THE POLITICS OF POVERTY IN CONTEMPORARY RUSSIA

Ann-Mari Sätre
Drawing on a multitude of in-depth interviews and surveys with ordinary people, front-line social workers and local officials, Sätre explains what it is like to be poor in Russian society, how and why some people prosper, while others struggle and many fall into poverty traps. The author considers official poverty statistics but focuses on Sen’s more sophisticated capability approach, showing how access to human capital, welfare rights and social relationships influence opportunity and poverty. The book’s greatest strength is that it brings the reader into little-known towns, villages and provincial cities whose residents, some interviewed at several points from 2002 to 2017, give vivid accounts of how Russia’s transformation has affected the welfare of their families and communities.

Linda J. Cook, Professor of Political Science, Brown University, USA.

Ann-Mari Sätre’s work always gives us a valuable insight into the everyday lives of people in Russia away from the mainstream and reminds us that there is more to Russian politics than what goes on in the kremlin. In this book, Sätre has surpassed herself, combining a careful analysis of official and independently-sourced macro-data on poverty with detailed life-stories of individuals inhabiting different niches in the social and geographic peripheries. Through the stories that Ann-Mari has collected from the poor and the not-so-poor and the people at the local level who try to help them in a number of Russia’s regions over the past decade, we learn how multi-faceted is the experience of poverty in the Russia of the 21st century and how variable the human responses to it. The Politics of Poverty in Contemporary Russia, is far more than a standard text on the production and reproduction of poverty, in a very real and immediate way it conveys the precarity of people living on the edge, where a single negative life event or a helping hand from a nascent civil society organisation can make the difference between the spiralling downwards into ever deepening poverty or the achievement of some degree of stability or, even, hope.

Judith Pallot, University of Oxford and Aleksanteri Institute, University of Helsinki. President of BASEES.
This book provides an overview of poverty and well-being in Russia. Increasing poverty rates during the 1990s were followed by greater attention to social policies in the 2000s and increased efforts to engage people in socially oriented NGOs and ‘encourage’ them to contribute to the fulfilment of social aims. What impact did these developments have on the prevalence of poverty in contemporary Russian society?

Tracing continuities from the Soviet system alongside recent developments such as the falling price of oil, economic sanctions, and changes in directions of social policy, this book explores the impact of poverty, inequality and social programmes. The author examines the agency of people living in poverty and those engaged in social policy, using official statistics, survey data and interviews from four Russian regions to explain the reasons and consequences of poverty and people’s attempts to get out of it.

The approach is based on institutional theory, complemented by Amartya Sen’s capability approach highlighting the importance of agency and an institutional framework as a means for change. A timely book that will be of interest to students of contemporary Russian politics as well as those engaged in social policy issues.

Ann-Mari Sätre is Associate Professor of Economics and Research Director at IRES Institute for Russian and Eurasian Studies, Uppsala University, Sweden. She is specialized in the structure and performance of the Soviet/Russian economy. She is also International partner, at the Centre of Excellence in Russian studies at Aleksanteri Institute, University of Helsinki. Her current research focuses on poverty, local development and women’s work in Russia. She is the author or co-author of four books and close to 50 articles and book chapters on the Soviet/Russian political economy.
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The variety of opinions on these issues is vast. Some see increasingly less difference between contemporary Russia and the Soviet Union while, at the other extreme, prominent experts regard Russia as a ‘more or less’ normal European state. At the same time new variants of modernisation are espoused as a result of Russian membership of the global BRIC powers. Combining aspects of Western and Soviet modernisation with some anti-modern or traditional tendencies the Russian case is ideal for probing deeper into the evolving nature of modernisation. Which of the available courses Russia will follow remains an open question, but these trajectories provide the alternatives available for discussion in this ground-breaking and authoritative series.

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Ann-Mari Sätre
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1 Introduction

We hear voices about poverty, views on who is considered to be poor, what the characteristics of poverty are, and about how the general views on poverty have developed under President Vladimir Putin. In the 1990s, it was considered legitimate to be poor, as everybody was affected by the consequences of the changes in society. The image of poverty has however changed since the Russian economy started to recover at the end of the 1990s. As it became visible that some parts of the population were able to lift themselves out of poverty, it was no longer legitimate to be poor. This is reflected in the interviews: “If you want to work you are able to find a job” was a phrase often heard. But it is also evident that there are a considerable number of mechanisms which prevent those who have become marginalised to get out of the vicious circle of poverty. This is evident, and interviews clearly reflect it, not least the interviews with those who are considered to be ‘the under-privileged’ (maloospechniye). These are the ones below the official poverty line – in Russia this term is preferred, rather than the term ‘poverty’ (bednost). People simply do not count themselves as poor; poverty is something they distance themselves from. I met with many I would consider poor, but they were talking about their neighbour. We are moving on the surface; in many cases I felt I heard about those who are really poor without meeting these people. Somehow, I had the feeling they are just around the corner, but hidden somewhere, and you do not see them. Only a few times has deep poverty been visible right in front of my eyes.

Through the social pedagogue at a school for people with mental or intellectual/psychological disabilities we were invited to visit a family living along the main road leading out of the city. The little house looked rather shoddy from the outside. Inside there was a striking smell of poverty. There was no real floor, and it was rather cold inside. Water had to be carried from further down the street. It was rather dark inside as they hardly had any lamps. Irina was living there with her daughter Yulia and her brother Andrei. Yulia was lying in her bed. She was suffering from anaemia. Andrei suffered from epilepsy and rheumatism. Irina worked in the restaurant of a hotel. They were living on her small salary. The advantage of having Yulia in the school for children with mental disabilities was that she gets school meals for free. Both Irina and Nikolai used to attend the very same school. They were already the fourth generation in this very same house. It has not been

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possible to get any subsidies for the maintenance of the house, since this is a private house. They are in the line for getting a flat, but they are in the same position in the queue as three years earlier (Interview, regional capital, 2012).

Poverty

Throughout the 1990s poverty was increasing, then as the economy turned upwards, it started to fall. The economic recovery coincides to a large extent with Vladimir Putin’s time in power and also with the development of oil prices. It has been argued that Putin has had luck. I am not going to speculate to what extent economic development relies on the oil price, but simply note that a lot is happening in Russia which is not always under the spotlight. This book is an attempt to convey a picture of what is happening outside of the corridors of power. It tells about poverty in contemporary Russia and about the obstacles which explain why so many people remain in this situation. It tries to mediate a picture of development tendencies in Putin’s Russia, but in the shadow, where ordinary people live their lives with a feeling that politics in Moscow does not really concern them. I have been following some places within one region from 2002 to 2017 including local administrators and politicians at the local level, local bureaucrats, ordinary people who just try to live their lives and those who sometimes try to change something. Some are rather successful while others are not doing so well. Their voices help us to understand and mediate a picture of what the situation might look like, the changes affecting people’s lives and how ordinary people live in Russia. I will broaden the perspective through new observations mixed with older ones, but also through observations from three other regions in Russia, which have been objects of my studies since 2010, 2012 and 2016, respectively.

Soon after becoming president, Vladimir Putin was able to regain some of the country’s oil resources from the oligarchs, and he has used these riches to build up funds for various purposes. In recent years we have witnessed the world’s most expensive Olympic Games in Sochi, the annexation of ‘the Crimea,’ sanctions towards Russia, counter-sanctions and military build-up that has absorbed substantial resources. Is this going to have an impact on poverty in terms of less resources for social policy and state programmes? Is the work of local administrations with minimal budgets trying to take part in all these programmes becoming even more difficult? Are there any hidden reserves that could be used? On what is the Russian government going to save if the economy is tightening? It appears it has been difficult to modernise Russia’s politicised economic system, that modernisation programmes have been halted and that the ambition of being a great power in the international arena is clearly on the agenda again.

