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SSDIS
Global Standard for Harmonization of Social Statistics*
with special reference to transition and globalization processes

by
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SSDIS

Global standard for harmonization of social statistics with special reference to transition and globalization processes

0. Introduction

0.1. The need for deeper harmonization of social statistics on international level is the consequence of globalization processes and progressing institutionalization of economic and social policy in more open, market driven economy. Effective approach to harmonization of social statistics on international and supranational level in ITT environment is the development and implementation of integrated complex of standards of metadata used for representation of relevant social surveys and data. The operational tool of harmonization is the Standard Social Data Interchange System.

0.2. In elaborating the proposal of the SSDIS the theoretical and methodological approach was based on the achievements and practical experiences in developing standards for representation and harmonization of statistical metadata of the METANET¹.

0.3. In elaborating the concept of the SSDIS the transition countries were chosen as the empirical basis for developing universal standards for harmonization of statistical data on international level. It seems that the transition countries, especially those, which are not the candidates to the European union, are the best as the frame of reference for elaborating and verifying the standards for harmonizing social statistics. The reasons for choosing those countries are following:

- (a) The transition countries, which are the candidates to the EU, are relatively homogenous economies and societies of Central Europe. They do not represent the variety of social situations and processes, which should be described by social statistics.
- (b) The EU-candidates are obliged to harmonize their national statistical systems with the ESS2. Those standards are adjusted to developed market economies. The processes of harmonization are advanced, and in some countries they are practically finalized.
- (c) The transition countries - non-EU candidates represent wide spectrum of economies, societies and civilizations.
- (d) The dynamics and scale of social changes in transition countries is much higher than in other economies. Because of that the problems of harmonization, integrity control,

¹ METANET is the network of excellence on metadata working within the EPROS research program in official statistics of the European Union. The members of the METANTE are the experts of NSI's, central banks, universities and research institutes working for international statistical institutions. The network is opened also for non EU member countries (e.g. USA, Canada, Norway, some EU-candidate countries are members of the network. It is coordinated by Prof. Joanne Lamb of the University of Edinburgh (UK). The METANET has analyzed and evaluated a representative set of existing standards of statistical metadata and metainformation systems. Special attention was given to standards of modeling complicated statistical aggregates, integrity control and documenting the differences and changes of methodology.

² ESS -European Statistical System coordinated by the EUROSTAT as the supranational statistical office of the European Union.

comparability and interpretability of statistical data are of crucial importance for official statistics of those countries.

0.4. The conclusion is that the problems of harmonizing social statistics of transition countries for international interchange are more complicated than the relevant problems in stabilized economies. The SSDIS standards, which are applicable for representation and harmonization of social indicators from transition countries (non-candidates for the EU), would be adaptable for other countries.

1. Standards for international harmonization of social statistics as the prerequisite of social and economic policy in globalizing economy

- 1.1. The concept of political, economic and social *transition* designates the process of *accelerated and comprehensive political, social and economic changes*, transforming the societies and economies from non-democratic political systems and centrally planned economies, to more democratic political systems and to market - driven, more open economies, integrated with global economic system. The *transition* is initiated, coordinated and controlled by governments of particular countries. First stimulus for starting the processes of *transition* is of purely political nature. The governments of formerly *centrally - planned economies* are made - under social and political pressure strengthened by the inefficiency (and in some countries - the bankruptcy) of centrally - planned economy - to introduce *institutional changes* of political system. The consequence of political changes is the transformations of social and economic systems. Those institutional political changes generate specific social and economic processes, which are commonly known as transition processes. The transition countries are those, which have entered the path of politically inspired *institutional changes* transforming of their social systems to more democratic and the economic systems to more open, market - driven systems.
- 1.2. The *differentia specifica* between *transition countries* and other countries, in which the processes of political, social and economic changes are also taking place, are following:
 - A) ***origin of changes***: in the *countries in transition* the governments are those who initiate, organize and control the transition processes in politics, social life and in economies,
 - B) ***scale of changes***: in the countries in transition the scale of changes in "total", comprehensiveness and high dynamics of changes is stimulated and accelerated by administrative decisions and direct managerial activity of governments,
 - C) ***direction of political changes***: the direction of political and social changes in transition is progressing from non-democratic political systems of monopoly and total control of politics and social activity by one political power to more pluralistic political systems,
 - D) ***direction of economic changes***: the direction of economic changes in transition is running from so called "centrally - planned" economies of total control of economic activities by state to market - driven economies,

- E) ***direction of social changes***: reduction of social functions and responsibilities of governments, commercialization of social services, more free labor market, higher differentiation of incomes of households, polarization of society, with deep consequences for social stability,
 - F) ***instrumentation of changes***: basic instruments of implementing the changes in economy are laws and governmental decisions and government institutions.
- 1.3. In all transition countries the processes of social and economic transformation were preceded and accompanied by deep political changes. In some regions the beginning of transition was associated with the re-creation or creation of new independent states (e.g. former Soviet Union, Yugoslavia, Czechoslovakia were divided into independent countries; some provinces of those newly created countries have reached relatively high level of political and economic autonomy). In other regions the integration of formerly independent countries has taken place (e.g. Germany). All countries have reached higher level of political independence (e.g. the countries - members of the Warsaw Pact).
 - 1.4. The processes of political transition are running differently in different countries, in specific regions of all continents. In some cases it was peaceful, politically controlled and coordinated process of integration (e.g. Germany) or disintegration (e.g. Czechoslovakia). However in some regions political transformation was and still is difficult and painful, not excluding the processes of political fights, social disturbances and military actions (e.g. the beginning of transition in Lithuania, problems of North Caucasus and of some regions of South East Asia).
 - 1.5. The policy of developing official statistics in transition countries should be analyzed from the points of view of two roles of national official statistical systems (NOSS) in transition processes:
 - a) ***Active role***: National official statistical system of a country in transition as the source of data informing the governments, businesses, the societies and international organizations on social and economic situation of countries in transition.
 - b) ***Passive role***: National official statistical system as an integral segment of administrative infrastructure of the country in transition, which should be transformed and changed coherently with the transformation of other segments of political, social and economic infrastructure of the country.
 - 1.6. The scale, forms and methods of political transition have decisive impact on the realization of those two roles of the NSO's, on the development of statistical information systems, on the position and realization of duties of statistics in transition. One should identify the following qualitatively different situations:
 - A) ***Transition of the countries, which had formal political independence*** in the past, before the transition (e.g. Bulgaria, Hungary, Mongolia, Poland, Romania). The adjustment of official statistics to new social and economic situation requires deep changes of methodology and scope of statistics, but fundamental organizational changes of statistics are not necessary.

B) ***Transition of the countries created on the basis of former provinces of federal states*** (e.g. former republics within the frames of federal states of Czechoslovakia, Soviet Union, Yugoslavia). Those newly independent states - former republic of federations - had in the past their own organizational infrastructure of official statistics. However those statistical infrastructures of provinces (republics) had played rather the role of the regional layers of the whole system of official statistics of federations. Programming of surveys, methodological and analytical works were concentrated - as a rule - on federal level. Some areas of statistics were developed on the level of federation only (e.g. national accounts, foreign trade, some segments of financial statistics, transport, tourism, environmental statistics etc.). In the new independent countries created on the basis of former provinces (republics) of federations the transformation of statistics covers:

- (a) The change of the status, mandate and position of statistical offices from provincial to national statistical offices. First step of transition of statistics was the establishing new legal basis of official statistics, development of new organizational structure of national statistics and extensive re-training of statisticians in their new roles in the state, the society and national economy.
- (b) The development and implementation of the procedures of programming the surveys of national statistics. The procedure of programming and planning of surveys should be adjusted to new organization of central and governments and self - governments, as well as to the structures of other economic and social institutions.
- (c) The extension of the program of surveys of official statistics by introducing new surveys. In the past, before political transition, some areas of statistics were developed on federal level only. New national economies need their own systems of national accounts, foreign trade statistics, price statistics, labor statistics, statistics of public sector of economy, surveys supporting government budgeting covering "economic space" of the country.
- (d) The introduction of respective methodological changes, adjusting statistics to new political situation (new national economy), to the requirements of market - driven economy and to international standards (mainly the implications of transition from the MPS to the SNA standards).
- (e) Reconstruction or construction "from scratch" of basic time series covering the space (geographical, social and economic) of newly created countries. Those time series are necessary for social and economic modeling, simulation and forecasts. The time series should cover new political and economic borders and new administrative structures of countries. The retrospection should be as deep as possible. This "statistical reconstruction" of social and economic history of newly independent countries was one of the priorities and one of the most responsible and difficult tasks of the NSO's. Particularly, the retrospective reconstruction time series for regional policy of new states occurs to be difficult for areas covered by sampling surveys.

