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‘There Will Be Mass Starvation,’ Moscow Opposition Warns Mayor as Coronavirus Slams Economy

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Lawmakers are due Tuesday to submit legislation to help small and medium-sized businesses, measures that critics say could already be too late for many businesses. **Andrei Nikerichev / Moskva News Agency**

A lack of aid for Moscow’s small and medium businesses hit by the coronavirus lockdown will lead to mass starvation and widespread protests, opposition lawmakers have reportedly warned Mayor Sergei Sobyanin.

Moscow and its 12.7 million residents have been under lockdown since March 30, with all nonessential businesses and activities suspended until at least May 1. Nationwide, the fallout from President Vladimir Putin’s paid “non-working month” could see unemployment numbers rise from 2.5 million to 8 million this year, the country’s Audit Chamber estimates.

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"Failure to take [support] measures in the coming months may lead to mass starvation," the Communist Party — the Moscow City Duma's second-largest faction — told Sobyanin in a letter, the Kommersant business daily reported Monday.

"In the event of spontaneous unsanctioned protests attended by several thousand residents, all responsibility will fall on Moscow's executive authority," party leader Nikolai Zubrilin reportedly warned Sobyanin.

Among other steps, the opposition reportedly demanded to hand each Muscovite 20,000 rubles ($250), pay all of their 2020 utility bills out of the city budget and suspend loan payments until Dec. 31. To finance these expenses, the Communists want to reduce spending on Moscow's sprawling renovation program, metro construction and other non-essential municipal projects.

The Communist Party's calls follow fellow opposition party Yabloko's proposal to reroute 300 billion rubles ($3.8 billion) of the city's infrastructure and entertainment budget toward aid for SMEs and employees on unpaid leave.

About one-third of Russian companies forced employees to take leave without pay from the first week of Putin's non-working period, according to a survey by the Center for Strategic Research, a think tank close to the government.

In an effort to support entrepreneurs, the government has rolled out tax cuts and offered deferred payments. The Central Bank has released funds for banks so they can offer cheap loans to small businesses.

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Nearly half of the 1,000 companies surveyed by the Center for Strategic Research have already reduced wages, 16% announced redundancies and 9% anticipated bankruptcy this year.

Sobyanin has warned that "we're nowhere near the peak" of Moscow's coronavirus outbreak as Russia has seen accelerated growth in new infections in recent days. Moscow has become the epicenter of the Covid-19 pandemic within Russia, with 13,002 of the country's 21,102 cases reported in the capital as of Tuesday.

AFP contributed reporting to this article.

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