While it is easily confirmed that substantial poverty exists in Russia, it is evident that wealth in many respects is also increasing. In cities we can see new buildings rising and main roads are clearly of a new modern standard. Also, in smaller towns and villages there are improvements. People have cars, cell phones and internet. But it is evident that inequality has increased. I hear different figures – a few per cent have become really rich, the general public is perceived
of as the middle class and the poor; a common guess is that around a third of
the population is poor. It is clear that some ordinary Russians have succeeded
to make a better life for themselves. Some of them used possibilities created by
reforms, such as setting up a business. Others have been able to take part in state
or regional programmes, through which they managed to get better housing.

I have been around to different authorities that in one way or another are work­
ing with social problems. I have met many genuinely engaged people, mostly
women as it is women who generally work with these issues. There are the admin­
istrative organs, councils and commissions that have survived from Soviet time.
One new element is social services which were set up as an answer to the acute
problems of the 1990s. These exist locally but are part of the state structure and
are separate from local administrations. Local administrations do not have respon­
sibility for poverty issues, but nevertheless have to deal with related questions as
they make decisions on the allocation of dwellings. They describe how difficult it
can be at times, how directives from above are sometimes impossible to follow.
There is a lot of talk about figures, laws and principles and what the situation
should be like. The information is interesting and relevant; it pinpoints to changes
in policies. There is, for instance, new legislation stating what rights people have.
But it is easy to get lost in details.

I hear about visits to private homes to settle social problems; about conversa­
tions how to convince people that they have to make changes in their lives, that
this is at least where you could start in order to achieve better results. There is
the aim of keeping biological families together, the need to foster them. But it is
difficult to get close to these families; they are difficult to reach. How do you get
in contact with someone who refuses to open the door? School is important. The
social workers who visit families – how many families do they have on their list?
These are the families whose children can get meals for free at school. But there
are more families than those on the social services’ list. Teachers identify children
from poor families, but the social pedagogues seem to be the key persons in the
school. I have met with many, and these are often “the spiders of the net.” They
know the families, they are in contact with social services. They are the ones who
make the documents of families, which also means that they have a controlling
role. Then there are also the doctors’ assistants, the leading medical worker in
communities, a field doctor or lower level doctor.

Somebody has to come and take them by the hand, take them to social ser­
vices, to the job centre and copy their work book, they have to be registered
and they have to apply for benefits themselves. Somebody has to help them to
collect all the necessary documents in order to be classified as under-privileged
(maloospechiniye), otherwise the children don’t get free lunch at school.

(Interview, head of commission for the under aged, mono-town, November 2011)

The documents have to be collected, an account has to be opened, then someone
has to check that money has arrived, and then somebody also has to check that
the money is used for the right things; this is the responsibility of the social pedagogue. In 2011, the social pedagogue gives a gloomy picture of the situation in this particular mono-town after the global economic crisis in 2008–2009:

Factories have been shut down. Some work places have closed down completely. The number of families where one parent is working ‘vakhtovy i metod’ has increased. Wages are so low, they are even lower than the previous year.

(Interview, social pedagogue at school in mono-town, 2011)

The interview with the social pedagogue at another school in this mono-town paints a similar picture as she describes how she has to teach some families to handle money. She describes how the effects of closing factories, or the reduction of workplaces in her town has hit the school where she is working. The number of families with either the mother or the father working with the ‘vakhtovy i metod’ has increased. Many work from morning to night without being able to improve their situation, she says. Low wages and minimal wage increases far from compensate for the increases in costs. In her school, the number of families on the social services list increased by a third from 2010 to 2011, although part of the increase was perhaps due to better information from the school about benefits from social services. The workplace must provide information about income, and the first step is to register.

At the same time, she knows many families who are not included on the list, such as those who work unofficially or have temporary jobs, and those who drink and do not work at all. She is just about to visit one such family. The mother is a conductor, and the father is a builder. The pattern is often like this, she says:

They have a drinking week, the commission becomes involved, they are then back to work, if they go back to drinking once more, that is it, they lose their jobs, then the children. After that all the doors are closed. It is really difficult to get back to work as you have to show both a work book and a health book. Nobody wants to employ somebody who drinks.

As is often emphasised, taking children from families is seen as a temporary solution. If parents improve, children will be returned. But parents have to show that the house is clean, and they must be working. These are requirements that should make parents try to perform better, to solve their own problems such as to give up drinking. It appears difficult for parents to get children back. There seems to be an aim to protect children, rather than focus efforts on keeping families together.

For many families affordable housing is the most important problem:

If we didn’t have to pay rent for the flat, we would more or less have enough, but we have to spend so much on the flat, and there is no chance that we
could buy one, nobody would give us that kind of money and it is completely unrealistic that we could ever earn enough money to buy one. So we will just stay here, and then see what happens.

(Family, mono-town, 2011)

Since 2017 there is a new school in the mono-town which replaces the old one; they have paved roads now, the sports centre (FOK)\(^5\) has been in place since 2011, and there is a stadium, a fountain, a statue for the defence of the fatherland and a footbridge. There is also, as in many other places, a newly established business incubator. Everybody has gardens or plots, except for the oldest people. Pensions are low. Antonina, the head of the charity fund, told about her neighbour who did not have any blanket:

She was freezing, I gave her a blanket, she became so happy that she cried.

(Interview 2017)

In 2017 some entrepreneurs complained that the food chain Magnit has driven many smaller shops out of business. In fact, many smaller businesses have disappeared, while some of the bigger ones have cut down on their staff. Actually, according to Antonina they do not really have problems of poverty in her town, there is just the problem of inactive people. She connects problems with Soviet mentality:

In the Soviet time 23 per cent were able to manage, the rest waited for instructions from above, it is the same today.

(Interview, leader of charity fund, mono-town, 2017)

*A small town in central Russia*

The following are observations from a small town in Central Russia and its surrounding villages, provided as examples of the same type of places and of similar people elsewhere. The aim is to provide a picture of what the situation looks like. In this particular little town, the dairy has been driven out of competition by Belorussian production. Sberbank has cut down, the tax office has reduced the number of employees as have also the police. A glass factory with 200 employees producing beer-bottles is about to be closed. On the other hand, there is a brand-new sports centre with jobs for about one hundred people, trade on the internet has increased, taxi services have expanded, self-employment has increased and there is meat production. There are quite a few small entrepreneurs. The clothing factory is temporarily closed and employees are on forced vacation. Actually, they could expand but it has been difficult to recruit the required staff. Earnings are substantially better for those who work in the forest. There was production for furniture providing 600 jobs in 1991, but it was closed down just a few years later.
Agriculture, industry and education are the three prioritised branches in this community. There are three colleges. With money from the regional level new houses are being built, including a building with small flats for young and poor people. There is a problem of what to do with all the old houses. Women are working within education, health care, the social sphere, textile industry, services and trade. Although there is some structural unemployment, official unemployment is low.

At one of the colleges two teachers, Tatiana and Anastasia, engage students in voluntary work through projects against smoking, alcohol and drugs. Their work is about distributing toys, organising concerts, visiting children at the hospital, restoring war memorials, and about ‘camp-moving’ around in the villages with entertainment and education. They organise New Year’s presents to children at hospitals, and the planning of ski tracks. Both the local administration and the Orthodox church are helping with transport, petrol, moral support and necessary documents. Tatiana thinks that most people are inactive. This is the norm. Many manage by picking mushrooms and growing potatoes without striving for another type of life. Tatiana thinks people had more dreams about the future twenty years ago. Nevertheless, there are some positive things happening as well. Those graduating from the sports college can work at the sports centre, and ‘young specialists’ move to villages, helped by a state programme which gives them a house and a car if they stay there for ten years. The regional level distributes social stipends, and ordinary people contribute with material help when something happens, i.e. fire, death or divorce. Some people have a difficult situation; she gives an example of a family where one of the spouses lost her job, while the other spouse is disabled. Somebody else in a similar situation manages better because they have a son. Then there are those who return after the army and those who commute, some on a yearly basis or for shorter periods, either to the oil fields or to some bigger city, or they live according to the *vakhtovyi metod*, and take on whatever task that might turn up and rest in between. Tatiana thinks that “people have started to think” and that they drink less than before.

