Postmodern Openings
ISSN: 2068-0236 | e-ISSN: 2069-9387
Covered in: Web of Science (WOS); EBSCO; ERIH+; Google Scholar; Index Copernicus; Ideas RePeC; Econpapers; Socionet; CEEOL; Ulrich ProQuest; Cabell, Journalseek; Scipio; Philpapers; SHERPA/RoMEO repositories; KVK; WorldCat; CrossRef; CrossCheck

2022, Volume 13, Issue 1Sup1, pages: 480-493 | https://doi.org/10.18662/po/13.1Sup1/437
Submitted: January 6th, 2022 | *Accepted for publication:* January 25th, 2022

Post-pandemic Trends in the Development of Social State Institutions

Vladimir Petrovitch VASILIEV[1]

[1] PhD in Economics, Associate Professor, Head of the Department of Sociology of Public Administration, Faculty of Sociology, Lomonosov Moscow State University, vasvp15@gmail.com

Abstract: The article analyzes the new conditions and institutions of socio-economic dynamics developing under the influence of COVID-19 and overcoming its consequences. New directions of the macro-management system are actualized by the economic recession that arose under the influence of COVID-19 and the previous depressive rates of economic growth. Social conditions and tensions have predetermined the growth of the state's participation in socio-economic development, the formation of new institutional trends.
Transformation of public administration institutions is due to the long-term influence of the characteristics of the information society and the conceptualization of modern sustainable growth in the areas of welfare, poverty reduction, and ecology. In the Russian Federation, a transition is underway to a new form of institutional regulation of socio-economic dynamics based on a system of medium-term strategic planning in the range from the development of key long-term development strategies to the operational management of specific projects. The modern national development goals and their indicators are presented, the existing risks of strategic planning are structured, which require consideration when developing subsequent system solutions. The current principles of the welfare state have been clarified, institutional innovations in the organization of social protection of the population are shown in the context of strategic planning, the interaction of federal and regional authorities in the problem field of social assistance and social insurance of the population.

Keywords: *sustainable development, COVID-19, strategic planning, national projects, welfare state, public health, social protection.*

How to cite: Vasiliev, V. P. (2022). Post-pandemic Trends in the Development of Social State Institutions. *Postmodern Openings, 13*(1Sup1), 480-493.
https://doi.org/10.18662/po/13.1Sup1/437

1. Introduction

As a moral shock to humans, Covid-19 brought profound changes to social practices and movements, marking a wide range of social, economic and political challenges (Atkenson, 2020). The coronavirus pandemic has highlighted the risks of post-industrial society and exacerbated the need for the state to perform broad social functions and, above all, the task of ensuring public health. The EU countries have set aside 800 billion euros (out of a total budget of 2 trillion euros) for dealing with the consequences of COVID-19 through the NextGenEU mechanism in the 6-year joint budget for 2021-2027[1].

Despite their relevance, a number of questions about the impact of the state on socio-economic dynamics in postmodern societies remain debatable (Nureeva & Latova, 2021). These are the problems of the scale and methods of state regulation, the ratio of economic growth and benefits distribution, the stimulation of technological innovation and environmental protection, digital development and freedom, and democracy (Piketty, 2013).

At the same time, the problem of the ratio of state and market mechanisms for implementing sustainable growth areas and development goals defined by the UN program until 2030 is becoming more relevant. The achievement of equitable welfare, poverty reduction and reduction of environmental risks cannot be fully achieved by the market mechanism (Coase, 1960).

The forceful orientation towards societal demands adjusted some medium-term goals and mechanisms to ensure social dynamics in the Russian Federation. A number of measures were outlined that transformed the direction of state influence on socio-economic practices in 2019-2020. These measures set a new vector of social change and proved to be relevant in the new reality of 2020/21 (United Nations Development Programme, 2020).

