 23 per cent more likely to be poor than the general population.

Table 3: Poverty Rate of pensioner by household type, TLSS 2003.

	Poverty rate	Relative risk of poverty	CI
Lone pensioner	35.1	0.55	[25.7-44.4]
Two person, pensioner household	34.0	0.54	[17.7-50.4]
Pensioner + working age adult	35.4	0.56	[20.5-50.3]
Pensioner + 2 or more WAA	45.5	0.72	[34.2-56.8]
Pensioner + WAA + 1-2 children	57.7	0.91	[51.9-63.5]
Pensioner + WAA + 3-4 children	67.4	1.06	[61.0-73.8]
Pensioner + WAA + 5+ children	79.1	1.25	[71.9-86.2]
Pensioner + children	32.5	0.51	[1.0-64.1]
<i>All individuals (whole pop)</i>	63.4	1.00	[61.0-65.8]

Source: authors' own analysis of TLSS 2003. Note: total number of older people: 1570, whole population 25653.

However, the results in Tables 1 and 3 are based on a per capita measure of household welfare and thus do not take account of any economies of size or the differential needs of different household members. A number of previous studies have highlighted that taking this approach can lead to a substantial underestimation of the level of material poverty faced by the elderly population (Dreze and Srinivan, 1997; Deaton and Paxton, 1997; Pal and Palacios, 2006).

In order to compare the living standards of different households it is necessary to adjust total expenditure for household demographic characteristics, and for different cost functions between households, by incorporating economies of scale and employing equivalence scales. Household members have different needs depending on their age, location and personal characteristics. Economies of scale generally arise due to per capita economies in sharing utility and housing costs, although in Tajikistan this was not very significant in the past as the State provided those services.

Typically equivalent household consumption is defined as follows: $E_e = E/n^\theta$ where E_e is the household equivalent expenditure (or income); E is total household expenditure (income); n is household size; and θ (theta) is the elasticity of household needs with respect to household size. An elasticity of 1 is equivalent to dividing by the number of persons in the household (and assumes no economies of scale and that the needs of children in the household are the same as those of adults), while an elasticity of zero implies that aggregate household expenditure is the relevant indicator of individual welfare. It has been argued that the choice of equivalence scale can significantly alter the profile of poverty (Lanjouw and Ravallion, 1995). In particular, work by Lanjouw, Milanovic and Paternostro (1998) found that using a per capita welfare indicator can lead to a conclusion that larger households are poorer, whilst alternative equivalence scales will reverse this policy conclusion.

Table 4 illustrates the impact on the profile of pensioner poverty using a range of alternative equivalence scales within Tajikistan. It shows the risk of poverty, defined as being in the bottom 20% of the distribution of expenditure, by household composition using different equivalence scales with the value of θ varying between 0.5 and 1.00. The data confirm the findings of Lanjouw, Milanovic and Paternostro (1998) that using a per capita poverty standard results in a higher proportion of larger households, and a lower proportion of smaller household, being defined as poor. This