Those graduating from the pedagogical college are guaranteed to get a job. Of the students, 35 are orphans, those from the countryside live in the student flats, and some of them are only 15 years old. Anastasia is ‘the social mother.’ She takes responsibility for those without parents, from the children’s home. She goes shopping with them, makes sure that they dress properly. It is mostly girls; some of them manage, but some do not get any training.

Vladimir was one of the deputies in a small town and the leader of an NGO for disabled people with roots from the Soviet time. He is a single father with three sons. Vladimir has some sort of disability, evident when he is walking. Classified as an invalid, he is excluded from many jobs, although he himself thinks he would be able to do them. He describes the families where women started to drink as the most problematic. Problems are so evident, children are hungry and it is very dirty at home. The social services turn to Vladimir. There are children who run away
from foster families and who run home to their drunk mothers. He thinks poverty has something to do with mentality:

People are not used to making a budget. They postpone bills and think “why should they pay”. They just use whatever money they get. Then their debt grows, and eventually they have to sell their flat.

(Interview, single father in small town, 2013)

The house where Vladimir lived was in a really bad shape; he could not invite anybody there as it was too dangerous. The building was just about to fall apart: they got a new roof which was too heavy for the old house, the house was sinking into the ground, and it was no longer possible to close the doors to the stairway. Neighbours on the first floor had already moved out. Vladimir hoped to receive a new flat through the state programme which finances the building of new flats.

The priest of the town’s newly built Orthodox church is proud of the posters with strong anti-abortion messages that he had managed to find and that he had put on the fence of the church-yard. These posters are very big, there are several of them and they cover most of the fence around the church.

Poverty is a sin. There is a need for fostering – we don’t love our children, this is the problem of our society.

(Young priest, small town, 2014)

We visited a foster family with eleven children near the town, where the mother had received an award from the president. The village suffered from outmigration but there had also been some improvements in the last years. The shop had been shut-down and the upper school closed, so the older pupils had to take a bus to another village. However, there was a new kindergarten building and a new small school for small children, and of course, the many foster children were an important addition to the set of children in this rather small village. In the village there were altogether seven families with foster children in 2014.

The village with the closed glass factory is half an hour’s drive from the town. The local head is a former police officer. The administration has moved into the house of culture while renovating the administration building. The house of culture has a new roof, and on the other side of the road there is a new kindergarten. A little further down the road there is a small café and a couple of tiny shops, and at the end of the little square, the closed entrance to the glass factory. The cows are walking freely, there are quite a few loose dogs. There are four yellow houses in a row, newly built for young specialists. They moved to the village with financing from a state programme, to work as teachers in the school. All the six teachers, except one, including a married couple, were recruited through the young specialists programme. They think that about half the population of the village is poor. There is also a newly built house for the elderly. In the new house with a kindergarten, the director of the kindergarten lives with her family. The contrast between
the old and the newly built is substantial. With voluntary work they have built a pond, and the local head is planning to build another one. For him everything seems possible. He is talking with enthusiasm about all the good things that have happened here and about the problems that cannot be solved.

Ten per cent don’t want to work, but 90 per cent live well, have work, land and food. They live on potatoes, the poor are those without potatoes. The children are taken from those who drink. There are those who can’t pay for the gas. Things are collected for children here. There are those who through their own work have been able to build up businesses little by little. We certainly live better now, in the Soviet time we had five cars in the village, now almost everybody has a car, TV and access to the internet.

(Interview with a local head, village, 2013)

Elizaveta Petrovna is one of eleven deputies, chosen as a representative for two roads in the village where she lives. Among the other deputies were two teachers and the school headmaster. She is prepared to continue, provided that the local head continues, despite the fact that she feels powerless. There is a lot of poverty in the village, she says: those with many children, those who do not want to work, those who drink. Those who want help from the state. She thinks life was much better in the Soviet time, ‘in every sense.’ People on the two roads she is responsible for come to her with their problems, then she goes to the local head to discuss what to do, or she discusses it in the village council (Interview, deputy, village, 2013).

Alexander is an entrepreneur from another village, who tells about how difficult it was in the 1990s. He remembers how vouchers were distributed when privatisation took place. The sovkhoz was closed and he lost his job. He was able to rent some equipment from the sovkhoz and started a business together with three others who had also lost their jobs. For the past three years, he has been on his own, producing paving-stones, while also earning some extra money from forestry. Alexander thinks that if you only use your head it is possible to get out of poverty, “you can always grow your own plot.” But there are many in his village who do not do that, who do not even produce food for themselves, they drink and have mental problems. There is only one other entrepreneur in his village, the shop owner. Then there are two clubs in the village, a medical point, an ambulance, the post office and a bank.

You need patience but people don’t have that. The social services had recently come to take children from four families. When they come they see hungry children and intervene.

(Interview, small entrepreneur, village, 2013)

Alexander is also talking about those who did not succeed in the city, who come back to the village and bring negative effects on the whole village. He has a son, who was educated to become a teacher. Through the state programme for young
specialists, he got a house and a car. The wife is a nurse. Alexander would like to build a church for his village.

The emergence of a new kind of poverty

Measuring poverty with objective definitions presupposes some minimum income combined with other possible measures. However, the level of needs varies according to age, living place, and the way of life of individuals, as well as their non-monetary incomes, social relations and other factors. In Soviet ideology, poverty was associated with a failure of a society and poverty as a general problem did not officially exist in the country. The Soviet ideology identified poverty as a social phenomenon associated with deviant groups (Yates 2004). Nevertheless, there was an officially set standard for a socially accepted minimum poverty line. Support was allocated to particular groups based on their social characteristics, according to strict, centrally set rules. Such groups were single parents, families with many children, people with disabilities and pensioners. In the 1990s, poverty became acknowledged as a kind of new phenomenon related to reforms, along with its occurrence among new groups of poor people. With the high inflation in 1992 as a result of the price liberalisation, poverty increased sharply.

An illustrative indicator of poverty is the share of expenditures spent on food. Data from 1992 to 1993 suggest that food accounted on average for about a third of family income. The pressure on social welfare provision increased considerably, with reductions in free education, free health and other social services. However, most significantly, the state no longer guaranteed jobs, and workplaces were no longer obliged to provide housing, child care, and other benefits. These changes have impacted on a wide range of people experiencing poverty. The same vulnerable groups as before were poor. In addition, new kinds of poverty emerged with an increase in ‘the working poor’ and those affected by unemployment. Poverty became notable for affecting working adults and families due to low wages and a widespread failure to respect employment contracts, which led to the pervasive practice in the 1990s of wages being paid in arrears.

Since these times significant proportions of the population have lived on incomes just above or below the poverty line, making their material well-being and poverty statistics highly susceptible to economic fluctuations. Official figures give one picture of the present situation. Poverty is officially defined with an absolute ‘subsistence minimum’ based on the price of a basket of goods, which is assumed to cover basic needs. In the early 1990s on average a third of the Russian population was considered to be poor, after which poverty rates then started to decrease. In 2007–2013 poverty rates in Russia remained rather stable at 11–12 per cent. In 2014–2017 official poverty rates increased again. However, the poverty line is based on a political decision and it can be moved down or up according to the government’s considerations. If the line is drawn lower, the number of beneficiaries decreases.

The present book does not go into details about how to estimate poverty in Russia but pays attention to changes in poverty and its consequences. Through
help of interviews and observations we are interested in picturing poverty, what it means for Russian society, and how it is dealt with by both policy-makers and the ordinary population, both those who are poor or in danger of becoming poor; as well as those trying to mitigate poverty and those working with poor people. We are interested in the poverty phenomenon as such but also because it tells about the working of society in general and effects of transformation in particular.

