

Increase in Poverty Confirms Social Imbalance

By Howard Amos

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Luxury shopping is out of reach for the vast majority of Russians, with 15 percent living below the poverty line. **Igor Tabakov**

The number of poverty-stricken Russians has grown by more than 2 million over the past year, the State Statistics Service reported.

Almost 15 percent of the population — 21.1 million people — now subsist below the poverty line, up from 19.1 million people in September last year, the service said Tuesday.

The current subsistence income is 7,023 rubles (\$221) a month for a working adult, 5,141 rubles for a pensioner and 6,294 rubles for a child.

In last year's first quarter, it was, respectively, 5,956 rubles, 4,395 rubles and 5,312 rubles.

Employed Russians' average income is at 23,154 rubles per month — 330 percent higher than the subsistence income.

The numbers of impoverished dropped steadily in the early 2000s, amid climbing oil prices and economic growth. But they have remained relatively static since 2007.

According to the State Statistics Service, in 2001, about 50 million Russians — 33 percent — were living below the subsistence level. This number improved to 24.5 percent in early 2005, and 14.8 percent in the third quarter of 2007.

Russia's population has declined by 1.6 percent since 2002, according to last year's national census.

Conversely, the number of super-rich has increased in recent years. According to Forbes magazine, Russia had 101 billionaires in 2011, almost double the number of the previous year. Moscow is home to more of the world's wealthiest people than New York.

Social polarity is likely to become an acute political issue as the country approaches parliamentary and presidential elections.

After announcing that he would seek another term as president at a United Russia congress Saturday, Prime Minister Vladimir Putin suggested that taxes on the rich could be raised, and he acknowledged "dangerous levels of social inequality."

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