Such transformations can include the directions directly influencing the trends of social processes: transition from the concept of social expenditures reduction and "optimization" to the expenditures increase for low-income groups of the population, changes in the birthrate support system. There was a landmark transition from the dominant macroeconomic balance (fiscal balance) to the program of launching a new investment cycle

[1] NextGenerationEU is a package of incentives funded from the general budget aimed at transforming the economy, creating opportunities and jobs. Budgetary expenditure to address the effects of COVID-19 is financed through borrowing (European Comission, n.d.)

in the institutional regulation of economic dynamics. Taking into account the articulated interests of society, a new institutional framework is being used to transform public health, digital development and education - the sectors that largely determine the quality of human life and social well-being.

2. Conditions for the social governance institutions development

The last decade has been associated with two major crises in the global economy: the global economic crisis of 2008-2009 and the recession of 2020-2021 triggered by COVID 2019. The economic recession and rising unemployment predetermined increased state involvement in economic development, both in the institutional sphere and in public finance.

Table no 1. Share of consolidated budget expenditure in GDP (%)

Country	2020	2019
France	62.1	55.4
Italy	57.3	48.6
Denmark	54	49.2
Sweden	52.9	49.3
Great Britain	52	39.1
Germany	51.1	45.2
Iceland	49.7	43.4
Israel	46.9	39.8
USA	44	35.68

Source: Trading Economics (n.d.)

Public expenditures in 2020 exceeded those of the crisis year of 2009 and for the first time reached 50% of GDP in France, the UK and Germany.

The scale of the state impact is determined by a number of specific circumstances in Russia. General features defining scale and role of the state in socio-economic development, in our opinion, can be represented as follows:

- Traditions (collectivism - individualism)
- Significant government employment
- State social security and support funds

- Infrastructure - state-owned (joint ownership with monopoly structures)
- Regional socio-economic disparities
- Managerial vertical of power

Socio-economic practices in many countries of the world revealed new directions of socio-economic dynamics of post-industrial society. Their scale, dividends and risks require strategic, integrated management decisions taken at the macro level and requiring an intergovernmental approach. In fact, the dominant international program is becoming a sustainable development strategy, not only aimed at the interests of future generations, but also at the implementation of modern needs of the population: ensuring well-being, poverty reduction, addressing acute environmental problems already today (United Nations, 2015).

Based on the UN 2030 program, a number of countries, international economic organizations, and integration associations have taken appropriate institutional measures in the field of environmental protection. Economic regulations to reduce harmful atmospheric emissions and prevent climate change from worsening are being adapted to national tax systems, introducing new taxes, payments and fees to limit "externalities". European countries will impose additional customs duties on goods with an ecological footprint[2] from 2023.

Promoting the concept of sustainable growth in public administration reproduces the contradiction between environmental protection and economic growth as an objective of economic dynamics (Meadows et al., 1972). However, it is impossible to achieve the goals of increasing prosperity without the growth of output, on which wages and other incomes of the population depend.

The new stage of the information society is the "digital revolution", the advancement of new technologies in all stages of the process of reproduction of goods and services provided to the population, and management systems at both company and government levels (World Bank Publications, 2016). Modern computer technology makes it possible to enrich the arsenal of management methods along a wide line from the

[2] The European ETS has since 2005 set a maximum annual amount of emissions, which is divided among the sectors of the economy. The emission limit has been continuously reduced. A Transboundary Carbon Regulatory Mechanism (TUR) is being introduced - it levies a charge on imports into the EU of goods whose production involves large-scale CO2 emissions (Kozhevnikov, 2021).

management of the production process itself to the design and monitoring of the implementation of new projects.

According to Data Science (2018), new computer technology for management includes:

- Big data
- Virtual reality and augmented reality technologies.
- Neurotechnology and artificial intelligence
- Distributed registry systems
- Quantum technologies
- New production technologies
- Industrial Internet
- Robotics and sensorics components
- Wireless technology

Technological solutions actively used at the large and medium-sized business level are getting adapted to governmental management structures, and the digital government (e-government) basics are being formed in the following areas:

- G2B, government-to-business interactions;
- G2C, government-to-citizen interaction, giving them access to open data;
- G2G, government-to-government interaction.

In the Russian Federation, the real results of e-government formation are the expansion of services and access for the population, which really worked during COVID-19, the application of new methods of business activities analysis and control. Some digital technologies were developed in the project activities of the government. However, the application of new technologies in the public administration system proved to be accompanied by the need to revise numerous regulations, which are often contradictory in nature.