**Why are people poor?**

In the Soviet time there was a system for administering wages and benefits, there was officially full employment along with centrally set prices for goods and services. Transition implied a dramatic decline in living standards for some, while others improved their situation. It was clear that inequality increased. The increasing incidence and severity of poverty was associated with the significant fall in real money income. Furthermore, wage adjustment was not uniform across sectors and regions. Sectors financed by the state were hit hard by real wage declines, while other sectors were less affected. Institutional features of wage setting have tended to dominate the redistributive effects of high inflation and decentralisation of wage decisions (Foley 1997, 86). Adjustment in the labour market has taken place in the form of declines in employment and increasing numbers of people on short-time work and involuntary leaves; also, the real wages of the poor were eroded as wage arrears were quite frequent in the aftermath of transition. According to VTsIOM⁶ surveys, only about 40 per cent of workers were paid fully and on time in 1993 and 1994. Wage distribution was widened, and an increased number of households faced the situation that their wages were even lower than the subsistence level. This was possible as the minimum wage was set at a level lower than the minimum pension and lower than the subsistence level (Rimashevskya 1997, 130). The inconsistency was particularly serious as it implied that those who had a decent situation in the Soviet time, working full time and managing households with children, were entering vicious circles that were very difficult to get out of. With wages not possible to live on, they took on a second or even a third job leaving no reserve for outside changes. The smallest backlash could cause ordinary households to fall into deep poverty. This kind of phenomenon can still be seen some 25 years later. Another related phenomenon that still exists is the fact that people go in and out of poverty. In 1992–1994 more than half of Russian households were estimated to be in poverty for some period. The large inflows and outflows from poverty meant a high concentration around the poverty line implying that most households that changed poverty status had experienced a shock at some point. On the other hand, some of them were able to raise themselves out of poverty by means of some business activity or incidences of successful entrepreneurship. But also in such cases, we have seen volatile developments where success has been temporary, or simply followed by failures or bad luck. The point I want to make in this book is that many of the patterns we can see from time to time can be referred to systemic factors. The analysis confirms the persistence of certain causal factors since the Soviet period.
Who is poor?

Tikhonova (2004) found that neither belonging to a particular social or professional group nor having a certain material standard of living was the dominant factor in creating identity. Any Russian citizen who does not have a permanent registration, a ‘residence registration’ (*propiska*), is automatically excluded from generally accepted mechanisms for integration and social support. This is because social services in Russia are delivered through state bodies at the territorial level, and because the system whereby formal employment depends on having a permit for a given population centre remains unchanged since the Soviet period. A permit for a particular address functions as a marker dividing the formally successful section of Russia’s population from the section that is deliberately placed in a position of social exclusion. The latter include the homeless, many seasonal workers, refugees without formal refugee or settler status, illegal immigrants and ex-prisoners who have not been able to get a permit for their old place of residence. Included are also people who migrated to cities or towns from elsewhere in Russia in the search for a job but who were not able to get a temporary registration.

Social orphans are an especially vulnerable social group, moving between children’s homes and foster families and often being unable to find their place in society. The director of a children’s home is particularly worried about the social orphans ages 14 to 16:

> Teenagers are sometimes given back to the children’s home from foster families, or from relatives who took care of them, but who no longer feel they can handle the situation. These are the age groups that were born in the most difficult years of transformation around 1999–2000. Their parents are quite often either alcoholics, prisoners or dead. Some of the parents have also themselves been raised in children’s homes and don’t perhaps know how to bring up a child. (Interview, city, 2015)

There are those children who were born in the 1990s, at the time of rapidly increasing numbers of children in children’s homes. When they became 18 years old and it was time for them to leave, they were entitled to get a small flat. However, many of them could not manage even if they are sometimes assisted by social pedagogues or others (see Chapter 5). But there are also stories about “how not even the police dare to come to the areas with such flats. They don’t know about ordinary life, they are asocial, they seldom become normal citizens” (Interview with NGO representative, city, 2015).

The social orphans. How could we enforce the rights of children from children’s homes? Nobody is interested in letting a social orphan attend a music school. One child was not allowed to go through a necessary operation, but simply returned to us to die.

(Interview with professional at a children’s home with some sanatory facilities, 2015)
The following presents some voices of ordinary people in Russia on who is poor:

Those who drink and who don’t want to work.
   (Elena, unemployed woman with two children, small town, 2013)

Those who don’t have butter.
   (Svetlana, social worker and mother of three children small town, 2013)

Poverty is about a feeling; those who can’t dress or take care of their children.
Those who don’t have enough to eat.
   (Olga Alexandrovna, head of culture, urban village, 2013)

The poor are those who can’t realize themselves, those who don’t have any wishes, those without energy.
   (Tamara Ivanovna, chairperson of veteran organisation, small town, 2013)

Maybe we are in fact poor, we earn only 8.000 roubles per month, which is enough just for some bread. But no, we belong to the middle class.
   (Teacher at the agricultural college, small town, 2014)

The poor are those that can’t help themselves, who can’t support a family, those who can’t give their child more than an apple or a pirogue at celebrations.
   (Teachers at agricultural the college, small town, 2014)

You can see who is poor, there are many signs: Chinese clothes, the kind of job, type of vacations, the house, if you steal, drink, the windows, the fence, damages on the car.
   (Teacher, village, 2014)

Those who buy more expensive clothes than they can afford, in order that the children don’t look poor.
   (Tutor, school, mono-town, 2011)

There is a lot of poverty here, those with many children, those who don’t want to work, those who drink. Those who want help from the state.
   (Elizaveta Petrovna, deputy, urban village, 2013)

The children from the Ukraine who are refugees without documents.
   (Professional at commission for the under-aged, regional capital, 2015)

Theoretical and research basis

The analytical framework in this book is based on Douglass North’s (1990) categorisation of four main kinds of institutions which influence the way a society develops: legal rules; organisation forms; enforcement; and behavioural norms.
Introduction

Institutions are all the restrictions that humans have created to regulate interaction in society. While formal rules can be changed by political decisions, informal rules, such as behavioural norms are rooted in society, and are not quickly changeable.

Although North (1990) highlights the need for ‘agency’ (action) for change, he does not incorporate the interrelationship between agency and the institutional framework. In this book the agency dimension is added, drawing on Sen’s (1984) capability approach. Sen’s analytical framework also connects agency to the issue of empowerment, and seeks not only to answer the actual needs for a resource (e.g. money, housing), but also to identify the kind of support needed to transform resources into goods and services (Sen 1984). The core of the empowerment concept lies in the ability of the individual to control her own destiny.

The post-Soviet experience highlights the wide gap between intentions and outcomes and the fragility of social order in the process of fundamental economic, political and social change. According to the general ideas of Douglass North, although formal institutions in the form of laws and regulations have changed as a result of political decisions, informal institutions such as behavioural norms and organisation culture are not likely to have evolved to the same extent. Two main reasons for this can be identified. Either the informal institutions are more deeply rooted culturally and change slower than the formal ones, or barely change at all, or in another direction than what was intended by policy-makers. Adding the agency dimension, effects of reforms as such need to be separated from consequences arising from the survival and evolution of informal institutions. All these aspects are related to how people react or adapt to reforms, and they are also connected with their faith in the enforcement of rules, organisational structures, norms, behaviour and attitudes.

The capability approach highlights relational aspects rather than incomes or ownership as such. This means that a person’s exchange entitlements are highlighted. The ability of people to get out of poverty thus depends on their ability to transform whatever income or assets they have into food and other necessities. Assets are, according to Sen (1984) classified into three categories: resources, including all kinds of capital (financial capital, social capital, human capital, and cultural capital); rights, such as welfare entitlements; and relationships. According to this approach, incomes or assets are not enough for people to overcome poverty; agency in one form or another is also required.

The book aims to highlight the impact of transformation on poverty and well-being in Russia. To this end the analysis also relates to and traces continuities from the Soviet system. The analysis is based empirically both on Russian official statistics (Rosstat, 2017) and survey data (SDMR/AI, Russian survey), as well as interviews and observations from four Russian regions in 2002–2017, including a survey from two towns in one of the regions collected in 2011.

The survey Social Distinctions in Modern Russia 2015 was collected in cooperation between the Aleksanteri Institute in the University of Helsinki and the State Humanities University in Moscow. The survey has three predecessors, collected in 1991, 1998 and 2007. The survey from 2015 is larger and has questions which
Introduction

our study team added to the questionnaire. The survey gives a lot of relevant information: it includes questions on families’ income composition, position in work life, ability to buy different products, access to medical and social services, changes in family’s living standard 2010–2015, and attitude questions related to poverty. The data can be analysed with such variables as settlement type, region and family type among others.