- (f) The adjustment of the organization of official statistics to new administrative structure of the country. New independent states have introduced - as rule - new models of regional administration and new systems of regional self - governments. Because of that, the NSO's had adjusted their regional structures.
 - (g) Technological re-engineering of statistical system, implementation of modern IT.
- C) **Transition by incorporation** (the case of former GDR). There is only one case of the transition by incorporation - the replacement of "old" statistical system of GDR by the system of FRG in all aspects: organization, program of surveys, methodology and technology. Experiences of the transformation of official statistics of former GDR are very specific and can hardly be used as the pattern for other regions.
- 1.7. Case (B) - **the countries created on the basis of former provinces of federal states** - is the most common situation of transition in the ECE region. Specificity of this case is, that the new independent states had to develop their new political, administrative, economic and information infrastructures - including statistics - not exactly "from scratch", but on the basis of fragments of formerly existing "supranational" infrastructure of federal states. This basis may facilitate the transition of statistics, especially in the countries, which inherited former federal statistical offices (e.g. Czech Republic). However on the other hand, old habits and underdevelopment of methodological capacity in statistical office of new states which were formerly the provinces (republics) of federations, makes the transition of statistics in those countries more difficult.
 - 1.8. Institutional processes of transition in new independent states are qualitatively different, then in the other countries in transition. Moreover, each country has its own national, political and economic specificity. This fact is true for official statistics. However, despite of the obvious fact, that each country in transition has its own political, social and economic specificity, there is observed the propensity to perceive the countries in transition are the set of homogenous socio - economic systems, which may be described by one standards set of statistical indicators. This approach is to large extent adaptable for economic statistics, but it does not seem to be applicable for social statistics.
 - 1.9. Statistical standards recommended for the countries in transition should be adjusted to specific national conditions of particular country in transition. In defining statistical standards for transition countries, regional and national specificity of each country and of each region should be taken into account. Historical conditions, actual political and social situation and its changes should not be underrated.
 - 1.10. There is also the qualitative difference between the conditions and strategy of development of statistical systems in the countries which, governments have declared the accession to the European Union, and the countries in transition which are not the candidates to the European Union. In the countries - candidates to the EU the strategic priority is given to the adjustment of national statistical systems to the statistical standards of the EU. Their perspective and objective is the integration of national

statistical systems as an integral part of the ESS. National statistical offices of the candidate countries are focused on the compatibility of national statistics with the European Statistical System (ESS). The objective of transition of statistics of the EU candidate countries is the integration with the ESS in the perspective of the membership in the EU (for some countries - May 2004). In developing official statistics, the EU - candidates are concentrated on the implementation of the directives of European Union, particularly the recommendations and patterns of the EUROSTAT.

- 1.11. The process of transition of official statistics in the countries, which are the candidates to the EU, is an integral part of the whole process of integration of those countries, their national economies with the EU. The pressure on the coherence of the national statistical systems of the accession countries to the ESS is so strong, that it seems, that specific national statistical needs are underrated and even not taken into account³.
- 1.12. To the contrary, the objectives and the strategies of transformation of official statistics in the countries of the ECE region, which are not the candidates to the UN European Union, are concentrated on:
 - (a) internal processes of economic and social transition, taking into account national specificity of transition processes,
 - (b) satisfying the requirements of international organizations supporting the processes of transition in those countries (UN, IMF, World Bank, OECD ea.).

The *non-candidate countries* are not obliged to adjust of the organization and functioning of their national statistical systems to international standards by implementing those standards on national level. The requirements of international organizations cooperating with those countries refer to the scope and methodology of statistical output data delivered to international organizations. The strategy, methods and scale of the adjustment of official statistics to international standards is the autonomous, internal decision of national statistical offices.

- 1.13. National strategy of the development of national statistical systems in transition countries, which are not the candidates to the EU, is oriented to three main objectives:
 - The development of national statistical system as integral segment of the information infrastructure of the national economy.
 - Production of relevant statistics for supporting decisions of governments, monitoring and evaluating the results of country - specific transition processes and social and economic consequences of transition.
 - Adjustment of national official statistical system to international standards, in particular those recommended by the UN statistics.
- 1.14. The objectives specified above may not be necessarily coherent. For example, statistical monitoring of transition processes requires data, which are - as a rule -

³ The example of such mistakes in the EU - candidates is the implementation of international statistical classifications used in the EU on supranational level only, as entire national classifications (e.g. classifications of activities, commodities, occupations, etc.).

different from those required by international organizations for their analyses and international comparisons. International statistical standards may not correspond with the needs of presenting and analyzing the country - specific phenomena and processes, etc. The implementation of international statistical standards by the non-candidate countries to the EU is rather the nationally embedded decision of the NSO's, then the mandatory consequence international agreements and treaties of governments.

- 1.15. In practice, in the transition countries, the priority in transformation of official statistics may and should be given to the internal needs of governments, businesses and societies. Main task of official statistics in those countries is to help the governments to define optimal strategies of transition, to the evaluating of economic and social costs and effects of transition, to building *early warning systems* and to monitoring of transition processes. Recommendations and standards developed and proposed by international organizations should take this hierarchy of priorities into account.
- 1.16. However, analyzing the practice in transition countries, it seems, that the function of official statistics as indispensable tool of economic and social policy in the processes of transition seems to be underrated by governments. Politicians, managers, experts and lawyers involved in implementing and monitoring economic and social reforms do not precede their decisions by developing proper statistical surveys and statistical monitoring systems. International statistical organizations, particularly UN statistical services and the CES, may help the statisticians in transition countries to convince the governments, that good official statistics is the prerequisite of successful transition.
- 1.17. Exchange of experiences and best practices between national statistical services of the transition countries is an efficient way of assistance in defining statistical national standards supporting transition processes. Efficient tools for harmonization of statistical data are SDDS and GDDS, implemented by the IMF. The usefulness of those two systems was proven for economic statistics. However, in SDDS and GDDS much less attention was paid to social statistics and their specificity.
- 1.18. **The objective of this paper is to present the approach to standardization in social statistics and the proposal of the system for social data harmonization and interchange (SSDIS). The case study of transition countries is chosen to explain and exemplify the specificity of standardization of social statistics in extremely complex statistical environment.**

2. General problems of international harmonization of social statistics - the case study of transition countries

- 2.1. Over a decade since the start of political transition, in all transition countries the processes of adjustment of *official economic statistics* to the needs of market - driven economies and international standards are advanced. In some countries this process is coming to the end. National statistical agencies produce and disseminate *economic statistics* following basic international standards and methodological recommendations. In the ECE region, the CES, the ECE Statistics Division, EUROSTAT, and in global scale the IMF, OECD and World Bank, UNDP and other

international organizations have developed *statistical standards of economic statistics* specific for transition countries.

- 2.2. However - up to now - much less attention was paid to specific transition - oriented statistical standards for social phenomena and processes. There is an information gap between the statistical coverage of economic transformations and the statistical coverage of social processes taking place in transition countries. This information gap and its negative consequences for policy makers are better seen and better understood in advanced phases of transition, when "old" centrally - planned economic institutions are already replaced by the mechanisms of market driven - economy, but social institutions and structures are not adjusted to new economic situation. Governments and international organizations do not have necessary data for evaluation and simulation of social consequences of economic policy.
- 2.3. As it was mentioned above (see 1.17), the IMF have established two dissemination standards: SDDA and GDDS, through which countries commit to improving the quality of data produced and disseminated by their statistical systems. Those two systems introduce meta-information standards for wide range of economic indicators and on some basic social indicators (e.g. demography, labor, employment, incomes etc.). The scope of social indicators covered by the SDDS and GDDS is - in principle - limited to the indicators that are necessary to compile some derived economic indicators (e.g. indexes per capita), or to help better interpreting of economic indicators (e.g. incomes of households as the element of national accounts and business cycle analysis). So, the role of standard social indicators covered by SDDS and GDDS is limited to the supporting of economic analyses.
- 2.4. For each transition country there may and should be determined the statistical minimum - i.e. *minimum set of statistical data* indispensable for governments, businesses and for households to take proper decisions and rationalize the behavior in different phases and specific situations of transition period. This ***minimum set of statistical data*** may be different for (a) particular country, for (b) each phase of transition and for (c) each area of social and economic life. Official statistical agencies should identify precisely this ***country - specific statistical minima***. The governments of all countries, especially of any country of high dynamics of social and economic processes (transition countries, developing countries, regions of political or environmental disturbances etc.), should be aware and convinced, that the consequence of defining the statistical minimum for the country is the ***minimum of resources for official statistics*** in government budget, which should enable the national statistical offices to produce, compile and deliver to the users all necessary data. International organizations and developed countries offering assistance to national statistics in transition countries should pay more the attention and higher priority to the ***country specific statistical "minima"***.
- 2.5. ***Minimum of social statistical indicators*** for transition countries does not mean the *small set* of data. To the contrary, it is rather long list of statistical indicators. Their capture, production, compilation and dissemination may not be easy for some statistical services. It is large heterogeneous set of information covering all areas of social statistics, precisely pertinent to the needs of different classes of users: the

governments, the non-government organizations (NGO's), the businesses and the public.