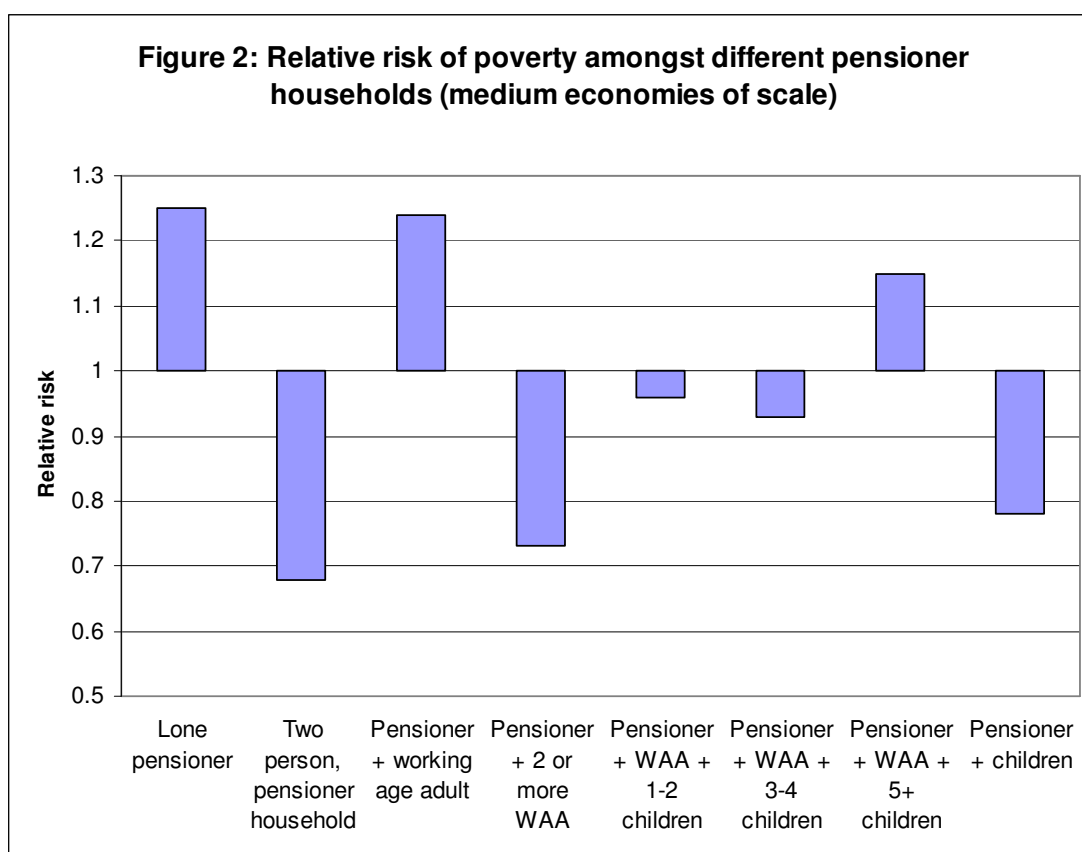
conclusion is reversed when θ takes a value between 0.8 and 0.7. This points towards a value of θ of around 0.75 for Tajikistan.

Table 4: Poverty rate of older people using different equivalence scales, poverty line set at the bottom 20% of the total distribution.

$\theta =$	1	0.9	0.8	0.7	0.6	0.5	Pop share
Household type							
Lone pensioner	9.8	15.7	23.6	32.6	39.3	47.0	5.9
Two person, pensioner household	2.8	7.7	8.4	11.3	19.1	24.0	5.2
Pensioner + working age adult	19.5	21.7	28.5	28.5	34.6	35.4	2.5
Pensioner + 2 or more WAA	12.5	13.3	15.6	17.6	16.6	16.6	9.3
Pensioner + WAA + 1-2 children	14.6	14.6	14.4	14.3	14.8	15.0	29.1
Pensioner + WAA + 3-4 children	20.5	19.5	18.5	17.4	16.8	15.3	28.9
Pensioner + WAA + 5+ children	31.8	29.6	25.1	21.3	17.1	15.4	17.8
Pensioner + children	21.7	21.7	21.7	21.7	21.7	21.7	1.4
Average % poor	20	20	20	20	20	20	
Average hh_size							
Poor	8.68	8.19	7.58	7.00	6.27	5.91	
Non-Poor	6.85	6.96	7.10	7.23	7.39	7.47	

Source: authors' own analysis of TLSS 2003. Note: total number of older people: 1570, whole population 25653.

Figure 2 shows the relative risk of poverty amongst pensioners according to household composition if medium economies of scale are assumed (i.e. $\theta = 0.75$). It presents a very different portrait of the profile of pensioner poverty to that shown in Table 3 above. After taking economies of scale into account, pensioners living alone are up to 25 per cent *more likely* to be poor as compared with the general population, and pensioners living in a 3 generation household with 5 or more children are around 15% more likely to be poor. By modifying the per capita assumption and allowing for economies of scale, pensioners living alone have moved from being the group least likely to be poor to having the highest probability of being poor. The latter concurs with evidence from the qualitative study where pensioners living alone were identified as being amongst the most vulnerable.



