

Poor Russians to Blame for Ailing Economy, Official Says

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Petr Kovalyov / TASS

A senior Russian government official has linked the country's sluggish economic performance to poor Russians with low purchasing power.

Although Russia climbed out of recession in 2017 and is on track to achieve 2 percent GDP growth despite low oil prices and western sanctions, official data indicates that real wages have [decreased](#) for four years in a row.

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Deputy Prime Minister Olga Golodets warned on Wednesday that economic development would face "serious difficulties" if the decline in wages was not reversed.

"These days, it's the population's income that's the most basic constraint on the development of demand and, consequently, on sustained economic growth," Interfax [cited](#)

her as saying.

Golodets called on employers across all sectors to raise the minimum wage and replace inefficient jobs with machines.

"Moreover, it would be ideal if these machines were manufactured in Russia," she was [cited](#) as saying by the RBC business portal.

With the approaching elections next month, President Vladimir Putin has [pledged](#) to raise the minimum wage this spring.

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