- 2.6. Official statistical agencies in all countries are expected to supply relevant and timely social statistical indicators, interpretable for specific conditions of particular country. They should meet following needs and requirements:
- a) analysis and evaluation of *current social situation* of the country in transition, by measuring specific social phenomena and processes,
 - b) identification and description of *social impacts and consequences of economic reforms* in transition countries,
 - c) *impartial* simulation of *social consequences of the decisions of governments*, introducing new economic mechanisms transforming centrally planned economy into market - driven economy,
 - d) short and middle term forecasting of social processes, including the *human development* phenomena, as defined in the HDR,
 - e) *statistical monitoring of social phenomena and processes* in countries, regions, branches and social groups,
 - f) evaluation of *social efficacy of strategies and tools used by the governments* of transition countries to implement new economic and social regulations,
 - g) evaluation and estimation of *social costs of transition*,
 - h) development (if possible) of statistical *early warning systems* for the governments, informing the governments *ex ante* on social phenomena
 - i) compilation of comparable statistical data for international comparisons and "benchmarking" of social (and human) development of countries in transition.
- 2.7. Specific situation is in statistics of newly re-created independent countries. In newly re-created independent states the national statistical agencies is also expected to produce retrospective time series covering both the pre-independence periods for the territory of the country and the period of political independence, as long as possible and necessary for modeling, forecasting and simulation.
- 2.8. An interesting initiative in global standardization of social statistics is the idea of the Minimum National Social Data Set (MNSDS), articulated by the World Bank Development Data Group and the IMF Statistical Department⁴. The Group proposed to include to the GDDS some areas of social and demographic indicators. The Group has also listed social and demographic data categories and statistical indicators (components), which should be included to the GDDS.
- 2.9. It seems that the GDDS, SDDS and the MNSDS are good starting platform to develop general standards in social statistics for harmonization and interchange of social data in global scale. The formats for description of surveys and data used in the GDDS seem

⁴ See: *The Socio-demographic Component of the General Data Dissemination System*, Report by the IMF and the World Bank Development Group, the paper for 34th session of the ACC Subcommittee on Statistical Activities, Washington D.C., 20 - 22 September 2000. Ref. No. S.A./2000/16(g).

to be a good basis for elaboration of the format adjusted to the specificity of social statistical data and metadata.

3. Specificity of social processes and its impact on the harmonization of social statistics on international level

3.1. **Primary and derived social phenomena and processes.** In all transition countries, parallel with the transformation of the national economy, deep processes of social transformation are observed. Those social phenomena and processes may be divided into two classes:

(A) primary

(B) derived

(A) *Primary processes and phenomena of social transition* are those introduced or generated directly by political and administrative decisions of governments. E.g. higher mobility of population caused by more freedom to travel abroad and to migrate within or outside the country, unemployment caused by administrative decision of closing a state - owned enterprise, etc.

(B) There are also social processes, which are derivatives of economic transformations. Those processes are the result or "by-product" of processes of economic transition. Their origin is the transformation of the economy and the changes of the role of government in the economy. Those processes may be called *derived (secondary) processes and phenomena of social transition*. Derived, *secondary social processes and phenomena of transition* may be both positive and negative. However, they are often negative. For example: rapid decrease of rate birth in first years of transition, very high structural unemployment caused by restructuring of industries overdeveloped in the pre-transition period and concentrated in specific "monocultural" economic regions, enlargement of spheres of poverty caused by cuts of government subsidies of some consumption goods and services, increase of criminality etc. Those negative secondary consequences of economic transition should be of special interest for official statistics in transition countries.

3.2. Official statistics should help to identify, which social processes are **primary**, and which are **derived**. Statistics should help to describe *relations between primary and derived phenomena and processes* of transition. It should also:

a) help the governments to identify real origins and causes of primary and derived (secondary) social processes in transition,

b) to provide statistical data enabling the governments to analyze and to explain the mechanisms and dynamics of these processes (causes of social phenomena and social outcomes of primary transition processes),

c) to monitor social phenomena and processes and their dynamics in transition,

- d) to supply data for modeling, forecasting and simulating primary and derivative social phenomena and processes for the whole transition period and for its particular phases.
- 3.3. *"Socio - economic time" in transition.* Social processes in transition countries have their specific dynamics, which is different from those in stabilized economies. We may say, that the economic and social time in transition countries is running much faster, then in stabilized economies and societies. Because of that, the statistical observation of economic and social processes in transition countries should be more frequent then in well-stabilized economies and societies. It should be adjusted to the "run of socio - economic time" in transition period. Higher frequency of statistical observation needs specific methodological approaches and requires more resources for official statistics. The governments - main users of statistical data, and the official statisticians themselves, should understand this specificity of social statistics.
- 3.4. *Social "transition shocks".* Transition period is the period of *economic and social shocks*. By "transition shocks" we understand the "*oversensitive*" reaction of the economy (or its branches, regions) and of the society (or some social groups) on external or internal economic impulses. E.g. the "explosion" of explicit unemployment in the beginning of transition, the changes of structure of consumption caused by structural changes of prices, dynamic changes of exchange rates of local currency, dramatic decrease of incomes for disposal of households, social transformations caused by restructuring of industry etc. *Social shocks* in "non-transition" countries are caused - as a rule - by external factors, not by decisions of governments. The governments are trying to eliminate or to soften social shocks. This is very important objective of social policy of governments. To the contrary, the specificity of *social transition shocks* is that the governments themselves generate shocks. *Social shocks* are used as instruments stimulating the adoption of businesses and households to new economic situation, to market - driven economy. The origins of those "shocking impulses" are political and administrative decisions of the governments of transition countries. The source of *social shocks* is internal, not external. In transition countries the generating of economic "shock impulses" by governments is rather popular method of accelerating the transition⁵. Colloquially one may say, that in transition countries the governments "are shocking" the economies and societies, their own businesses and citizens by introducing new regulations of economic and social life. Official statistics should supply data enabling the governments to simulate social and economic effects of those shocks (especially negative side effects) generated by administrative decisions of governments. Foreign experts and international organizations advising the governments of transition countries how to reform the economies, should be aware of possible negative social and economic consequences of *social shocks* and of *social costs* generated by to obedient and "literal" implementation of their recommendations by governments.

⁵ Several transition countries in early phases of transition have adopted so-called "shock therapy", following the recommendations of some international organizations (e.g. IMF). However now it is clear, that economic and social cost of "shock therapies" was much higher and long lasting, than expected, and their "net effects" were relatively low.

- 3.5. **Statistical coherence gaps.** The transition is the complex of many collateral processes of social and economic changes. The control of coherence and coordination those processes in time, in regions, branches of the economy, social groups, requires very large number of coherent, comparable and timely statistical data. It is not easy for official statistics to meet the needs for coherence and comparability of data necessary for coordinating different non-coherent transition processes. The monitoring of the *coherence gap between social and economic transition processes* is of particular importance for statistics. Statistical standards may and should help to identify, analyze and minimize coherence gaps in statistical data.
- 3.6. **Statistical information gap.** Because of high dynamics of social and economic processes, the systems of official statistics in the countries in transition can hardly keep pace with the changes of economy and society. Main users of official statistics often express the opinion that the scope and timeliness of data delivered by official statistics is not satisfactory. This criticism refers to (a) frequency (*to low*), (b) production time (*to long*), and (c) timeliness (*not reliable*), (d) scope (*to narrow*), (e) cross-sections (*to general*), completeness (*not sufficient*) of social surveys.
- 3.7. **Statistical metainformation gap.** Documentation and availability of metainformation necessary for pertinent retrieval and interpretation of social data is not relevant, timely and accurate.
- 3.8. The standards in social statistics should be developed on the basis of "best practices" of official statistical agencies, but should not copy them. "Best practice" may be "not good enough" for harmonization and international interchange of social data. There are needed the standards that create a "**common metainformational denominator**" harmonizing formats and documentation of semantics of social statistical data. These standards shall be helpful not only for the NSO's. Mutual exchange of experiences and practices may help the NSOs to define specific standards adjusted to their national specificity of transition following, as much as possible, global statistical standards.

4. Standardization aspects important for harmonization of social statistics

- 4.1. Changes of social sphere require respective changes of social statistics.

For defining the standards for social statistics, following aspects should be taken into account:

- A) New social and economic phenomena, which appear in many countries, and are explicitly visible in transition countries, require new socio - economic concepts, statistical methods and indicators. Some "old" social indicators may lead to misinterpretation, to erroneous use or misuse of statistical data.
- B) Control of comparability and integrity gaps of social statistical data in transition countries needs special methods of identification and elimination of those gaps.
- C) Problems with accessibility and reliability of sources of social data are the result of enlargement of the spheres of shadow economy, non-registered and ill registered social and economic activities, lower quality of administrative registers.

Statistics needs to find or create alternative sources of data and alternative methods of statistical observation. In some situations the "*traced data approach*" may be helpful ⁶.

- D) Problems of proper interpretability of "old" social indicators in dynamically changing social and economic environment. Social statistical indicators in transition period can not be interpreted correctly without proper understanding of their economic, social and cultural context of concrete phases of transition of different spheres of social and economic life and good understanding of national, regional and local specificity.