The work in certain areas of increasing the efficiency of access to services in electronic form is developing quite intensively, but the project management development is at the starting point. The creation of domestic element base, technological blocks programming, unification, synchronization and sanitation of normative acts necessary for creating and monitoring programs and projects started here. These tasks are in unity with transformation of institute of public service, retraining and recruitment of

employees with new educational competences and corresponding motivation. There is an emerging need to attract specialists to the civil service, with competencies and skills in big data technologies, artificial intelligence, distributed registry systems, neuro-technologies.

The Government of the Russian Federation will develop a strategy for the digital transformation of key sectors of the economy and the social sphere in 2021-2022, with the transition of the State Information System to a specialised GosTech platform as an integral part of this strategy. At the same time, it is planned to introduce artificial intelligence in the federal authorities and attract data scientists to the civil service, who build models based on analytical data to help make decisions

3. Strategic planning system

New and very diverse trends in socio-economic dynamics raise the issue of bundling tasks at the macro level of management and identifying priorities in the medium-term development perspective. The Russian Federation formed a new system for setting development goals, concentrating resources and operational management and controlling the achievement of indicators of medium-term dynamics, characterized by strategic planning (The Russian Federation, 2014).

The transition to the long-term determination of the main directions of socio-economic development was made in the second half of the 2000s. The Federal Target Programs were the first tool for the complex solution of target tasks[3], then the Concept of Long-term Socio-Economic Development of the Russian Federation for the period up to 2020 was adopted at the executive branch level. The Concept of Long-term Socio-Economic Development of the Russian Federation up to 2020[4] and the Forecast of Long-term Socio-Economic Development of the Russian Federation for the Period up to 2030[5] were adopted at the executive level.

One of the main institutional problems was the lack of an effective financing mechanism, the lack of monitoring, and the lack of an attempt to "plan" the whole range of socio-economic dynamics. A number of planned measures were rejected in practice. These include the envisaged increase in energy prices and tariffs, and the optimisation of the health sector.

[3] https://fcp.economy.gov.ru/cgi-bin/cis/fcp.cgi/Fcp/Title/
[4] Government of the Russian Federation (2008)
[5] Government of the Russian Federation. (2021)

These shortcomings should be overcome by a system of medium-term strategic planning for a 6-year period, balanced by sources of funding and annual indicators of implementation of relevant major national projects. In contrast to traditional budget planning, the National Projects are developed based on national priority objectives, the identification of which is preceded by the development of a number of long-term strategies and forecasts of socio-economic dynamics. The national projects integrate the management process from the federal centre to the municipal authorities. Medium-term budgeting and securing funding for large-scale national projects allows for long-term contracts with authorities and businesses, ensuring sustainability and predictability of results. Modern algorithms of strategic planning at the state level can be represented as follows:

- Targeting;
- Forecasting;
- Planning;
- Programming;
- Monitoring and control.

Algorithms of state strategic planning are almost identical in form to the corresponding universal principles of strategy development in business structures (Mescon et al., 1988). However, there are significant differences at all stages of the strategic planning process at the macro level, which in practice showed the impossibility of copying some of the design and planning forms worked out in business.

The creation of project offices was not developed - the management of national projects is managed by a subordinate hierarchy: Deputy Prime Minister - Minister - Deputy Minister. Targetting is not based on traditional business values (making a profit, winning a market segment, increasing the market value of the company), but on the principles of national security, social development and macroeconomic dynamics. Development strategies form long-term goals of socio-economic development and national security, strategic national priorities, ways and main tools to achieve them, forecast socio-economic development risks and threats to national security.

The system of strategic development at the level of state strategic planning was restructured in 2021 and is now presented as follows:

Table 2. System of strategic planning forms.