Increasing poverty rates during the 1990s were followed by an increased attention to social policies in the 2000s. One component is the increased effort to engage people in socially oriented civil society organisations. Citizens are ‘encouraged’ to contribute to social aims in various ways. This book will discuss what role these developments in social policy have for the prevalence of poverty in the Russian society. The aim is also to highlight the importance of agency as a means for change, while at the same time emphasising the importance of the institutional framework: the agency of poor people and those engaged in social policy are discussed. The content of this book is based on the results of a few different projects on poverty in Russia in the years 2010–2017, as well as on materials collected from 2002 to 2016, connected to the follow-up of a project financed by the Swedish International Development Agency (SIDA). Empirical data are based on qualitative interviews with ordinary people, social work experts, professionals working at children’s homes and rehabilitation centres, social workers, social pedagogues at schools, teachers, doctor’s assistants, NGO representatives, local politicians and deputies of commissions or local village councils from four communities in the Arkhangelsk oblast, three communities in the Nizhny Novgorod oblast, three communities in the Karelian Republic and two communities in Novgorod oblast.

The structure of the book

On poverty in Russia

Chapter 2 gives an account of the extent, structure and dynamics of poverty in Russia. This requires insights into definitions of poverty, poverty lines and related concepts. Thereafter the chapter addresses these issues. Survey data is used to analyse who is poor with respect to place of residence (village, small town or large town), gender, number of children etc. The chapter looks at income and poverty, including some regional aspects and matters of inequality. Experiences of poverty as depicted in interviews are presented.

Causes of poverty

Chapter 3 will discuss both causes of poverty and difficulties to get out of poverty. The aim is to capture the essence of poverty circles, and the reasons why it is so difficult to get out of vicious circles of poverty. Reasons for poverty as given in surveys and interviews are presented and related to theoretical explanations, in which poverty is analysed as a consequence of the working of society rather than individual failings. Attitudes to poverty and changes of attitudes as presented in
surveys are studied and related to those expressed in interviews. This chapter also deals with poor households’ ways of coping with poverty and what strategies they might have to improve their situation. Sen’s entitlement theory is used to analyse how households use whatever means they have at their disposal. The concept ‘transformation’ is used to depict that the change of the system is treated as an ongoing process. To study the effects of transformation the analysis focuses on new groups of poor: working or unemployed persons with children.

As to the causes of poverty, in broad terms two different kinds of explanations can be identified: those that are connected to state policies and the working of society on the one hand, and those that are related to attitudes and behavioural patterns of individuals on the other. There are also important links here. In particular, attitudes to poverty are crucial, as they feed into strategies to meet problems of poverty in politics as well as in society in general.

**State in social policy**

Chapter 4 looks into social policy, along with some recent developments as well as some aspects of history. The chapter gives an account of social benefit systems, state programmes and reforms and policies to encourage citizens to contribute to the fulfilment of social aims. Survey data is used to examine to what extent different types of poor households receive benefits. Survey data is complemented with experiences by receivers of benefits and local experts, as expressed in interviews with both social work experts and households on outcomes of policy at the local level. Interviews conducted in 2010–2011 give a picture of the situation after the global economic crisis in 2008–2009. Another bulk of interviews was conducted in 2015–2017, just after the downturn of the economy after the next crisis starting in 2013 with the fall in oil prices. Some interviews between these years will also be referred to and reflected upon in this chapter.

**Social welfare and combating poverty as a female responsibility**

Chapter 5 looks more deeply into social policy, including efforts to help the situation informally. The aim is to show and analyse how women are dealing with poverty as professionals as well as how ordinary women, being responsible for fostering children and taking care of social issues try to deal with poverty. Empirical data are based on qualitative interviews with social work experts, social workers, social pedagogues at schools, teachers, doctor’s assistants, directors of children’s homes and rehabilitation centres, NGO representatives, local politicians and deputies of commissions or local village councils.

**The role of civil society organisations in dealing with poverty**

Chapter 6 focuses on the role of socially oriented civic organisations in dealing with problems of poverty. We look into both the efforts of the government to engage people in socially oriented voluntary work and how civic organisations
adapt to the political harnesses. The chapter discusses the relationship between civic organisations and social work, given the reality that resources of social welfare agencies are insufficient in relation to needs and given the stricter rules towards NGOs. The aim is also to identify when and how civic organisations can contribute to empowering processes involving poor people. Women who found informal solutions to problems during the Soviet time have transferred Soviet hierarchical practices to women in contemporary Russia. The impact of surviving hierarchical structures of organisations from the Soviet era (in both municipal agencies and civic organisations) is highlighted.

The politics of poverty in contemporary Russia

The final chapter presents conclusions and considerations, and places poverty within the framework of the Russian politicised economy.

Notes

1 Professionals tend to use the official definition of ‘people with low income’ (*maloimushie*).
2 We will return to this family in Chapter 2.
3 As many of those I have talked to wished to be anonymous, I have not identified the places in which the study was carried out.
4 A form of temporary shift-based work. One example is that a family member goes to work in the oil fields for a couple of weeks, then comes home to rest, and then goes off again. Other examples are that someone goes to work in the forests, or to the city to work as a builder.
5 FOK is a shortening for ‘Fizikulturno-Ozdrovitelnii Kompleks,’ which could be translated into ‘Sports-Wellness Centre.’
6 VTsIOM is the state-owned and government-run institution that reports to the Ministry of Labour and Social Affairs.
On poverty in Russia

The evolution of poverty

Poverty in Soviet Russia

Poverty was a well-established fact of life for the Russian population in the Soviet Union. The Soviet authorities had recognised ‘underprovisioning’ as a problem since the early 1970s. A decree from 1974 defined underprovisioned families (maloobespechinye semyi) as those with an income below a certain level per family member per month. These were provided with a monthly supplement per child (Yates 2004). This was important as it marked the first official recognition of poverty also in the socialist system and that the generalised Soviet system of social support brought with it some shortcomings. Support was allocated to particular groups according to strict centrally set rules, based on social characteristics. These included single parents, families with many children, people with disabilities and pensioners. Aside from the minimum consumption budget of the Khrushchev period, no official poverty lines were published until 1988 (Braithwaite 1997, 33). In the Soviet time, it appeared rather difficult to improve one’s situation, as work mobility was low. Old age was probably a higher risk factor for poverty in the Soviet time than in contemporary Russia, although it appeared to be rather common that pensioners worked.

Data and methodological constraints hampered the quantification of incidences of poverty in the Soviet Union. Nevertheless several attempts to evaluate poverty rates were undertaken (see e.g. Braithwaite 1997, 30–49). It appears that the incidence of poverty declined from the early 1950s until 1980, and then remained relatively constant throughout 1980–1991. Estimates given mention poverty rates between 10 to 13 per cent in the 1980s (Braithwaite 1997, 33–34).

Poverty in Russia after the Soviet era

The extent of poverty increased dramatically in 1992–1993 following the output decline and the high rates of inflation Russia experienced in 1991–1993 (see Figure 2.1). Poverty then became acknowledged as a new phenomenon related to reforms, along with the occurrence of new groups of poor people. In 1995, only 66.1 per cent of the poor were employed. The poor were primarily families with children, including single mothers and other working poor, the unemployed
Figure 2.1 Official poverty and income inequality in Russia
and families with disabled members (Klugman 1997; Lokshin and Popkin 1999). These are the same groups that were poor under the Soviet system, plus the unemployed. Relative wages between sectors of the economy were to some extent also almost the same. Retail trade, education, health, arts and culture, along with branches of the consumer-oriented industry and agriculture, had the lowest wage rates under the Soviet system. These are mainly female branches and they still figure among the low-paid jobs. The pattern with extremely low benefits also remains.

