The purpose of the thesis is to provide a critical analysis of the regime of social security in current-day Estonia in terms of its poverty-alleviating potential and effect on the significant income disparities between the winners and losers of market-liberalism.

The analysis is carried out in three steps. The first step determines risk factors for poverty among a household’s socio-economic characteristics in a hypothetical natural market situation. An overview of the dynamics of poverty in different social groups, with social benefits removed from households’ incomes, is provided for the time period 2004-2007. The second step analyzes the redistributive impact of the regime of social benefits by looking at how adding in social transfers to households’ incomes changed the picture. This step indicates in what groups social benefits significantly decrease poverty and how they affect the situation of income inequality between social groups. The third step is a discussion of the results in the framework of distributive principles of social rights and justice. This step provides the regime characterization in theoretical terms.

The analysis is based on survey data from the Estonian Social Survey (ESS), a national survey carried out by Statistics Estonia. The ESS is the official source of national data on incomes. The methods used to analyse the data were bivariate analysis and multivariate logistic regression analysis.

The findings indicate that the most important factors of poverty risk among households’ main socio-economic characteristics are the engagement of the head of the household in employment, along with his/her gender and level of education. Living in a city rather than the country, and in households larger than single-member ones, are also deterrents of poverty. Household ethnicity and the head of household’s age proved fairly insignificant as poverty risk factors. The number of children a household has had medium effect on its poverty risk, with poverty rates starting to climb from the third child onwards.

In terms of regime characterization, the Estonian social security regime is exemplified by marginal income guarantees, universal eligibility, differentiated quality of social rights and de-commodification, a proportional nature and low potential for income redistribution.

Avainsanat-Nyckelord-Keywords
social benefits
poverty
social protection
liberal welfare state

Muita tietoja-Övriga uppgifter-Additional information