

Medvedev Signs Plan to Cut Regional Officials

By The Moscow Times

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Prime Minister Dmitry Medvedev ordered a cull of federal officials in the regions ahead of an upcoming three-year state budget crunch.

Medvedev did not give any estimates for the number of officials facing the axe in 2014 to 2015 in his order, published on the government's website Sunday.

The cull, to be prepared by six economic ministries and several other state agencies, is in line with the government's plan to hand over more power to the regions.

The federal government is preparing for a 5 percent budget cut in 2014 to 2016, citing slow growth in oil prices, the staple of Russia's budget.

A vital part of the plan is handing over certain fiscal obligations of the federal budget to the regions and municipalities, which have already increased their total debt by 20 percent to 1.6

trillion rubles (\$50 billion) since the start of 2013, according to the Finance Ministry.

Proposed austerity measures also include cuts in social spending and, to a lesser extent, military expenses, as well as a salary freeze for rank-and-file state servants — though not top federal officials. They got hefty pay raises from the Kremlin earlier this month.

The number of state officials in Russia has grown by 100,000 since 2008, Finance Minister Andrei Siluanov said last week. He did not specify how many of those were federal employees.

Russia — whose population was 142 million in 2008 — had about 850,000 state officials at the time, up about 75 percent over the preceding decade, according to the State Statistics Service. About 56 percent of those were federal officials.

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