What then are the effects of transition or transformation? The primary cause of the sharp increases in poverty in 1992–1993 was the erosion in real terms of wages and pensions. With the high inflation in 1992 as a result of price liberalisation, poverty increased sharply. It is possible to spell out similar concrete consequences of separate reforms. For example, monetisation of benefits meant the loss of certain services while the monetary compensation far from compensated for this loss.3

Contrary to mainstream discourses in previous research, which focused on poverty among pensioners, many of the current poor are young people whose situation became worse as a result of their poor adjustment after the global economic crisis in 2008 (Rimashevskaya 2010). Three worrying trends of that time were highlighted by the World Bank ten years ago. Firstly, while the number of temporarily poor had been decreasing, the number of chronic poor had remained at the same level through most of the 2000s: around 7 per cent, despite the general growth in GDP (World Bank 2009, 18–19). Another factor is that there was a large share just above the officially set poverty line, that is, there was a rather large group vulnerable to small changes in the economy (Korchagina and Prokofeva 2008; World Bank 2009, 19). A third factor was that new groups were poor (Yates 2004; Ovcharova 2008). After that report, measures to improve the situation for pensioners have meant a reduction in the share of pensioners below the poverty line. On the other hand, the number of families with many children who fall below the poverty line has increased. The distribution of income has become more uneven and the income gap is believed to be larger than in most other countries. The rural/urban relation also shows substantial differences in poverty (Teodorovich 2009). Although there are large differences between regions, the most important differences appear to exist within regions which are rich in oil and gas resources (Buccellato and Mickiewicz 2009; Rudenko 2014). The severity of the situation is highlighted by the decline in life expectancy, primarily owing to increasing mortality among young and middle-aged men. In 1994 male life expectancy in Russia was just 58 years, two years below the Russian male retirement age, and seven years lower than in 1987 (Vågerö 2010, 24).

**Incomes and measuring poverty**

Industrial output was falling in Russia all through the 1990s until 1998–1999. After that high economic growth was registered from 1999 to mid-2008, when
Russia was hit by the global economic crisis. Since mid-2009 the economy was recovering again until 2013, when falling oil prices started to cause problems. Poverty levels in Russia were quite closely following these trends. Federal law No 134-FZ, “About a living wage in the Russian Federation” was adopted in 1997. This law established “a legal basis for minimum wage definition, state guarantees and social protection.” The law has been revised in May 2000, August 2004 and July 2009. In this law the official poverty line (prozhitochnyi minimum) is defined as the minimum income necessary for physiological survival (Yates 2004, 13).

Poverty is officially defined with an absolute ‘subsistence minimum’ based on the price of a basket of goods, which is assumed to cover basic needs. But informal conversations give us the impression that it is far too low to provide a decent variety of food. According to the resulting national poverty lines, on average a third of the Russian population was considered to be poor in the early 1990s. Poverty rates then started to decrease. In 2007–2013 poverty rates have remained rather stable at 11–12 per cent (Rosstat 2015). This does highlight that a section of the population lives in entrenched, chronic poverty. Poverty has since 2014 started to increase again: in 2016, according to official figures, 13.5 per cent of the population was poor (Rossiya v tsifrakh 2017, 119). The economy started to improve again in 2017, but did not have positive effects on poverty rates – at least not before March 2018 when the poverty rate was 13.8 per cent.

Russia has relied on income from oil when funding the general welfare system. In 2015, as the oil price went down, the Russian budget was running with a deficit. Price decreases of oil did not affect the budget, as this was calculated in roubles. However, it contributed to increasing inflation rates and consequently decreased the real value of social policy measures for individual families. Another tendency was that people were using an increasing share of their income for food (Ovcharova and Biryukova 2015, 5–6).

In Russia the official and most widely used method of assessing poverty is the measurement of household income and expenditure, applied within the framework of an absolute concept of poverty. Measuring poverty with objective definitions suggests some minimum income combined with other possible measures. However, measuring poverty simply on the basis of per capita income has proven to be a problematic approach. Firstly, it is difficult to verify the objectivity of declared income in Russia, and per capita income does not give information regarding all the resources that a family actually has (Tikhonova 2004). Another reason is due to irregular payments (Rimashevskaya 2010). A third reason is the spread of the informal economy and hidden types of income (Gaddy and Ickes 1998; Kim 2002). A fourth reason is that peoples’ subjective evaluations differ from the official definitions based on income (Chebankova 2010; Rudenko 2014). A fifth reason is that focusing on income does not adequately reflect the effects of changes in entitlements that people have experienced in the aftermath of the perestroika processes. Finally, income does not take inter-regional and cultural differences into account. Because of all these reasons, complementary methods are used to study poverty in this book, based on opinions of the Russian population collected through surveys and interviews.
Real disposable income started to fall in 2013. Wages fell from 2014 to 2015, then rose again in 2016 (Rossiya v tsifrakh 2017, 118). According to official statistics about 20 million, or 13.5 per cent of the Russian population, were below the subsistence level in 2016, as compared to 13.3 per cent in 2015 and 33.5 per cent in 1992. In addition, the social transfers in kind have decreased since 2010. Looking at official figures, poverty and economic growth are closely connected. In 2014–2016 poverty rates were increasing and continued to do so in 2017 although the Russian economy showed some signs of recovery. Many households remained close to the poverty line and without formal jobs.

**Experienced poverty as depicted in Russian surveys**

Some survey-studies have tried to address Russian poverty. SDMR was collected at four different times: 1991, 1998, 2007 and 2015. Many of its figures support general trends in poverty developments as previously described. For example, figures for 1998 generally confirm increasing difficulties in ordinary life. Increasing costs for clothes, children’s education, community payments and taxes, are well in line with the increasing poverty levels all through the 1990s.

The newest, 2015 survey data also supports the trend of increasing poverty levels in preceding years. One question concerns whether the respondent’s situation had become better or worse in 2015, as compared to 2010, in general terms. The answers reveal that more people in Russia state that their situation is worse in 2015 than it was in 2010 as compared to the numbers saying that their situation has improved. There are also more people stating that their situation in 2015 has substantially worsened. Ninety per cent of respondents answered that their costs for clothes had increased since 2010, and more than 90 per cent stated that their costs for community payments had increased. On the contrary, trends clearly indicate changes to the better for many households in 2000–2007. A comparison of the situation for households with one child in 2000, 2007 and 2015 is presented in Table 2.1.4

Looking at survey data gives us a somewhat different picture of the levels of poverty than the Russian official data. The result for 2015 shows that a rather small percentage would say that they can “hardly make ends meet,” only about 2 per cent. These are the ones who can hardly cope from day to day, those whose situation appears alarming. When counting also those who say they “can barely

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Better</td>
<td>5.57</td>
<td>38.15</td>
</tr>
<tr>
<td>Substantially better</td>
<td>1.53</td>
<td>4.10</td>
</tr>
<tr>
<td>Worse</td>
<td>30.49</td>
<td>20.16</td>
</tr>
<tr>
<td>Substantially worse</td>
<td>45.14</td>
<td>3.50</td>
</tr>
</tbody>
</table>

Source: Table is constructed by the author from 2015 SDMR Survey.
afford to buy food and clothes” the numbers increase substantially. Still, figures are close to the official figure on poverty. The big difference appears when looking at those who say that being able to afford durables is a real problem. About 50 per cent of Russians fall into this category. When it comes to durables, there is no big difference between the poor and the non-poor5 in relative terms (see Tables 2.2 and 2.3). About 50 per cent of the non-poor, or 65 million people, said they had problems affording durables in 2015. Looking at the non-poor, differences between age groups are rather small, although a clear pattern can be seen, showing that problems increase with age. These are the ones who might have to save for years to be able to buy a refrigerator, a vacuum cleaner or a washing machine. Adding figures together gives us the rough estimation that about two-thirds of the Russian population live in poverty, on the edge of poverty or are at least rather close to being poor.

Survey data clearly indicate that those with an income below 70 per cent of the median income level are among those who faced a worse situation in 2015 as compared to 2010. Among the non-poor, the figure for those who said their situation had worsened – 30 per cent – was almost the same as those who said their situation had become better (28 per cent). Among the poor, however, only 14 per cent said their situation had improved, while 40 per cent stated it had worsened. More specifically, it appears that those below 60 per cent, but above 50 per cent of the median income threshold are among those who faced a worse situation in the period 2010–2015.

