

Economists Forecast 6th Year of Falling Incomes for Russians

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Igor Ivanko / Moskva News Agency

Russians' incomes will fall for a sixth consecutive year in 2019, experts from Moscow's Higher School of Economics (HSE) and Russia's Presidential Academy of National Economy and Public Administration (RANEPA) said.

Russia's Economic Development Ministry has [projected](#) real incomes to reverse the five-year [slump](#) and grow by 1 percent in 2019, based on a methodology that has been criticized as outdated. President Vladimir Putin has made efforts to raise Russians' living standards a cornerstone of his six-year term with an [ambitious](#) \$390 billion spending program.

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Real incomes [fell](#) sharply in early 2019 and have no prospects of picking back up this year, HSE and RANEPA economists said at a discussion organized by the FBK Grant Thornton auditing firm on Wednesday, the RBC news website [reported](#).

“We shouldn’t expect the population’s real disposable income to grow in 2019,” Igor Nikolayev, HSE professor and head of FBK’s strategic analysis institute, was quoted as saying.

“It’s a simple rule: if the economy isn’t growing, there’s no reason for incomes to increase,” [said](#) Vladimir Gimpelson, head of HSE’s center for labor market studies.

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Meanwhile, poverty levels are expected to remain around 12.9 percent this year, RBC quoted Tatiana Maleva, head of RANEPa’s Institute for Social Analysis and Forecasting, as saying.

Alexei Kudrin, the head of Russia’s Audit Chamber who [monitors](#) Putin’s spending program, echoed the economists’ forecasts, [saying](#) on Wednesday that real incomes could stagnate or decline in 2019.

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