Source: authors own analysis TLSS 2003

Older people find themselves living alone for many reasons. Some have never married, whilst others are ‘single’ through marriage break-up or widowhood. Yet others are ‘later life orphans’ through being childless or, more commonly, because their adult children have moved away. As highlighted in Table 2 above, the majority of older people in Tajikistan live in extended families and living alone is the exception. Qualitative findings suggest that older Russian or Slavic people are most likely to be ‘orphaned’. The situation of older people without adult children is often desperate. They struggle to survive on inadequate pensions but they also lack the practical and psycho-social support which adult children provide in this setting.

“My family left to go to Russia. I cannot go there because I do not have documents. It is a shame but I solve all my questions at the garbage. There I find what to eat and what to wear.” (Russian male, 62 years, Dushanbe).

Most revealing are comments such as the following from older people who do have the support of their children:

“Thanks to my children, thanks to God, they help me somehow. Otherwise, I would die from hunger.” (Tajik male, 86 years, village 10 km from Kulyab)

Respondents spoke of relying on their children for food and medicine and indeed for survival. In the next section we go on to explore the role of the state and the family in providing financial support in later life.

5. Support in later life: public and private transfers

At independence, Tajikistan inherited a comprehensive system of social protection, including social assistance (cash compensation payments, assistance in kind and other non-contributory benefits and services), social insurance type benefits (pensions, unemployment and family benefits), and social care (residential care and social services). Since 1991, although the system has come under increasing fiscal pressure, entitlement to a social insurance old age pension remains largely unchanged¹, and depends upon average earnings over a specified number of years and the length of service. Men with a full employment record of 25 years and women with 20 years are entitled to receive a full pension, equivalent to 55% of average earnings over the two years prior to retirement or of the average of any continuous period of five years during working life (Gassmann, 2004). There has been a gradual increase in the age at which older people can draw their pension and from July 2003 this was raised to 63 for men and 58 for women, up from 60 and 55 respectively during the Soviet period.

Entitlement is however only half of the story, with indexation and the value of benefits being the other. Legally pensions are meant to be regularly adjusted to overall price increases in the country, but in practice such adjustments have been rarely made due to limited funds and the average value of social insurance pensions has fallen considerably, leaving many older people dependent on other benefits or on private transfers from relatives, neighbours and community groups. Table 5 shows both the percentage of older people living in households in receipt of various public and private transfers as well as the average (mean) value of the transfer for those households who receive it. Several things stand out. Firstly, virtually all (88%) of older people are in receipt of an old age pension. However, the average value of this pension is just 14 somoni (equivalent to around \$18 PPP) a month. On its own the old

¹ There has been some rationalisation of the number of exceptions and special categories for pensions.

age pension would not be sufficient to provide for a minimum subsistence standard of living.

Table: 5 Percentage of older people living in a household receiving support from various sources and average amount amongst those who receive it.

	<i>Percentage of people of pension age</i>	Mean monthly amount, amongst those who receive it (holds with pensioners only)
<i>Public transfers</i>		
Old age pension	88.4	14.1
Disability pension	14.5	14.1
Survivor pension	2.6	11.3
Other social assistance	5.6	16.5
<i>Private Transfers</i>		
Money from family in Tajikistan	10.4	33.4
Money from family abroad	9.6	57.7
Money from NGO, churches	19.8	12.1

Source: authors' own analysis of TLSS 2003. Note: total number of observation: 1570.

Secondly, Table 5 also shows that around a fifth of pensioners receive money from non-governmental organisations (NGOs) or churches and around one in ten receive money family in Tajikistan or abroad. Although relatively fewer older people receive private transfers, where they do, these transfers can make a significant difference to household income with the average value of transfers from relatives outside of Tajikistan being 58 Somoni (equivalent to around \$80 PPP) per month.

Table 6: Percentage of pensioner living in a household receiving public transfers by type of social assistance.