Table 2.2 Feeling of poverty by age of those in relative poverty in 2015,1 % of all in each age group

<table>
<thead>
<tr>
<th></th>
<th>30–39</th>
<th>40–49</th>
<th>50–59</th>
<th>Upwards 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardly make ends meet</td>
<td>1.92</td>
<td>13.04</td>
<td>3.28</td>
<td>6.84</td>
</tr>
<tr>
<td>Hard to buy clothes</td>
<td>11.54</td>
<td>23.19</td>
<td>26.23</td>
<td>30.77</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>13.96</strong></td>
<td><strong>36.43</strong></td>
<td><strong>29.51</strong></td>
<td><strong>37.61</strong></td>
</tr>
<tr>
<td>Durables are a problem</td>
<td>48.72</td>
<td>28.99</td>
<td>50.82</td>
<td>49.57</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>63.71</strong></td>
<td><strong>65.42</strong></td>
<td><strong>80.33</strong></td>
<td><strong>87.18</strong></td>
</tr>
</tbody>
</table>

1 Here relative poverty is defined as all those below 50 per cent of the Russian median income.
Source: Table is constructed by the author from 2015 SDMR Survey.

Table 2.3 Feeling of poverty by age of those over poverty line in 2015,1 % of all in each age group

<table>
<thead>
<tr>
<th></th>
<th>30–39</th>
<th>40–49</th>
<th>50–59</th>
<th>Upwards 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardly make ends meet</td>
<td>0.65</td>
<td>1.54</td>
<td>1.10</td>
<td>1.13</td>
</tr>
<tr>
<td>Hard to buy clothes</td>
<td>5.70</td>
<td>7.08</td>
<td>7.87</td>
<td>10.16</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>6.35</strong></td>
<td><strong>8.62</strong></td>
<td><strong>8.97</strong></td>
<td><strong>11.29</strong></td>
</tr>
<tr>
<td>Durables are a problem</td>
<td>39.25</td>
<td>40.77</td>
<td>43.15</td>
<td>49.37</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>45.60</strong></td>
<td><strong>49.39</strong></td>
<td><strong>52.12</strong></td>
<td><strong>60.66</strong></td>
</tr>
</tbody>
</table>

1 Here relative poverty is defined as all those below 50 per cent of the Russian median income.
Source: Table is constructed by the author from 2015 SDMR Survey.
Income in the form of assistance from relatives was important for 25–30 per cent of respondents. However, among those who felt the situation to be worsening, a large majority said that they do not have any relatives they could receive economic assistance from. Support from relatives seems to have been more important for those who faced a deteriorating situation in 2010–2015 than for those who stated that their situation had improved.

One can clearly see different kinds of adaptations between age groups as well as between settlement types to the lower standards of living in 2015. A decrease in the consumption of food and expenses for medical drugs can be noted for older age groups in villages. Reduced expenses on hobbies for those between 30 and 39 for all settlement types can be noted. To sum up, it is basically the same groups that are poor as in the Soviet time, although the risk factors associated with hardship have shifted. In particular, old age is no longer a characteristic or a synonym of poverty. Unemployment became an increasingly important factor in the 1990s. See Table 2.4 for the situation expressed by respondents in small cities with respect to age groups in 2015 (the situation expressed by respondents in other settlement types are provided in the Appendix).

In 2017, the All-Russian Public Opinion Research Center (VTsIOM)\(^6\) presented data of a poll on Russian consumers’ opportunities.\(^7\) On the whole, the poll confirms that consumer opportunities have sharply decreased after a peak in 2014. In May 2017, 39 per cent of respondents belonged to the group who barely have enough money for food or clothes.\(^8\) Among this group 54 per cent were people of retirement age, and 46 per cent were residents of rural areas. The study started in 2008. The worst situation was recorded in 2009 (41 per cent poor people); the best, in 2014 (19 per cent poor people).

Additionally, in May 2014, while 41 per cent of respondents answered that they had money to buy food and clothes, they still had a problem with buying a new refrigerator, TV or furniture. Fourteen per cent answered that they had money for buying a new refrigerator, TV or furniture, but nothing else. Finally, only 3 per cent said that they can buy anything they want, including a car.

Even given the inaccuracy of an opinion poll, the fact that 39 per cent of the Russian population consider themselves poor and for 10 per cent even buying food is stated to be a problem provides a picture of a severe situation for a large

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| Table 2.4 Feeling of poverty by age in small cities (under 100,000 inhabitants) in 2015, % of all in each age group |
|-----------------------------------------------|---------------|---------------|---------------|---------------|---------------|
|                                              | Under 30      | 30–39         | 40–49         | 50–59         | Upwards 60    |
| Hardly make ends meet                       | 1.32          | 2.88          | 2.79          | 3.41          | 3.97          |
| Hard to buy clothes                         | 7.92          | 12.50         | 12.85         | 9.09          | 13.49         |
| **Sum**                                     | **9.24**      | **15.38**     | **15.84**     | **12.50**     | **17.46**     |
| Durables are a problem                      | 42.90         | 45.19         | 37.43         | 51.70         | 61.90         |
| **Sum**                                     | **52.24**     | **60.57**     | **53.27**     | **64.20**     | **79.36**     |

Source: Table is constructed by the author from 2015 SDMR Survey.
part of the population. This result is compatible with the results of the survey we analyse in more detail in this book.

**Employment and poverty**

Russia’s economy is now, as earlier, dependent on its rich natural resources. This dependency is reflected in employment patterns as well as in relative wages (see Sätre 2001; 2005). Average wages continue to be highest in the gas industry and oil extraction, and lowest in agriculture and the consumer industry (see Table 3.1).9

The number of employees has expanded in the electric power industry and energy production. In the 1990s, the state security organs and the military sector were radically pared down (Barany 2008). The growth of the state bureaucracy and the salary increases for security agencies under Putin (see Smyth et al. 2007, 126), however, reflect the priority of regaining control and centralising power.

One effect of past policies has been the regional distribution of industry, which stemmed from political decisions rather than economic considerations. This meant that industry consisted of large state enterprises, which were in non-competitive locations. Post-Soviet Russia saw the privatisation of such local enterprises before they were restructured. In many towns there remained only one major employer, and this has led to wide variations in employment cuts at the local level.10 Many of the unemployed got caught in the poverty trap, and could not afford to move (Andrienko and Guriev 2004; Bornhorst and Commander 2006).11 Lower levels of employment in agriculture and forestry reflect an increase in rural unemployment.12 This means that local authorities have to deal with considerable lay-offs of employees in agriculture, forestry and most industrial sectors apart from energy production.13

A large share of the poor population is composed of low-skilled workers who are unemployed or in precarious employment and who often live in small towns. Female pensioners as well as women working in the state sector feature frequently among the poor. When employed, workers who are poor are more likely to work in informal or low-paid jobs where they are less protected against economic shocks (World Bank 2016, 43). According to the World Bank report (2016), families with many children and those in small towns or in rural areas are more vulnerable to poverty. The share of poor people is higher in small towns, rural areas, and the republics of North Caucasus and southern Siberia than in other locations. Political reforms have had some impact on the situation. Pensions and public wages increased incomes in 2008–2014. The poorest and the top 60 per cent had higher real income growth than the vulnerable non-poor with low incomes (the World Bank 2016, 42–44).

Changes after 2013 show how the Russian economy reacts to crises. In 2015 about 10 per cent of the Russian population were estimated to be ‘working poor’: by definition, those employees receiving wages lower than the subsistence minimum.14 However, 25 per cent of Russian companies cut salaries in 2016. The average monthly wage in Russia dropped by 8 per cent in 2016, and by 9.8 per cent in 2015 (Rossiya v tsifrakh 2017, 125–127). Wage structures are in many ways
surviving since the Soviet time. Wages are highest in the oil refining sector and manufacturing of oil products. Second highest is the financial sector and the third, mining and minerals. In 2016, wages were lowest within the textile industry, leather industry and agriculture. Basically the gender differences are the same as in the 1990s, or even remaining from the Soviet time. In broad terms the light industry branches and the consumer industry which had low priority in the Soviet time keep wages below average, while extraction, mining, chemical industries etc. which formerly constituted high priority production maintain wages above average. In addition agriculture has maintained low wages, as have also female-dominated education, health and social work (Rossiya v tsifrakh 2017, 125–127). However, the latter have increased in relative terms since 2005 and 2010 as a result of political reforms.