Targeing	Forecasting	Targeting at sectoral and territorial level	State armament programme and national projects
Annual message of the President of the Russian Federation to the Federal Assembly of the Russian Federation	Strategic forecast for the Russian Federation	Sectoral strategic planning documents of the Russian Federation	Main lines of action of the Government of the Russian Federation, a unified plan for achieving national development goals
	Forecast of long-term socio-economic development of the Russian Federation	Spatial Development Strategy of the Russian Federation	State programs of the Russian Federation, state armament program and national projects
Strategy for scientific and technological development	Forecast of scientific and technological development	Macro-regional socio-economic development strategies	

Source: The Russian Federation, 2014

Targeting involves identifying the main directions of socio-economic development, rational (goal- and value-based) actions of power structures (Weber, 1934). Rationality implies identifying the goals that can be realistically achieved, the availability of the means to achieve them and social efficiency as a criterion for harmonizing the interests of different strata of social stratification.

A significant number of experts are involved in the target formation, which predetermines the presence of a subjective factor, not always combined with an objective strategic analysis. The determination of development priorities based on economic and mathematical models is gradually adjusted using expert evaluations. A number of statistical indicator methodologies used in the calculations apply additional estimates; at the expert level, "consensus forecasts" are formed, based on a number of ready-made studies by foreign and international organisations.

COVID-19, which not only affected public health, but also collapsed economic growth, reduced budget revenues and increased budget

expenditures. In these conditions, the national development goals were reformatted and their implementation deadlines were extended to 2030 (instead of 2021). (This formally differs from the strategic planning norms that stipulate a 6-year cycle.

The change in the composition and number of national goals in 2020 led to the clarification of some indicators that are not based on previous development trends and cause risks of non-implementation.

The currently implemented national socio-economic development goals are as follows



Figure 3. National development goals until 2030
Source: President of the Russian Federation (2020)

As can be seen from the presented structure of the priority directions of socio-economic dynamics of the Russian Federation, they largely correspond to the corresponding sustainable development goals supported at the interstate level.

4. Modernising the welfare state functions

The principles of the welfare state proclaimed by Lorenz von Stein in the middle of the nineteenth century, and introduced into social practices first in Germany and then in other countries in response to the aggravation of the 'social question', meant the formation of the social insurance mechanism, its financing by entrepreneurs from the proceeds of commercial structures (Stein, 1850). In its later developed form, employer-sponsored social insurance (in a number of countries also by employees) now operates in three spheres:

- pension insurance,
- unemployment insurance,
- health insurance,
- disease and accident insurance.

A peculiarity of Russian social insurance institutions is that there is no special unemployment insurance fund (employment fund) and, therefore, employment services, unemployment benefits are financed from budgetary sources. In addition, there are permanent transfers from the state budget to the unbalanced Pension Fund budget.

Another direction of the state's impact on the positive dynamics of social relations, on the formation of sustainable social and human capital of society (Becker, 1993 Bourdieu, 1983; Schultz, 1971) is the resource management of social sectors (health care, education, culture) and the provision of social (financial) assistance to vulnerable populations.

COVID-19 changed the vector and pace of implementing social development programmes (United Nations, 2020). National projects have been reformatted and sources of additional funding for social projects and programmes have been identified. The following social indication are now a priority:

Table 3. Key indicators of national social development goals

Population preservation, human health and well-being	**Decent, efficient work and successful entrepreneurship**	**Digital transformation**	**Comfortable and safe living environment**
Increasing life expectancy to 78 years;	Ensuring a steady growth rate of the population's income and pension provision not lower than the inflation rate;	Achieving digital maturity in key sectors of the economy and social sphere, including health and education, as well as public administration	Improving housing conditions for at least 5 million families annually and increasing housing construction to at least 120 million square metres per year;
Poverty rate was halved compared to 2017;	Increasing the number of people employed in small and medium-sized enterprises, including individual entrepreneurs and the self-employed, to 25 million;	Increasing the share of mass socially important services accessible electronically to 95 per cent	Improving the quality of the urban environment by one and a half times; Ensuring that the proportion of the road network in major urban agglomerations complies with regulatory requirements is at least 85 per cent;