4.2. Statistical implications of political functions of social statistics

Standards for social statistics should define *statistical minimum of social information* and minimal program of surveys, which are necessary for:

- a) analysis of social processes and their specificity; in transition countries they should refer to particular phases and areas of transition ,
- b) systematic statistical monitoring of social changes,
- c) simulation of social consequences of transformation of the economy and its branches and regions,
- d) evaluation effects and efficacy of social policy of governments and of activities of non government organizations (NGO`s),
- e) systematic statistical support of governments, self - governments and the NGO`s in providing social services as public goods,
- f) "social benchmarking" i.e. comparative analysis and evaluation of social implications of economic political decisions of governments.

4.3. Methodological approach to developing standards in social statistics

As it was mentioned above, social statistics does not have "*common methodological denominator*", like the SNA in economic statistics.

National and regional specificity of social phenomena and processes is much stronger, then national specificity of economic transition processes. This national specificity of social phenomena has strong impact on the approaches to standardization of social statistics on international and supranational level. Standards in social statistics should be divided into following classes:

- common international standards,

⁶ "Traced data" are the data (statistical indicators), which do not refer directly to social or economic phenomena or processes, but indirectly help to estimate these phenomena or processes. E.g. hidden economy can not be measured directly, by collecting data on statistical questionnaires sent to businesses, but it can be estimated indirectly on the basis phenomena correlated with the non-observed activity (hidden shuttle trade and "economic tourism" can be estimated on the basis of number of persons crossing the boarders and coming back ("1-day foreign tourists").

- specific national standards,
- specific "situational" standards.

Limited number of social statistical indicators may be standardized on international level. It seems that the common international standards in social statistics should be rather

- Generic standards
- Methodological standards.

Specific standards for statistical indicators could be defined mainly on national level.

Specific standards indicators on international level have to be limited to basic indicators in the domains of:

- Demography
- Household surveys
- Labor force surveys
- Social infrastructure
- Selected social services

4.4. Specific characteristics of the development of social statistics in dynamically changing economies - the case study of transition countries

Social statistics in transition countries, with special reference to the non-candidates to the EU, may be characterized as follows:

- Relative underdevelopment of social statistics in the pre-transition period in former centrally planned economies.*** In centrally planned economies the priority was given to economic statistics as the information basis of central planning. Social statistics was developed in those domains, for which statistics was needed for budgeting purposes.
- Heterogeneity and diversity of methodological approaches in statistics of particular areas of social life.*** Social statistics is a set of rather autonomous surveys, not integrated from methodological point of view. In some national statistical offices the attempts to integrate social surveys were undertaken. However practical results of those attempts are of experimental nature. Social policy in transition countries requires comprehensive and integrated data from different areas of social statistics, e.g. for proper transition of labor market integrated data from the domains of demography, education, jobs, employment, unemployment, jobs, commuting infrastructure, household incomes etc. identified on regional and local level are necessary.
- Country - specific methodological approaches in social surveys.*** In former centrally planned economies the governments regulated deeply many areas of social life. Main instrument of these regulations was the government budgets and "semi - budgetary" funds and administrative coordination of social activities. The priority of official social statistics was to supply information to the governments for

budgetary purposes. Country - specific data adjusted to the organization of governments responsible for social policy are needed. E.g. each country has its own specific system of social insurance, social care, education system, public health care and health insurance, regulations concerning labor market etc.

- d) ***Impact of institutional changes of public sector in transition countries on the availability of social data and on sources of social data.*** In the process of transition there are introduced deep organizational and institutional changes of social policy and social life. Most important new institutional forms of social policy are introduced i.a. in social insurance system, health insurance system, in the system of organization and financing of education and culture, social functions of self governments, development of non - government organizations (NGO). "Old" methodological approaches of statistical surveys adjusted to the institutional framework of centrally planned economy are not useful in new social and economic situation. New proper methods of statistical observation of dynamics and structures are necessary. Methodological gap between "old" and "new" social statistics caused by institutional changes of social life is extremely dangerous and should be carefully analyzed and eliminated by introducing respective new statistical methods (new concepts and definitions, new statistical units and new sources of data, new output indicators).

The level of international homogenization and harmonization of social statistics should correspond with the real similarities of social processes in particular countries in transition.

Social statistical indicators should - first of all - describe national specificity of social transition processes in countries and their regions. Social indicators should help to identify what is specific for each country, to forecast social consequences of economic reforms and to evaluate the efficacy of social policy in different phases of transition.

As it was mentioned above, international homogeneity and comparability of social indicators for transition countries is realistic for basic social indicators. Country - specific social indicators are embedded in social institutions and organizations of the country and are interpretable for the entire country.

There is the need of international comparability of social indicators, for international comparisons, evaluations and "social benchmarking". Higher level of international harmonization and comparability may be reached by proper, well structured documenting of the methodology of each particular survey in social statistics.

The experiences of the SDDS and GDDS show that the standardization of statistics by the unification of the documentation of data is effective. The draft proposal of such meta-information system (SSDIS) as a tool of exchange of information and identification of standards for social statistics for transition countries is presented below, p. 6.

4.5. Layers of standardization of social statistics in transition countries

The documentation standards for social statistics for transition countries should be introduced on following layers:

- a) Social domain layer

- b) Social survey layer
 - c) Social indicator layer
- 4.6. Specificity of transformation of statistics of the transition countries, which are not the candidates to the European Union. These considerations refer to any national statistical system not coordinated by supranational structures like ESS.

The issues are specific for statistics of the countries, which are not the candidates to the European Union, vs. the countries, which are on the way of accession to the EU, are following:

- the non - candidates to the EU define the program of transformation of statistics themselves, taking into account their internal needs and priorities, while the transformation of statistics of the candidates to the EU is an integral part of the program of integration with the EU (including the support of the EU),
- the non-candidates to the EU are focused on the statistical standards of the UN ECE and the international organizations cooperating with the governments of those countries (IMF, World Bank),
- most of the non-candidates to the EU are the countries, which have newly reached the independence or have changed significantly their territories; official statistics is expected to produce retrospective time series covering the pre-independence periods, to reconstruct economic and social history of the territory of new independent country,
- in all countries, which have newly reached the independence, deep and accelerated processes of political, social, cultural, religious and national changes; the impacts of those changes on economic and social situation of the countries should be represented in official statistics.

5. Proposal of systematic approach to metainformation standards - driven harmonization of social statistics

5.0. Specification of domains of social statistics

In this paragraph we analyze the problems of harmonization of particular areas of social statistics, taking for exemplification the case study of transition countries. The following domains of social statistics are considered:

- 1) Demography
- 2) Housing
- 3) Labor: employment, self-employment, unemployment, job creation and deletion
- 4) Incomes, wages and salaries
- 5) Health
- 6) Nutrition

- 7) Education
- 8) Culture
- 9) Wealth and poverty
- 10) Environment pollution, natural disasters and environment protection
- 11) Security, crime and justice. Civil and political rights, protection of human rights and risk of violence.
- 12) Social and political activity of the society, NGO's
- 13) Social functions of governments and self-governments.

Developing social statistics describing social phenomena and processes in the domains specified the statisticians should take into account three aspects of specificity:

- a) national specificity of social domain ,
- b) specificity of economic and social policy of governments (in transition countries - the strategy of transition),
- c) dynamics of social processes (in transition countries - specificity of particular phases of transition).

It is difficult to define ***uniformed standards minimum set of social statistical indicators*** for all countries.

In social statistics the standard minimum should be defined for each country and dynamically adjusted to the dynamics social and economic processes in national economy and society.

Moreover, uniformed standard description and documentation of statistical indicators, surveys and methods used in social statistics and its integration in one metadata base for all transition countries, may be helpful in developing social statistics by national statistical offices. Common *metainformation system on social statistics* covering all countries defined in SSDIS may help national statisticians to identify "better statistical practices" (if not "best practices) and exchange of experiences between statisticians of the countries in transition. It may be also good form of the realization of the Amendment 10 of the Fundamental Principles of Official Statistics on global scale.

Analyzing statistical domains listed above we point out social phenomena and processes, specific for transition countries and the implications of this specificity to statistical indicators, surveys and methodological approaches.

5.1. Demography

High dynamic of demographic processes is observed in particular in the beginning of transition period. This dynamics is caused both by political and economic reasons. In some regions dramatic changes of demographic situation is observed.

