

SOCIO-DEMOGRAPHIC PROFILE OF DEBT HOLDERS OF OLDER POPULATION IN EAST AND WEST EUROPEAN REGIONS

Abstract

Purpose: This scientific paper delves into the socio-demographic profile of debt holders within the older population of East and West European regions. The primary objective is to uncover the factors influencing household debt decisions in these two historically and economically distinct regions, addressing a significant gap in existing literature and contributing to a nuanced understanding of economic well-being among older individuals.

Design/methodology/approach: Leveraging data from the Survey of Health, Ageing and Retirement in Europe (SHARE), the study employs logistic regression to model relationship between socio-demographic variables and debt holding. The research design ensures comprehensive coverage of key determinants, including regions, age group, gender, household size, education, marital status, limitation activities, economic activity, home ownership, net wealth and risk aversion of the household.

Findings: Preliminary findings reveal intricate patterns in the socio-demographic profile of debt holders among the older population in East and West European regions. The study illuminates the roles of demographic factors, structural factors (education, economic activity), psychological factor (risk aversion) and overall wealth status in shaping debt decisions, providing valuable insights into the dynamics of the profile of the older debt holders in two distinct regions of Europe.

Research limitations: While the study draws on robust methodologies and extensive SHARE data, inherent limitations exist, including potential self-reporting biases and the generalizability of findings across diverse cultural and economic contexts within East and West European regions. Owing to the sequence of questions in SHARE waves, not all EU member states from the East could be included.

Practical implications: The research holds practical implications for policymakers, financial institutions, and societal stakeholders, offering informed perspectives on the economic well-being of the older population. Insights gained from this study can guide the development of targeted policies and financial products tailored to the unique needs of the populations under study.

Originality/value: This research contributes to the enrichment of scientific literature by uniquely focusing on East and West European regions, where empirical studies on the socio-demographic aspects of household debt among the older population are scarce. The originality lies in the exploration of previously understudied factors shaping debt decisions in this specific geographic and historical context.

Giga Kikoria, PhD in economics. Researcher at Tallin University under Estonian Government scholarship programme for international students, researchers and academic staff.

Invited lecturer at Tbilisi State University and assistant professor at Alte University. Scientific interests: Social research, Behavioral Economics, Housing market and mortgage loan consumers, Econometric modeling, Data analysis.

Tallinn,
14.02.2024