	<i>Old age pension</i>	<i>Disability pension</i>	<i>Survivor pension</i>	<i>Other social assistance</i>
Lone pensioner	93.6	3.9	0	3.0
Two person, pensioner household	95.0	21.5	4.3	4.9
Pensioner + working age adult	88.7	9.9	0	0
Pensioner + 2 or more WAA	88.6	20.7	0.8	2.4
Pensioner + WAA + 1-2 children	86.2	16.7	2.0	6.7
Pensioner + WAA + 3-4 children	88.6	13.6	3.5	5.9
Pensioner + WAA + 5+ children	88.0	11.2	3.0	5.7
Pensioner + children	81.4	10.8	10.8	18.6
<i>All individuals (whole pop)</i>	30.2	9.8	3.5	5.0

Source: authors' own analysis of TLSS 2003.

Note: total number of older people: 1570, whole population 25653.

Table 7: Percentage of pensioner living in a household receiving support from family living abroad or in Tajikistan or NGO or churches.

	<i>Money from family in Tajikistan</i>	<i>Money from family abroad</i>	<i>Money from NGO, churches</i>
Lone pensioner	38.3	10.1	37.3
Two person, pensioner household	16.1	16.4	30.0
Pensioner + working age adult	6.1	2.9	19.2
Pensioner + 2 or more WAA	6.9	6.7	16.4
Pensioner + WAA + 1-2 children	11.3	10.0	20.1
Pensioner + WAA + 3-4 children	6.5	6.7	17.9
Pensioner + WAA + 5+ children	5.4	14.6	16.1
Pensioner + children	27.1	0	10.8
<i>All individuals (whole pop)</i>	9.3	9.6	15.7

Source: authors' own analysis of TLSS 2003.

Note: total number of older people: 1570, whole population 25653.

The proportion of older people in receipt of transfers varies by household composition (Tables 6 and 7). Lone pensioners and pension couple households were more likely to receive an old age pension but much less likely to be in receipt of other public transfers, whilst a pensioner living with children but no working age adults was

most likely to be receiving means-tested social assistance. Lone pensioners and pension couple households were also more likely to be receiving help from the church or NGOs and from family, both in and beyond Tajikistan.

Qualitative findings confirm that many older people rely on money and other forms of material support received from family members. However, the qualitative research also highlights that this support is not always regular and may only be provided when needs become acute on the part of the older person or when funds are available from the budget of the sender. An example of an acute need is serious illness:

“Recently I had surgery and my appendix was removed. Thanks to God my son who works in Russia sent me money for this surgery, otherwise I could not go for the surgery and I would have died without it. Since I am an old person, I can rely only on my children. I know how difficult it is for them to live because they have their own children.” (Tajik male, age unknown, village near Kulyab)

Furthermore although pensioners stated that they were reliant on their adult children, they were also aware of the competing needs of their grandchildren:

“...my daughter and son support me, but even then it is not enough. Children can not always help us, we need pension. They have their own families. Last winter we were freezing, it was very cold. No heating, no gas, no electricity.” [Russian Female, 75 years, Istravshan]

It is also important to note that older people are also important *sources* of support, both within and beyond the household, providing childcare and assistance with household tasks, freeing up the time of their adult children and enabling younger members of the family to participate in paid employment. Furthermore, it is not uncommon to find older people acting in loco parentis, providing both material support and care to their grandchildren. Thus the flows of resources may be two-way.

“I thought that when I was old I would only play with grandchildren and receive a pension. Now however I have to think about how to feed grandchildren and myself.” (Tajik female, 84 years, collective farm near Kulyab)

The quantitative analysis is only able to capture a cross-sectional picture of private transfers; in reality the picture is more complex with older people both receiving and providing resources, with those resources taking many forms – cash, in kind transfers

and the provision of services and time. The relative role of public and private transfers in keeping older people out of poverty in Tajikistan is further explored below.