A. Specific phenomena

- Significant dynamic changes of basic vital indicators in first years of transition: decrease of rate of birth, *overmortality* of men, rapid decrease of rate of marriages, increase of rate of divorces, changes life expectancy, changes of fertility rate etc.)
- Types of internal and international migrations of different character:
 - *ethnic re-emigration*: after the creation of new independent states ethnic migrations of people to their ethnic states,
 - *political migrations*: migrations caused by political reasons (e.g. migrations stimulated by introducing new laws on citizenship, on official national language etc.)
 - *economic migrations*: economic disturbances in first years of transition have caused economic international migrations: permanent, long term, short term and periodical,
 - *refugees*: permanent, long term, short term and periodical migrations caused by military actions,
 - *migrations caused by disasters*: natural, ecological.
- Causes of internal and international migrations:
 - Re-emigration of formerly displaced population,
 - Ethnic conflicts and discrimination,
 - Social (including religious) conflicts,
 - Economic reasons (poverty, unemployment),
 - Security (i.a. wars, military operations, criminality),
 - Ecological and natural disasters (i.a. emigration of people from heavily polluted areas)
 - Refugees as special category of migrants

In transition countries, particularly the non- candidates to the EU ⁷, migrations (both international and internal) are changing very dynamically, depending on the character and causes of migrations. Detailed identification of causes of migrations may be helpful for proper social policy of the country.

One should monitor the dynamics of migrations. Ethnic migrations, which are the consequence of the creation of new national states from former federal republics, will probably diminish after stabilization of social, economic and cultural situation of ethnic groups in new independent countries. Introducing national languages as official languages an important cause of the change of social and economic position of minorities in many new independent states, especially in the former Soviet Union.

⁷ The countries - candidates to the EU are more stabilized from the point of view of basic demographic indicators and migrations. Some statisticians share the opinion expected that in the non- - candidates to the EU, especially in new independent states, demographic dynamics will decrease in this decade. Statistical observation of this process is an important task of official statistics.

High dynamics refers also to the migrations caused by political, religious and social causes. Dynamics of migrations should be carefully monitored. Special attention should be paid to the social and demographic structure of migrants and economic consequences of migrations for local and national economies (e.g. emigration of young and educated people, immigration of people who need social aid etc).

B) Implications for standards in social statistics

- ***Population censuses conducted every ten years.*** Most of transition countries have already conducted the 2000-round population censuses. Exhaustive use of collected census data for compilations of demographic situation on local level. For transition countries, especially for new independent states, the 2000-round censuses are an exceptional opportunity to get the information on population and housing after several years of dynamic changes. Therefore it should be recommended to compile demographic information in basic social cross sections (age, sex, civil status, ethnicity, religion, education, profession, economic activity - employment, housing conditions).
- ***Current population survey*** producing population estimates through registries of vital statistics (births, deaths, marriages, divorces, migrations) by sex, age, ethnicity, regions.
- ***Migration statistics (international and internal).*** It is recommended to pay special attention to ***migration statistics*** by:
 - ***reasons of migration (!)***,
 - age,
 - sex,
 - ethnicity,
 - education,
 - profession,
 - duration of migration (permanent vs. temporal migrations: periodicity, migration cycles).

5.2. Housing

A) Specific phenomena

- Changes in housing conditions of population caused by market economy and cuts of government subsidies (significant increase of the share of rents for flats in family budgets).
- Substance of housing: in some regions political disturbances (including military actions) cause losses in the quantity and quality substance of housing.
- Regionally concentrated migrations caused by housing conditions.
- Consequences of demographic process (rate of births, marriages, divorces, migrations) on housing situation.
- Homelessness.

- Commercialization and privatization of housing and its social and economic consequences for households (change of income for disposal, negative income for disposal etc.)

B) Implications for social statistics

- Continuation of **population and housing censuses** (every 10 years). Comparative analysis of censuses round 1990 and round 2000 may be very fruitful source of knowledge on the changes of housing conditions.
- Special **ad-hoc surveys of housing in special regions**, in which specific factors influencing exceptional demographic processes and changes in housing conditions (refugees, displaced population, extensive migrations), changes of housing resources in regions unaffected by:
 - wars, military actions,
 - ecological disasters,
 - natural disasters,
 - concentrated migrations (e.g. camps for refugees),
- Careful **monitoring of migrations** (international and internal) caused by the changes of labor markets (data from labor force surveys), **and its influence on housing** conditions.
- Current population survey based on censuses, registration of population (administrative records) and the results of special ad-hoc surveys concatenated with data on housing.
- Estimates of **homeless population** by regions, with special reference to urban areas and big cities, social structure of homeless people.
- Level and dynamics of rents for flats and their share in incomes of households.
- Development of dwelling market (prices of flats, rents for flats ratio of the price to the average income and salary). The data are necessary to evaluate the mobility of labor force in the country.

5.3. Labor: employment, unemployment, job creation and deletion, self-employment

A. Specific phenomena

- "Explosion" of unemployment in first phases of transition,
- Shadow and ill-registered employment and self-employment.
- Incidental, unstable, short time and part time employment.
- Unemployment generated by the processes of the restructuring of industry.
- Very high rate of discouraged workers.
- High non-registered unemployment.
- Many, relatively small, relatively isolated, autonomous *local labor markets*, i.a. because of underdevelopment of modern commuting infrastructure, high costs of flats on free market and the structure of urbanization of the country ("one-factory dependent" towns).
- Low mobility of labor force because of economic reasons.
- Underdevelopment of administrative infrastructure organizing labor markets and unemployment (regional labor offices).

- Information gaps in labor market and unemployment of rural areas.
- Changes of administrative criteria of registration of unemployed persons, time series data on registered unemployment and not comparable.
- Ethnic changes of employment and unemployment caused by administrative decisions (e.g. introduction of laws on official national language eliminates national minorities from then jobs requiring fluent knowledge of official language).
- Different quality of data on employment and unemployment collected by statistics from different groups of businesses.
- Unsatisfactory reliability and stability of administrative registers of unemployment and changes of quality, i.a. caused by changes of laws and regulations of labor market and of social security system.

B. Implications for social statistics:

- Basic relatively reliable and uniformed source of information on labor market is the labor force survey based on data collected from households. Organization of survey should be adjusted to specific national and regional conditions. Despite of high costs and organizational problems of this type of survey in transition countries, it is recommended to use the labor force survey as basic source of information on labor market.
- The sample of households should allow to produce data (employment, unemployment) by all important cross sections specified above i.e.:
 - Age,
 - Sex,
 - Ethnicity, knowledge of official language (and religion - if relevant),
 - Education (with special reference to observation of school leavers),
 - Region, urban/rural areas, local labor market,
 - Duration of employment and/or unemployment, with special reference to short and "incidental" employment, part time employment,
- Migration aspect (place of permanent residence, place of work),
- Estimation of discouraged workers,
- Shadow employment and unemployment.
- Quarterly periodicity of labor force surveys is recommended.
- Statistical map of *local labor markets* to help the governments to evaluate the situation on regional and local labor markets and to chose most effective measures to preventing and fighting against unemployment and its social consequences.
- Because of frequent changes of laws and regulations of labor market and unemployment, the contents and interpretation of data driven from administrative registers of unemployment is unstable. Systematically updated methodological metadata are necessary for proper interpretation of statistical indicators on jobs, employment and unemployment (e.g. unemployment rate and its changes based on administrative unemployment registers) produced on the basis of administrative registers.
- Validation and quality control of data on employment and jobs collected directly form businesses.
- Needs for good statistics of costs of labor:
 - Costs of labor for employers.

- Costs of creation of new jobs (by branches, regions).
- Costs of deletion of jobs for governments
- Self - employment and its characteristics (branch, region, duration, costs)
- Economic costs of unemployment (for governments, self governments)

5.4. Incomes, wages and salaries

A. Specific phenomena

- Deep changes of systems of wages and salaries (caused by new laws and regulations, and administrative changes): reduction of wages and salaries in kind, of employers` social contributions, of government subsidies to salaries, changes of structural components of wages and salaries, changes in the systems of personal income tax, social insurance, health insurance etc. need re-defining or extensions of basic concepts and definitions,
- Accelerated differentiation of wages and salaries by different branches, regions, occupation, education, by some social attributes of employees (e.g. sex, age, ethnicity).
- Non-registered, informal or ill - registered wages and salaries, especially in private SME (small and medium enterprises),
- Because of institutional economic changes (changes of the systems of salaries, forms of remuneration, taxes, social and health insurance etc.), the quality of data on wages and salaries based on surveys of employers are less reliable and non comparable,
- Low reliability of statistics on wages and salaries, especially SME (shadow economy, underreporting, high rate non-response, mistakes in interpreting statistical questionnaires in the SME),
- Impact of high inflation on the quality, comparability and interpretability of data on wages and salaries.

B. Implications for standards in social statistics

- Re-interpretation of basic statistical concepts and definitions adjusted to the specificity of wages and salaries systems of particular transition country and to the availability and quality of data sources. Careful verification of quality and re-interpretation of collected data is necessary.
- Household surveys are recommended as a basic source of information on incomes of households. However, there are problems with the representation of households with lowest and highest incomes in the sample.
- Wages and salaries should be observed from several alternative points of view, using different, complementary sources of information:
 - Household surveys,
 - Labor force surveys,
 - Questionnaires from employers and self-employers,
 - Social security record,
 - Tax records.
- Because of high dynamics of labor markets in transition countries, quarterly periodicity of surveys on labor market seems to be minimal. Monthly periodicity

for basic information produced from administrative records is recommended, if possible.