Increasing the proportion of citizens systematically participating in physical education and sport to 70 per cent	Ensuring a growth rate of the country's gross domestic product above the global average while maintaining macroeconomic stabilit;	Proportion of households with broadband access to the information and telecommunicatio ns network increased to 97 percent	Establishing a sustainable municipal solid waste management system that ensures 100 per cent waste segregation and halves the amount of waste sent to landfill

Source: Government of the Russian Federation (2021)

The lessons from COVID-19 prompted an urgent solution to two public health problems. Firstly, the establishment in the Russian Federation of a "sanitary shield" to become an area of public health security. Secondly, the reconstruction and modernization of the material base of primary health care and its staff strengthening - problems preserved by the technocratic ideology of management. Thirdly, systematization and increase of cash payments to the population according to the criterion of need.

Institutional strengthening of the health care system in the Russian Federation is the consolidation in the new version of the Constitution of the Russian Federation of managerial and financial interrelations in the field of health care along the vertical of power (federal, regional, municipal). The Russian Federation has jurisdiction over the establishment of a unified legal framework for the health-care system.

The Russian Federation and its constituent entities have joint jurisdiction over the coordination of health issues, including the provision of accessible and high-quality medical care, the preservation and promotion of public health, the creation of conditions for healthy lifestyles and the promotion of a culture of responsibility towards one's health, and social protection, including social security.

5. Conclusions

A new strategy for social development, taking into account post-pandemic development, is based on unified social and spatial development, coordinated resolution of social protection problems and implementation of the principles of fiscal federalism.

A contradiction in Russia's spatial development is social differentiation of the unprotected strata of the population, which depends on regional resource capacities, price differentiation, and the demographic composition of the population. The level of the subsistence minimum,

which is the main criterion for determining the need of the population for targeted support, is considerably differentiated.

Differences in the value of the subsistence minimum are predetermined by the price level differentiation, the scale of consumer demand set by the level of wages as the main structural element of income. This raises the problem of a fair unification of the criterion basis for determining the neediness and poverty level in the country. Therefore, the transition is currently underway to a poverty level based on a certain share of the median income of the population, which has been 42% since 2021. An additional indicator for determining the poverty level is the availability of property, which makes it possible to generate family income. A new management solution is to analyze the regional situation, bringing several regions closer to the 42% median level, and to seek sources of increasing social assistance to the population. A new system of poverty assessment transforms the existing methodology to an assessment adapted to the definition of social exclusion adopted in a number of European countries (European Commission, 2020).

The social payments occupy a significant place (over 20%) in the structure of the population's income. Against the background of unbalanced municipal budgets, the further growth of financial assistance is associated either with the search for new sources of funding, or with the redistribution of the focus of social assistance based on targeted support for the most needy population groups.

References

Atkeson, A. (2020). "What Will Be the Economic Impact of COVID-19 in the US? Rough Estimates of Disease Scenarios". *Working Paper 26867. National Bureau of Economic Research, Cambridge.* https://www.nber.org/system/files/working_papers/w26867/w26867.pdf

Becker, G. S. (1993). *Human Capital: A Theoretical and Empirical Analysis with Special Reference to Education* (3rd ed.). The University of Chicago Press.

Bourdieu, P. (1983). Ökonomisches Kapital, kulturelles Kapital, soziales Kaputal [Economic capital, cultural capital, social capital]. In: R. Kreckel (Ed.), *Soziale Ungleichheiten* [Social inequalities] (pp. 183-198). Göttingen.

Coase, R. H. (1960). The Problem of Social Cost. *Journal of Law and Economics*, *3*(1), 1-44. http://www.jstor.org/stable/724810?origin=JSTOR-pdf

Data Science. (2018, January 25). *Skvoznyye tekhnologii tsifrovoy ekonomiki* [End-to-end technologies of the digital economy]. http://datascientist.one/skvoznye-texnologii-digital-economy/

European Commission. (n.d.). *Recovery plan for Europe.* https://ec.europa.eu/info/strategy/recovery-plan-europe_en

European Commission. (2020). *A strategy for smart, sustainable and inclusive growth.* https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52010DC2020&from=EN

