

THE ROLE OF SOCIAL PROTECTION IN MODERN ECONOMY OF RUSSIA

Chudinov O.O., Luhtina M.A.

Krasnoyarsk state agrarian university, Krasnoyarsk, Russia

В последние годы социальная защита стала одним из основных направлений по сокращению социальной напряженности. В условиях современной рыночной экономики и новых требований общества система и развитие социальной защиты в России становятся наиболее актуальными.

In recent years, social protection has emerged as a major new focus in efforts to reduce poverty around the world. Social protection can be understood as a set of public actions which addresses not only income poverty and economic shocks, but also social vulnerability, thus taking into account the inter-relationship between exclusion and poverty. In the current economic and financial crisis, social protection strategies will be a crucial element in effective policy responses [1].

There are most common types of social protection:

1. *Labor market interventions* are policies and programs designed to promote employment, the efficient operation of labor markets and the protection of workers.
2. *Social Insurance* mitigates risks associated with unemployment, ill health, disability, work-related injury and old age, such as health insurance or unemployment insurance.
3. *Social Assistance* is when resources, either cash or in-kind, are transferred to vulnerable individuals or households with no other means of adequate support, including single parents, the homeless, or the physically or mentally challenged.

Traditionally, social protection has been used in other parts of the developed world to maintain a certain living standard, and address transient poverty. One of the first examples of state-provided social protection can be tracked to the Roman Emperor Trajan, who expanded a program for free grain to include more poor citizens of the empire. In addition, he instituted public funds to support poor children.

But organized welfare was not common until the late 19th and early 20th centuries. It was during this period that in both Germany and Great Britain, welfare systems were established to target the working classes.

In Russia social protection began in the first craft associations – artels and guild organizations. As a rule, all artel or guild members paid a certain percentage from the income to the common treasury or a craft office from which the aid to sick and infirm members of artel (guild) and also care of their families members was carried out.

At the beginning of the XX century Russia only started introducing system of social insurance being guided by the experience of Germany, however, revolution of 1917 changed a vector of social protection. From first years of formation the Soviet legislation provided the right of workers to material security in case of disability for various reasons. However, in the Constitution of RSFSR of 1918 and the Constitution of

the USSR of 1924 the right to social security for all citizens wasn't proclaimed. It was made only in 1936, with adoption of the new Constitution of the USSR [2].

In the modern economic conditions the social protection system of Russia develops as a special social institute, being characterized by a set of the principles, social norms, establishments, organizations and which defines steady forms of social behavior and action of people.

The social protection system includes the action of budget and off-budget funds at the federal, regional and local levels.

State budget funds that ensure social protection in the Russian Federation are the following:

- A. Pension Fund of the Russian Federation
- B. Social Insurance Fund of the Russian Federation
- C. Compulsory Medical Insurance Fund.

However, in Russia social protection problems of citizens are still considered to be the most important. This is due to the fact that the institution of social protection is relatively new in terms of rearranging institutions, respectively they have to face a lot of problems that cannot be solved in a short period of time. They include:

- Unresolved situation of state legal institutions;
- Unwise use of funds allocated for social needs;
- Lack of knowledge and experience of the employees engaged in social protection;
- The appearance of the so called category of social timeservers makes the task of improving the social sphere in Russia top priority.

In the end the key aspect in the new structure formation of social protection in Russia is to transfer the experience gained in market conditions and improve social protection mechanism, taking into account international experience and the recommendations of the United Nations Organization.

References

1. United Nations Children's Fund [Электрон. ресурс]. – Режим доступа: <http://www2.unicef.org:60090/socialpolicy>
2. Fakhrutdinova E. The Role of Social Protection in Formation of Quality of Work Life / E. Fakhrutdinova, E. Karasik, L. Safina, N. Miropol'skaya // World Applied Sciences Journal, - 2013, - 77-78 pp.