- Final estimates of data on wages and salaries should be produced and interpreted on the basis of comparisons of outcomes from those three complementary sources of data.
- Elaboration of the "statistical map" of local labor markets (see 5.4.) for analysis of regional differences of wages and salaries is highly recommended.
- Wages and salaries by:
 - Age,
 - Sex,
 - Ethnicity,
 - Education,
 - Region, urban/rural areas, local labor market,
 - Branches, with special reference to wages and salaries in restructured branches and businesses,
- Employment by duration: workers employed incidentally, seasonally, periodically, part - time (structure, dynamics, by sex, age, education, region etc.).
- Migration aspect (place of permanent residence, place of work),
- Number and structure of discouraged workers by regions, by branches, by age, sex, profession, education, ethnicity.
- Hidden employment and hidden unemployment estimates.

5.5. Nutrition

A. Specific phenomena

- Polarization of the quality of nutrition of households by incomes and by incomes for disposal.
- Changes in nutrition caused by significant changes of structure of prices (cuts of government subsidies to basic food products have changed the level and structure of prices and consumption preferences).
- Regional and local diversification of food and nutrition (regions of social or economic disturbances etc.).
- Nutrition of households with low income for disposal and bellow national poverty line.
- Aggregated data on expenditures for nutrition (e.g. consumption compiled on the basis on retail sales *of per capita*) may not represent real nutrition standards of households.

B. Implications for social statistics

- Classification of consumption goods and services used in household surveys should represent products characterizing standard of nutrition.
- In household surveys special attention should be paid to the analysis of nutrition of population with low income for disposal, social groups below poverty line, regions of disasters, as the part of surveys on poverty and health.

5.6. Health

A. Specific phenomena

- Fundamental changes (implemented or under preparation) of public health care systems, from public services provided by government to market - driven services. Changes of the system of financing of health care: from government budget to health insurance separated from government budget and direct financing of health services by households.
- Significant reductions of government subsidies for public health care system, for medicines and health services.
- Development of commercialized (formal or informal) and privatized market of health services.
- Changes and polarization of accessibility and availability of health services. Some social groups and households are losing the access to medical care because of formal or economic reasons (e.g. homeless people, non-registered unemployed people, workers employed in shadow economy etc.)
- Increase of costs of health services paid directly by households.
- Changes in health status of different classes of population, with special reference to (a) social groups around and below poverty line, (b) the unemployed, (c) people who do not benefit from health insurance (secondary effect of economic and social polarization of population).
- Significant share of foreign aid in providing health services, especially in case of disasters (medical equipment, medicines etc.).
- Specific need for medical care in regions of disasters, conflicts and for special social groups (displaced population, homeless people).

B. Implications for social statistics

- Official statistics should cover all units providing medical care services (*kind-of-activity units*), both public and private commercial health services and other organizational forms of medical care. Adjustment of the definition of the health care units and their classification is necessary.
- Official statistics should provide data for estimation of real costs of health services. It is needed for proper budgetary policy of governments, reform of health insurance systems and for proper transition of national health systems.
- Statistics of direct expenditures for health services paid by households, on the basis of household surveys; if necessary, the classification of expenditures by kind should be extended.
- Health insurance administrative data and social insurance administrative data may be very useful to compile statistics on health services.
- Health status surveys conducted every 3-5 years are recommended.
- In household surveys special attention should be paid to the data on health care, expenditures for health services and government subsidies addressed to the population with low income, to social groups below poverty line, regions of disasters, as the part of surveys on poverty and health.

5.7. Education

A. Specific phenomena

- Institutional changes of national systems of education as the entire component of transition process, adjustment of education system to market - driven economy and to national tradition, especially in new independent states (e.g. religious and ethnic schools).
- Organizational changes of education system to new organization of regional and local self-government.
- Changes in financing the education system: relative decrease of financing from central government budget, increase of financing by local self - governments, social organizations, including NGO`s, churches and other religious organizations.
- Privatization and commercialization of some segments of education system. Commercialization of vocational training, of high and university level education.
- Gaps between profiles of education in school system developed under centrally planned economy (particularly vocational education) and the needs of the market - driven economy in transition. The gaps appear on local labor markets and on national level.
- Gaps between the profiles of education and skills of population and the needs of market driven economy in transition. The re-training of large groups of workers in restructuring branches of the economy.
- Changes in accessibility to education, e.g. low accessibility to university level education for population from non-academic towns (rural areas, small towns) and for household with lower incomes.
- New forms of education and re-training, e.g. training and re-training of school leavers and unemployed persons.
- Rapid changes of accessibility of pre-school education.

B. Implications for social statistics

- Changes of education systems require the adjustment definitions of terms, classifications of schools and classifications of vocational profiles of training to new institutional, organizational and economic situation.
- The adoption of international methodological standards (definitions, classifications) is recommended, but national specificity should be also represented. Gateways (correspondence tables) between national and international classifications are necessary.
- **Priority: official statistics should identify the "education profile gaps" between the education system and the labor market in short, middle and long terms of transition process and the projection for post - transition period:** (comparative analysis of vocational profile structure of the education system and of the needs of the market, for both local labor markets and for the national economy).
- Official statistics should provide data on education profiles and the profiles of jobs to support the elaboration of programs of re-training of workers, to adopt their skills to the situation on local and national labor market.
- Statistics of accessibility to education and attendance rate:
 - by age,
 - by sex,

- by socio - economic groups (with special reference to low-income households),
- by ethnicity (with special reference to minorities),
- by regions and places of inhabitation
- by levels and profile of education.
- Special statistics of school leavers and their entrance into the labor market.
- Statistics of conditions of education (number of children per classroom, teachers, laboratories, computer and internet laboratories, other facilities in schools)
 - Pre-school education
 - Costs of education (schools as economic units)
 - Level and structure of financing the education (sources of financing)
 - Costs of education paid by households.

5.8. Culture and recreation

A. Specific phenomena

- Institutional and organizational change of the infrastructure of culture.
- Cuts of government subsidies to cultural activities and institutions
- Commercialization of cultural activity: rapid development of the "mass culture", temporary "collapse" of exclusive cultural activity
- Commercialization of recreation and sport, with respective institutional and organizational changes

B. Implications for social statistics

- New concepts and definitions of culture, cultural events, activities, units and products are necessary. In consequence, there is the need for new classifications, new definitions statistical units and identification of new data sources.
- New statistical units as the sources of input data should be identified (system of statistics of culture based on questionnaires collected from "cultural institutions" is not applicable).
- Kind of activity units' approach should be used for defining statistical units.
- Household surveys are more reliable source of data on participation in culture.
- Administrative records as the supplementary source of statistical information on culture.

5.9. Wealth and poverty

A. Specific phenomena

- Accelerated economic polarization of the society.
- Increase of extreme marginal groups of deep poverty (homeless, people with income below "poverty line").
- Dramatic growth of number of households with very low or negative income for disposal, some of them living below poverty line.
- Decrease of income for disposal for relatively large groups of households caused i.a. by cuts of subsidizing the dwellings, basic food and clothing, energy and commuting.

- Specific national and regional conditions should be taken into account in defining national "poverty lines".

B. Implications for social statistics

- It is recommended to define "national poverty line" using money - metric method extended by including the estimates of "non -monetary" incomes and consumption.
- Estimates of number of population and households below or around poverty line by:
 - Socio - economic groups
 - Regions, rural/urban areas
 - Ethnicity
 - Structure of households
 - Educational status
 - Economic activity (unemployed, active)
 - Health status (handicapped)
- Population having access to and using basic services:
 - Health services
 - Water supply
 - Sanitation services
 - Transportation and communication services
- Money - metric method based on the income and/or consumption of households commonly used to define the "poverty line", should be extended, by including the estimates of "non -monetary" incomes and consumption.

5.10. Social aspects of environment pollution, disasters and environment protection and

A. Specific phenomena

- Environmental "heritage" of centrally planned economy - devastation of environment:
 - Concentration of polluting industries in selected regions
 - Ecologically destructive industrial technologies
 - Low level of environment protection facilities
 - Large areas durably or permanently devastated (some regions excluded from economic and social use forever)
 - Relatively low level of "environmental culture"
- High density of population of most polluted areas
- Economic and social degradation of polluted areas: in the process of transition the most polluting branches should be restructures and their production should be

B. Implications for social statistics

- Basic statistical indicators characterizing social aspects of environment
 - Positives
 - Negatives
- Status of ecologically wasted areas by:
 - Level of ecological degradation

- Kinds of pollution or degradation
- Branch structure of the economy
- Structure of land
- Population living on ecologically wasted areas (number, percent density of population) by:
 - Level of ecological degradation
 - Kinds of pollution or degradation
 - Structure of population living in regions (age, sex, economic activity status)
- Special indicators characterizing standard of life and health conditions of population in polluted areas.