Government of the Russian Federation. (2008, November 17). *Order no. 1662-p* http://static.government.ru/media/files/aaooFKSheDLiM99HEcyrygytfmGzrnAX.pdf

Government of the Russian Federation. (2021, October 14). *Yedinyy Plan Po Dostizheniyu Natsional'nykh Tseley Razvitiya Rossiyskoy Federatsii Na Period Do 2024 Goda I Na Planovyy Period Do 2030 Goda* [A unified plan to achieve the national development goals of the Russian Federation for the period up to 2024 and for the planned period up to 2030]. https://www.economy.gov.ru/material/file/ffccd6ed40dbd803eedd11bc8c9f7571/Plan_po_dostizheniyu_nacionalnyh_celey_razvitiya_do_2024g.pdf

Kozhevnikov, G. (2021, July 15). *YES vvodit uglerodnyy nalog. V chem yego sut' i kak on rabotayet: Novosti ekologii* [The EU introduces a carbon tax. What is its essence and how it works: Ecology news].Rambler.ru. https://finance.rambler.ru/economics/46827367-es-vvodit-uglerodnyy-nalog-v-chem-ego-sut-i-kak-on-rabotaet-novosti-ekologii-1-15-07-2021/?utm_content=finance_media&utm_medium=read_more&utm_source=copylinkhttps://finance.rambler.ru/economics/46827367/?utm_content=finance_media&utm_medium=read_more&utm_source=copylink

Meadows, D. H., Meadows, D. L., Randers, J., & Behrens, W. W. (1972). *The Limits to Growth: A Report for the Club of Rome's Project on the Predicament of Mankind.* Universe Books. https://www.donellameadows.org/wp-content/userfiles/Limits-to-Growth-digital-scan-version.pdf

Mescon, M. H., Albert, M., & Khedouri, F. (1988). *Management*. Harper & Row Publishers.

Nureeva, R. M., & Latova, Y. C. (Eds.). (2021). *The road to Hayek: a monograph* (2nd ed.) PRC.

Piketty, T. (2013). *Le Capital au XXIe siècle* [The Capital of the XXI century]. Éditions du Seuil.

President of the Russian Federation. (2020). *Decree of the President of the Russian Federation No. 474 dated 21.07.2020 "On the National Development Goals of the Russian Federation for the period up to 2030".* http://extwprlegs1.fao.org/docs/pdf/rus202096.pdf

Schultz, T. W. (1971). *Investment in Human Capital: The Role of Education and of Research.* Free Press.

Stein, von L. (1850). *Geschichte der socialen Bewegung in Frankreich von 1789 bis auf unsere Tage* [History of the social movement in France from 1789 to the present day.]. Wigand.

The Russian Federation. (2014). *Federal'nyj zakon "O strategicheskom planirovanii v Rossijskoj Federatsii" ot 28.06.2014 N 172-FZ* [Federal Law "On Strategic Planning in the Russian Federation" dated 06/28/2014]. http://www.consultant.ru/document/cons_doc_LAW_164841/

Trading Economics. (n.d.). *Government Expenditure To GDP - List Of Countries*. https://ru.tradingeconomics.com/country-list/government-spending-to-gdp

United Nations Development Programme. (2020). *COVID-19 and human development: assessing the crisis, envisioning the recovery*. http://hdr.undp.org/sites/default/files/covid-19_and_human_development_0.pdf

United Nations. (2015). *Transforming our world: the 2030 Agenda for Sustainable Development*. https://sdgs.un.org/2030agenda

United Nations. (2020).*Compendium of Digital Government Initiatives in response to the COVID-19 Pandemic. 2020*. https://publicadministration.un.org/egovkb/Portals/egovkb/Documents/un/2020-Survey/UNDESA%20Compendium%20of%20Digital%20Government%20Initiatives%20in%20Response%20to%20the%20COVID-19%20Pandemic.pdf

Weber, M. (1934). *Die protestantische Ethik und der Geist des Kapitalismus* [The Protestant Ethic and the Spirit of Capitalism]. Mohr.

World Bank Publications. (2016, January 14).*World Development Report 2016: Digital Dividends*. https://www.worldbank.org/en/publication/wdr2016