6. The relative role of public and private transfers in keeping older people out of poverty

How effective are public and private transfers in alleviating poverty? In the tables presented so far poverty status has been defined using household expenditure data and is, de facto, defined *after* the receipt of transfer, as the transfers make up the disposable income from which expenditures can be made. It may be that older people are less likely to be poor than other groups because they are receiving transfers. In this section we attempt to unravel the impact of transfers on the welfare of older people by calculating the incidence of poverty both before (*ex ante*), and after (*ex post*) transfers. To do so requires changing the welfare indicator to total household income, adjusted for household size and assuming medium economies of scale. As income is underreported, the poverty line is also adjusted downwards following a similar approach to that used in Baschieri and Falkingham (2009).

Prior to the receipt of transfers, almost three-quarters of lone pensioners and three-fifths of those living in two person pensioners households would be living in income poverty compared with just under a half of the population in general. Post public and private transfers, older people are actually less likely to be income poor than the population in general, with the exception of those living in households with 5 or more children (Table 8).

Table 8: Percentage of pensioners living in income poverty (poverty line \$1.08 PPP per month, $\theta=0.75$), before and after transfers

	<i>Poverty rate before public and private transfer</i>	<i>Poverty rate after public transfers but before private transfers</i>	<i>Poverty rate after private transfers but before public transfer</i>	Poverty rate after both public and private transfers
Lone pensioner	72.8	57.3	54.3	39.9
Two person, pensioner household	60.8	49.7	37.9	37.1
Pensioner + working age adult	61.8	52.1	52.0	39.9
Pensioner + 2 or more WAA	39.8	33.2	30.6	25.5
Pensioner + WAA + 1-2 children	46.9	43.0	39.8	35.5
Pensioner + WAA + 3-4 children	45.9	42.1	41.6	38.0
Pensioner + WAA + 5+ children	53.9	48.7	49.6	43.8
Pensioner + children	54.3	54.2	43.4	27.1
<i>All individuals (whole pop)</i>	47.5	43.2	45.3	40.7

Source: authors' own analysis of TLSS 2003.

In virtually all cases, receipt of private transfers results in a reduction in poverty of greater magnitude than that resulting from receipt of public transfers, reflecting their higher average value. This is most notably the case for two person pensioner households where private transfers result in a 23 percentage point reduction in poverty (from 61% to 38%), compared with an 11 percentage point reduction (from 61% to 50%) following public transfers. The exception to this is for households with large numbers of children, where the poverty alleviating impact of public transfers exceeds that of private, reflecting the role of child benefits. For lone pensioners and pensioners living with children and no middle generation, however, it is the *combination* of both public and private transfers that results in marked falls in poverty, highlighting the fact that many of these households rely on both types of transfers and loss of one or other would tip pensioners back into poverty.

7. Conclusions

The forgoing analysis have highlighted that many older people in Tajikistan face a heightened risk of poverty and that traditional analyses using per capita measures of household welfare may underestimate the risk faced by some of the most vulnerable, that is those older people living alone and as part of a pensioner couple living without any other working age adults. Pensioner only households remain the exception in a country where the extended family is the norm. However, such households account for one in ten older people and it is vitally important for their welfare that this vulnerable group is not overlooked by policy makers.

The analyses have also highlighted the important and growing role of remittances and other private transfers in maintaining the well-being of older people.

“We, and maybe 90% of the country’s population, live because of them - because of the children who work in other countries as labour migrants.”

(Tajik female, age unknown, Dushanbe).

However, it is far from clear whether the Tajik government will be able to continue to rely on the flow of remittances from abroad, particularly as the effects of the credit crunch begin to be felt globally. Provisional data from the IMF for the last quarter of 2008 suggests a dramatic slowdown in the inflow of remittances into Tajikistan, from a high of \$325 million in July 2008 to around \$180 million in December 2008 (Moers, 2009). The majority of remittances to Tajikistan come from migrant labourers working in Russia. As the labour market tightens and xenophobia increases, it is questionable whether this will be sustainable. Urgent measures are needed to raise the value of the old age state pension to a level that will sustain a minimal but adequate level of living. This will ensure that if the flow of private transfers is diminished, older people are not doubly disadvantaged.

“Frankly, if they would increase my pension I could cope with difficulties.

When you have money, you have everything, wood, food, and clothes. If you do not have money, you have nothing.” (Tajik female, 84 years, collective farm near Kulyab).

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