5.11. Security, crime and justice. Civil and political rights, protection of human rights and risk of violence.

A. Specific phenomena

- Processes of transition in some regions are accompanied by dramatic political and social events (military actions, ethnic disturbances, connected with violence of human and civil rights).
- Official statistics should deliver basic social indicators these processes, on population living in the areas of military, social or ethnic disturbances, displacement of population and social consequences of these events and processes.
- Attention should be paid to information on human rights violence connected with those events.
- Official statistics helps the governments to evaluate and forecast social consequences of those events for population living in the areas, to estimate the number and structure of population and to organize respective measures.

B. Implications for social statistics

- Priority should be given to statistics of (a) population living in the areas of conflicts, (b) number and kind of human rights violence and crimes, (c) population suffering because of security problems.
- Demographic (data on population and housing) geographic database systems (identification of territorial units relevant to NUTS 4-5 levels) are recommended the basis for operational informing of central and regional governments on social consequences of those disturbances.
- Quality of statistics is major problem of data. Careful editing and validation of data on security, crimes and human rights violence received from administrative sources is necessary.
- Official statistics should be involved in the evaluating and disseminating reliable data on human rights violence collected by governments, NGO` and other organizations.
- Statistically measurable social consequences of the situation in security, crime, conflicts and human rights violence should be monitored: e.g. migrations incl. refugees, expenditures of households for safety.

5.12. Social and political activity, NGO`s.

A. Specific phenomena

- The consequence of transformation in transition countries is new social infrastructure: new organizational network of social and political organizations on national and local level, social security network, changes of functions of existing social organizations: political parties, trade unions, professional organizations etc.
- Participation of and activity of citizens' social and political organizations is an important indicator of democratization of political and social life.
- In transition countries the organizational framework of social and political infrastructure is created "from scratch" or deeply restructured.
- Re-development of active role of churches and other religious organizations

B. Implications for social statistics

- Statistics should develop proper methods of identification of social and political organizations as statistical units, data sources and data quality control methods. Definitions of basic concepts and classifications: classification by kind of activity, the concept of membership and other forms of participation of citizens, elimination of fictitious "social organizations"
- Statistics on social organizations: number of organizations and characteristics of their activities by kind of organization, by profile of activity, by territorial and regional coverage, by branch coverage, membership of citizens (by age, sex, education, profession, ethnicity).
- Statistics of participation of citizens in social and political organizations.
- Statistics of social coverage and of social effects of activities of social and political organizations, processes of replacement of governments by social organizations and by NGO`s.
- Financial aspects of social and political infrastructure (financing from government budgets, from private sources, from abroad etc.)
- Statistics of the activities of churches and other religious organizations, and social organizations associated with religious organizations.

5.13. Social functions of governments and self governments

A. Specific phenomena

- Reduction of social functions of governments, particularly of central government.
- Increase of social functions of regional and local self - governments and NGO`s.
- Transfer of social functions and funds of governments and self governments to NGO`s
- Change of social functions of government budget (central and regional)

B. Implications for social statistics:

- Statistics should monitor the consequences of the reduction of social functions of central governments budgets and the consequences of gaps in financing social objectives by governments, often caused by bureaucratic cuts of budget

expenditures of the governments. The priority should be given to the identifying of those gaps and their social consequences.

- Basic indicators on expenditures (level and dynamics) of governments and government subsidies (volume and per capita) for specified social objectives:
 - social assistance,
 - unemployment benefits and assistance,
 - programs of employment (local, regional, central)
 - public health services,
 - mother and child care,
 - public education services,
 - public security,
 - environment.

- Statistics of social activities of self - governments on local and regional level and their financing:
 - unemployment benefits and assistance,
 - programs of employment (local, regional, central)
 - public health services,
 - mother and child care,
 - public education services,
 - public security,
 - environment.

5.14. Need for harmonization of metainformation as the prerequisite of interchange of data

The list of social phenomena specific for transition should not be considered as complete for all domains of social statistics. In particular countries there may be other aspects of social life, which should be covered by statistical standards typical and adjusted to the specificity of transition processes.

We are of the opinion, that the exchange of experiences and "best practices" will create good base of knowledge for elaborating detailed classification of social issues, which should be covered by statistics in transition countries. Social indicators and methodological approaches, which are used as standards on national level of particular country in transition, may be stored and classified. This classification may be elaborated in cooperation with social statistics experts of transition countries representing all the variety of situations: different regions, models of economies, political systems and national traditions.

To help the SOS and international organizations in harmonizing and interchanging social statistics it seems to be necessary to implement the metainformation system on best statistical practices of transition countries in social statistics. This form of "mutual assistance" of transition countries may be extremely valuable for statistics of the phenomena, which are specific for transition economies only.

In next paragraph there is presented the proposal of approach to the development of the metainformation system on "transitional" social statistics. It seems that this proposal may be the starting point for discussion and elaboration of the metadatabase system, which will be the platform of exchange of experiences and standardization of social statistics in transition countries on national and international level.

6. General outline SSDIS - the standard for global harmonization of social statistics

6.1. Objectives of the standards for harmonization of social statistics

There is qualitative difference between standardization in economic statistics and in social statistics. Most of social statistical indicators and their sense are strongly bounded with social, cultural and civilization context of countries and regions. Only very few of them are "context free". From the point of view of the scope harmonization the following classes of social indicators may be specified:

- a) global standards applicable for indicators that could be harmonized on global level,.
- b) national standards applicable for indicators, which contents depends on legal and social specificity of a country,
- c) temporal standards for indicators, which contents depends on concrete social or economic situation.

As it was mentioned above, for development, adjustment to specific national requirement and for harmonization of social statistics on international level, it is recommended to establish one "supranational" standard meta-information system on indicators, surveys and methodologies used in social statistics (temporary acronym - SSDIS). The SSDIS should be used as the common platform for:

- (a) defining standard formats for social data documentation and interchange on national and international level,
- (b) selection of indicators and methodological approaches, which may be recommended for use in official statistics of transition countries as statistical standards,
- (c) basis for analysis of coherence between international standards in social statistics and specific standards for description and analysis of transition phenomena and their national specificity.
- (d) exchange of and information on best statistical practices in the domain of statistics of social statistics,
- (e) identification of problems, which may be more efficiently solved in cooperation with other NSO's of transition countries and international statistical organizations, especially the UNSD and the ECE Statistical Division,

The UN Statistical Division seems to be the best coordinator of SSDIS system in global scale. Because of the fact, that most of transition countries which face the problems of transformation of social statistics and may be especially interested in the use of that type of standards, the ECE Statistics Division and the Conference of European Statisticians may consider the development of the pilot implementation of the SSDIS for the transition countries of the region. The development and implementation of the SSDIS may be included to the program of work of the Conference of European Statisticians, as a joint effort of statistical community to help statisticians in transition countries to realize their professional and political duties.

The objectives listed above will be realized by the following functions of the SSDIS: =

A. Uniformed **documenting** of:

- (a) concepts, definitions and classifications used for particular domains of social statistics specific for transition processes,
- (b) social indicators, which are describing social phenomena and processes of transition produced by official statistics specific for the processes of transition,
- (c) statistical surveys covering particular domains of social statistics, which are describing specific social phenomena and processes of transition conducted by official statistics of transition countries,
- (d) statistical methods used for compilation of social indicators and surveys,

B. Exchange and **dissemination** of information and expertise on:

- (a) "best statistical practices" of transition countries in statistical description of social phenomena and processes specific for transition,
- (b) unsolved problems and difficulties
- (c) "statistical benchmarking" in the field of social statistics describing specific social phenomena and processes of transition,
- (d) statistical offices and experts involved in social statistics, to facilitate direct contacts between statisticians of transition countries.

C. Evaluation of practices for **recommendation of standards** in social statistics:

- (a) Concepts, definitions, classifications
- (b) Statistical methods
- (c) Statistical indicators (primary and derived)
- (d) Surveys

The metadata collected in SSDIS, should describe:

- Indicators
- Surveys
- Methodology
- Quality

Special attention shall be paid to the description of specific concepts and definitions, methods of statistical measurement, specific indicators and their interpretation in the situation of concrete country, region and - in necessary - of a period of time.

6.2. The proposal of the contents of standard format for description of indicators

The GDDS and SDDS formats are good basis for the elaboration of standard description of social indicators in transition countries. As it was mentioned above, national and transitional specificity of social indicators is the *differentia specifica* of statistical statistics in transition countries. It should be specified clearly as an important and valuable metainformation, necessary for proper understanding and use of social indicators. As it was mentioned above, the priority in social statistics should be given to proper description of social processes in transition. International comparability and coherence with international classifications and concepts should be used as a help and tool rather than the objective. The proposed SSDIS format is compatible with the GDDS.

6.3. SSDIS format for description of social indicators

Three layers of description of social statistic in SSDIS metadatabase are proposed:

- A. Comprehensive framework layer (CFL)
- B. Survey layer (SL)
- C. Categories and indicators layer (CIL)

6.4. A. Comprehensive Framework Layer

The **Comprehensive Framework Layer** (CFL) should be fully compatible with the respective layer in the format for GDDS and SDDS. The basis of the CFL is the ***broad classification of domains of social statistics*** (BCDS).

