The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Putin Plan Targets Population Drop

By Alexandra Odynova

February 13, 2012



A panhandler underscores the variety of social problems Vladimir Putin addresses in his latest policy article that is heavily focused on demographics. **Igor Tabakov**

Prime Minister Vladimir Putin unveiled his plan on social policy Monday, focusing on how Russia will boost its dwindling population amid a demographic crisis that threatens to turn the country into "void space."

Among the measures Putin proposed was improving financial and living conditions to encourage Russians who have moved away to return and providing better support for families with many children.

The program was laid out in an article in the popular newspaper Komsomolskaya Pravda and promised to increase social spending on salaries for teachers and doctors. Putin also vowed not to raise the eligibility age for pensions.

The social policy platform represents the fifth article Putin has written in recent weeks in the run-up to the March 4 presidential election.

Titled "Building Justice. Russia's Social Policy," the article says that if the demographic decline is not turned around, Russia's population will shrink to 107 million by 2050, down from 143 million today. But with his new "complex strategy" in place, the population will grow up to 154 million within the same period, Putin wrote.

One of the measures suggested is to provide financial support and better accommodation for families with more than two children. Another is to raise migration back into the country by some 300,000 people per year — attracting "compatriots living abroad" and "qualified foreign expats."

Putin also said Russian institutions should enroll more foreign students and help them obtain citizenship after graduation.

The proposed demographic solutions were, however, met with some level of derision from experts. Natalya Zubarevich, director of regional programs at the Independent Institute of Social Policy, called the program "laughable" and "pre-election PR."

"It's simply unreal," Zubarevich told The Moscow Times. "There are neither the human resources, nor the tools to fulfill [the promises]."

She said only a huge migration wave can improve the demographic situation, but that there aren't enough interested expats and Russians living abroad for it.

Putin himself acknowledged that previous resettlement programs didn't have the desired results. Zubarevich said the earlier resettlement program only brought 30,000 Russians back to the country within four years.

Zubarevich, who is also a professor at Moscow State University, said Russian universities continue to fail to compete with Western ones and cannot attract as many foreign students.

High Financing

Putin argued that relying on oil and gas profits alone to finance Russia's transformation will not be enough. He said social conditions can only improve "with the development of other economic fields" and that only those in need of government support will receive it.

In the article, Putin said "not less than a third" of his suggested boost in teacher, medical and researcher salaries — which would amount to about 1.5 percent of annual gross domestic product — should come from "the reorganization of ineffective organizations and programs."

And that is likely how the federal government will fund salary increases this year, said Vladimir Tikhomirov, chief economist at Otkritie.

Saying GDP was roughly 52 trillion rubles ($1.7 trillion) in 2011, Tikhomirov said an expenditure of 1.5 percent of yearly GDP would amount to 700 billion to 800 billion rubles. That's on top of the 1.8 percent of GDP already spent on health care, education and cultural initiatives, he said.

"It's quite costly," Tikhomirov said.

He predicted that the government will revise its budget after the March 4 presidential election, perhaps as early as April. Though a revised budget might change spending for social programs, the teacher and medical staff pay raises will likely be included.

"I don't think [Putin] could backtrack on his promise six months later. It would be something people would not forget," Tikhomirov explained.

Medical staffers and teachers won't necessarily see a big increase in their paychecks, however. They received pay hikes in recent years, and making their salaries twice the regional average, as Putin proposes, won't result in a large jump.

Natalya Orlova, chief economist at Alfa Bank, predicted that the Cabinet will finance pay increases but generally "will keep a balanced-budget approach." When it comes to the federal budget, "it's hard to make an exact forecast for this year, because it's an election period," Orlova said.

Social Problems

Meanwhile, a report released Monday by UNICEF and the Independent Institute for Social Policy offers a discouraging assessment of the government's child policy during the Putin era.

About 30 percent of Russian children live in poverty, the report said, and by most indicators, Russia continues to lag behind the European Union. The country's child mortality rate is double the EU rate, and infant mortality is 3.5 times higher in Russia.

Besides, the authors of the report said social reforms laid out in 2007, calling for stipends for mothers with more than two children, have only had a small effect on improving the lives of mothers and children outside a very narrow group.

The authors also criticize the government for failing to make families with children a priority group in its 2009 anti-crisis program.

A Television Solution

The social policy article addresses conditions for several social classes, while previous ones focused more on the middle class.

Russia needs to "recreate the working-class aristocracy" that should grow to about 10 million people by 2020, Putin said. He added that workers should get more professional training.

As part of the strategy, the article proposed to develop national digital television channels covering culture, the arts, history and children's programming. Putin said the programs on national television have become "too commercialized," however, it would be "incorrect to suppress commercially oriented activity in this area."

"In the end, people vote with their money," he wrote. The issue used to be a prerogative of President Dmitry Medvedev, who has promoted digital television during his presidency and suggested in December creating public television.

Several of Putin's proposals regarded arts and culture, in which he promised more

opportunities for young artists.

"It must be acknowledged that in the past decade there has been insufficient attention paid to the development of culture," Putin said.

Just Russia party leader Sergei Mironov, who is facing Putin in the upcoming election, said the article appeared to borrow some ideas from his platform.

"It's pleasing that my idea, the ideas of A Just Russia, today form the agenda — social reforms ... are exactly what I've been insisting on," Mironov said, Interfax reported.

Staff writer Jonathan Earle contributed to this report.

Original url: https://www.themoscowtimes.com/2012/02/13/putin-plan-targets-population-drop-a12600