It seems, that the BCDS classification should be the two - level classification:

- Upper level - ***comprehensive frameworks*** (i.e. ***broad domains***)
- Lower level - ***core frameworks*** (i.e. ***narrow domains***)

On second level the ***narrow domains*** subdividing ***broad domains*** should be specified.

For the need of this paper 13 ***broad domains*** on upper level were specified:

- 1) Demography
- 2) Housing
- 3) Labor: employment, self-employment, unemployment, job creation and deletion
- 4) Incomes, wages and salaries
- 5) Health
- 6) Nutrition
- 7) Education
- 8) Culture
- 9) Wealth and poverty
- 10) Environment pollution, natural disasters and environment protection
- 11) Security, crime and justice. Civil and political rights, protection of human rights and risk of violence.
- 12) Social and political activity of the society, NGO`s
- 13) Social functions of governments and self-governments.

The broad classes listed above should not be necessarily considered as the schema for upper level of the BCDS. Final list of broad classes should be the result of joint work of experts in social statistics. Experts representing all domains of social statistics and the specificity of transition should be invited to collectively elaborate final CBDS classification.

Each national statistical office willing to contribute to the SSDIS would be invited to describe its statistics relevant to each item of the classification following the structure specified below.

A.1. Core framework

Name of the narrow domain - the name of the item from 2nd level the CBDS (e.g. for the broad domain **LABOR** the narrow domains **EMPLOYMENT, UNEMPLOYMENT, JOBS, CONDITIONS OF WORK** etc. may be specified).

A.2. Coverage, classifications and analytical framework

Description of specific topics covered by statistics of the given core framework. General description of the information **(a) collected, (b) produced, (c) available** for dissemination or compilation, within the core framework in national statistical system.

Special attention should be paid to precise and exhaustive description of social coverage (and "non - coverage" - if possible) of data, i.e. which social groups are covered by statistics, which those which are not covered. National statistical offices would get the "map of coverage" of the areas of social life and specific transition phenomena by statistical data.

Describing the coverage, classifications and analytical framework for each broad class it is recommended to follow the instructions used in the GDDS.

A.3. Planned /encouraged extensions

National statistical offices dynamically develop their systems of social statistics. Therefore it is important to collect information on planned extensions as well as on the future projects, which are not included to the program of surveys, but are in the phase of methodological work or experimental surveying. This information is useful for complete "map of coverage". It may be also helpful for other national statistical offices to elaborate their own strategies of development of social statistics and to inspire the cooperation between the NSO's.

This optional position may be filled by NSO's (if planned) or by ECE (as recommendation)

A.4. Periodicity

Actual/ planned/ recommended periodicity of production of data should be described (as in the GDDS).

A.5. Timeliness

Actual/planned/recommended timeliness. It is important to include the information on the timeliness, recommended from the point of view of the needs of main users of data. This information should correspond with the contents of A6.

A.6. Use

Specification of main uses of information by main users, especially governments and international organizations. Probably it would not be easy for the NSO's to specify and classify main uses of social statistics. But there is no doubt that the information and classification of uses may be very useful for

evaluation of the program of surveys and for selection and recommendation of statistical standards.

6.5. B. Survey layer

In this layer of the SSDIS the metainformation on each social survey is presented.

B1. Name of survey

The name of the survey should represent concise description of the subject of survey. It is recommended to put official name of a survey in the program, if it represents the content and topic. If not, concise information on the topic should be introduced.

B2. Coverage of survey

B.2.1. Collected input data

Characteristics of the contents of input data collected within a survey.

B.2.2. Statistical population covered

Characteristics of socio - economic units covered by a survey

B.2.3. Sources of data

Specification and characteristics of data sources: statistical questionnaires, administrative data sources, other records.

B3. Output data

B.3.1. Standard statistical indicators

Standard output indicators produced, published and disseminated.

B.3.2. Statistical indicators in data bases

Data files and data bases of output indicators available for users for retrieval or compilation of other derived indicators.

B4. Periodicity (as in A)

B5. Timeliness (as in A)

B6. Methodological comments

Basic concepts and definitions, especially the concepts specific for transition, which differ from international standards. Statistical units. Characteristics of sampling procedures: statistical frame, sampling, evaluation of samples. Methodological comments on of output data, aggregation procedures. Special attention should be paid to the methodological issues connected with the national and "transitional" specificity.

B7. Key words

Key words characterizing the content of a survey for retrieval and classification.

6.6. C. Data categories and indicators layer

Layer C of the SSDIS shall contain the meta-information on social categories and the coverage of those categories by statistical indicators. Basic entity described in this layer is the core indicator, defined in the same way, as in the GDDS.

C.1. Data Category

Category from the list of social statistical categories. Subject matter experts in social statistics should elaborate this detailed list of social statistical categories. Lists of key - words published in statistical yearbooks of some transition countries are a good starting point for that list.

C.2. Core indicator

Names of output (analytical) indicators of the data category compiled by the NSO, with special attention paid to indicators describing specific phenomena of transition phases and the national specificity of a given country.

C.3. Related analytical indicators

Cross- sections, into which the core indicator is subdivided, specific analytical indicators derived from core indicator.

C.4. Methodological comments

Methodological specificity of transition: comments on methodology, definitions of concepts, frames for driving samples, statistical units, methods of data collection influencing the quality of data. Particularly, important differences between international standards and specific "transitional" concepts, classifications and samples should be specified.

C.5. Encouraged/planned extensions

This optional position may be filled by NSO's (if planned) or by ECE (as recommendation), if the extensions of indicators are planned or expected.

C.6. Periodicity

Actual/ planned/ recommended for each specified indicator or for a set of indicators. The NSO's are encouraged to evaluate existing periodicity and suggest the periodicity, which seems to be optimal from the point of view of main users. In transition countries more frequent periodicity is usually needed because of the dynamic of social and economic processes.

C.7. Timeliness

Actual/ planned/ recommended for each specified indicator or for a set of indicators. The NSO's are encouraged to evaluate the requirements of timeliness of data and propose the timeliness recommended or required, taking into account the specificity of transition processes.

C.8. Key words

Key words for retrieval and classification of core indicators.

7. Strategy of implementation of the SSDIS

The proposal of the SSDIS presented above should be considered as the preliminary draft for discussion. Final proposal of the SSDIS should be elaborated by the joint group of experts, including the experts representing the NSO`s, coordinated by respective UN statistical institutions (e.g. UNSC and UNSD on global level, CES and the ECE Statistical Division on UN European regional level).

The following steps and measures should be undertaken to implement SSDIS:

- 1) Organization of the group of experts responsible for the elaboration of final proposal of the approach to standardization of social statistics and the concept of the metainformation systems SSDIS.
- 2) Elaboration of detailed concept of the SSDIS: functional specification, layers, contents of metadata, standards formats, documenting, concept of implementation, maintenance, updating, use and coordination on international level.
- 3) Elaboration of the draft of the Broad Classification of Domains of Social Statistics (BCDS) for the SSDIS. Evaluation of the draft of BCDS by the representative group of the NSO`s.
- 4) Elaboration of final version of the BCDS for experimental use in the SSDIS.
- 5) Elaboration of guidelines of the SSDIS for the NSO`s. Evaluation by NSO`s. Analysis of comments of the NSO`s and verification of guidelines.
- 6) Pilot (test) implementation of the SSDIS in cooperation with NSO`s countries,
- 7) Evaluation of the results of the test implementation. Introduction of necessary changes and improvements to the pilot version of the SSDIS system.
- 8) Presentation of the pilot version of the SSDIS to the UNSC and regional statistical conferences, especially CES, preceding the decision of the implementation of the SSDIS.
- 9) Implementation of the SSDIS on international level: creation of complete metadata base, operational maintenance and updating of the SSDIS.
- 10) Implementation of the website of the SSDIS.

Steps (3) and (4) are crucial for successful development and implementation of the whole SSDIS project.

In step (6) Pilot implementation of the SSDIS at least 3 countries representing different social and economic cases should be encouraged to declare their active participation in evaluation and testing. The results of this implementation will be used to instruct (learning by

examples) other NSO's how to contribute to the SSDIS and how to make good use of the SSDIS.

8. Conclusions

In globalizing economy the processes of deep social and economic development in many countries are observed. The economies in transition are good example of the scale, complexity and dynamics political, economic and social changes. The mission of official statistics is to describe those processes and to supply pertinent information for governments and international organizations.

Standards in social statistics developed for stabilized economies (both market-driven and centrally planned) are not sufficient to describing dynamic social processes in the economies and societies.

Therefore the development of standards statistics, that take into account specific special phenomena and processes and their mechanisms, may help governments to choose optimal strategies, taking into account social prerequisites, limitations and implications of accelerated transformations of economies. It shall also help international organizations to understand better social aspects of transition and their national specificity of different countries in transition, and to cooperate and help them more effectively.

The SSDIS, based on the experiences of the SDDS and GDDS, adjusted to the social statistics and to the specificity of the transition countries, which are not the candidates to the EU, seems to be good platform for standardization and harmonization of social statistics adjusted to the needs of contemporary transforming and globalizing world.

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