The regional dimension

Inequality between Russian regions started to grow quickly after reforms in the early 1990s. Resources and abilities to make use of new possibilities varied widely. Regional leadership clearly had an important role in the transition process. The regional reactions to various events in the national as well as in the international arena made a difference. Looking at per capita income after ten years transformation, in the year 2000, Moscow was at the top, St. Petersburg, North Siberia and the Far East being about double the other regions but only about a third of Moscow levels. The emergence of such differences was connected with the decentralisation of social responsibilities from the central to the local governments. However, through the 2000s, Russia has shown convergence trends in the social development of regions (Zubarevich 2015, 189).

Like all aggregated figures, national and regional statistics on poverty and welfare disguise significant diversity in well-being. About 400 ‘mono-towns,’ which were built around one or two factories during the Soviet period, are located around post-Soviet Russia. In many of them the residents have endured particular hardship, while the factories have struggled in the face of market pressures and international competition. Respectively, significant urban–rural discrepancies exist across the regions, and have a crucial impact on personal income levels, as well as on the provision and quality of health care, education and welfare services. Each region has a governor. Governors face similar situations in terms of financing their obligations. Owing to a policy of funds being transferred from richer regions to poorer ones, the governor of an oil-rich region is not necessarily much better-off than those of other territories. When resources are allocated from the federal budget, part are designated for specific tasks (subventsii), and control over how they are spent is strict. If rules are not adhered to, governors can be fined. Some transfers to poorer regions take place via direct involvement by the state energy company Gazprom, which finances local or regional projects.

Following the return of Vladimir Putin to the presidency in 2012, it appeared that governors faced increasing difficulties as more responsibility was transferred
to the regions. These transfers of responsibility were generally not accompanied by higher financial transfers from the federal centre. One example is the series of wage reforms when salaries were increased for teachers and doctors, and later for social workers and employees in the cultural sphere. In each case, governors had to find additional resources to cover the increased expenditures. Such situations put pressure on governors, and if they are unable to find new resources from their regions, they may have to borrow from either the federal state or from the banks to fulfil their obligations. In growing numbers, regional governments are failing to repay their loans.

On the other hand, the federal investment policy tends to have a poor equalising effect, because investments flow mainly to oil- and gas-extracting regions, big cities and to places in which major federal projects are under way. The redistribution of federal income from oil and gas producing regions and others has reduced regional differences. Even in times when oil prices were falling as in 2014–2015, transfers were kept at the same level (Zubarevich and Gorina 2015, 11, 40). Differences are, however, evident within regions, and these disparities are greatest in the richer regions (Denisova 2016). The simple reason for this is that in such territories, the better-off are richer than their equivalents elsewhere, while the poor are as poor as anywhere else. Oil and gas industries play an important role in particular communities, creating well-paid jobs and providing large revenues for regional budgets. The domination of such segments and the formation of single-industry development do not necessarily benefit the region as a whole. For example, while Tyumen city, in Western Siberia, is wealthy, it is not apparent that other communities in Tyumen oblast benefit from being part of an oil-rich region (see Rudenko 2014). Thus, varying inequality between people in different communities, is one of the new features in Russian society. If inequality is low, it might be because everybody is poor. This was common in the 1990s, simply because few people had been able to benefit from the transformations of privatisation in any major way or to start some economically beneficial activity.

Comparing incomes and wages of employees between regions shows that the highest figures for 2016 were reported from the oil-rich regions: highest of all were the Yamal Nenets and Chakotka, followed by Moscow city, Magadan, Sakhalin, Khanty Mansi, Kamchatka, Sakha, Murmansk and St Petersburg. Interestingly, both Tyumen and Arkhangelsk oblasts are just slightly above the Russian average, if autonomous areas such as Nenets autonomous krai are excluded. On the other hand, average wages in 2016 were below the national average in Nizhny Novgorod oblast, Novgorod oblast and the Karelian Republic (Rossiya v tsifrakh 2017, 40–46).

Comparing regions, the Far Eastern and the Central Federal districts have the highest incomes, while the Northern Caucasus and the Southern Federal district have the lowest.

In 2012, only 2.5 per cent of districts could finance their responsibilities from their own resources (Buckley et al. 2013). Preliminary figures for 2017 show that local budgets ran with deficits in all regions (Rossiya v tsifrakh 2017, 50–57).
The rural-urban dimension

The World Bank reports that in 2013 the poverty rate in urban areas was 8.6 per cent but in rural areas it was 17.2 per cent (World Bank 2016, 40). One can compare life situations by using survey data. In the SDMR survey from 2015 respondents were asked whether their situation had improved in 2015 as compared to 2010. A worsened life situation was indicated for the metropoles Moscow and St Petersburg as well as smaller towns and villages. On the other hand, there is a lot of variation in big cities both for women and for men. Higher prices presumably affect most people. Quite a few experience a better life situation because there are relatively better opportunities in bigger cities to find ways to increase incomes (see Table 2.5).

Going back to the majority facing worse life standards in 2015 compared to 2010, there are some differences between genders that should be recognised. Women more often than men stated that their situation had become significantly worse in all settlement types except for villages. Almost 25 per cent of women living in big cities stated that their situation has become significantly worse.

In the smaller cities there are relatively more people who have stated that their situation has changed between 2010 and 2015. Such shifts may be due to the fact that large shares of the population have rather unstable incomes. In villages, on the other hand, it is more common that the standard of living has not changed in this period.

While durables are stated to be a problem for close to 50 per cent of respondents in most settlement types except for Moscow and St Petersburg, for the latter real estate is an important problem for relatively more people. Among those who live in a big city and who had problems making ends meet, 45 per cent said their situation became significantly worse in the five-year period, while another 40 per cent said their situation had somewhat worsened in the same period. A similar pattern is evident from other settlement types, although less-alarming figures were given.

In relative terms expenses for clothes have increased most in big cities, but these expenses have increased also in smaller towns and villages, affecting both

Table 2.5  Changes in living standard in different settlement types 2010–2015, % of all in each settlement type

<table>
<thead>
<tr>
<th>Settlement Type</th>
<th>Somewhat better</th>
<th>Substantially Better</th>
<th>Somewhat worse</th>
<th>Substantially worse</th>
</tr>
</thead>
<tbody>
<tr>
<td>Village</td>
<td>19.78</td>
<td>3.07</td>
<td>25.82</td>
<td>4.47</td>
</tr>
<tr>
<td>Small city, under 100.000 inhabitants</td>
<td>26.87</td>
<td>2.32</td>
<td>27.29</td>
<td>3.63</td>
</tr>
<tr>
<td>City, 100.000–499.000 inhabitants</td>
<td>19.94</td>
<td>4.26</td>
<td>23.24</td>
<td>5.01</td>
</tr>
<tr>
<td>City, 500.000 inhabitants or more</td>
<td>21.09</td>
<td>2.57</td>
<td>26.14</td>
<td>6.04</td>
</tr>
<tr>
<td>Moscow/St Petersburg</td>
<td>15.52</td>
<td>3.73</td>
<td>30.02</td>
<td>6.09</td>
</tr>
</tbody>
</table>

Source: Table is constructed by the author from 2015 SDMR Survey.
poor and non-poor people (those who are above the official poverty line, in terms of income). The same pattern is observed with respect to food. Increasing expenditures on food is also substantial, affecting both poor and non-poor. People using a higher share of income on food and clothes provides a sign of an increase in poverty. If poor and non-poor feel affected to a similar extent, this might indicate that the poverty line does not provide a clear border between those above and below it.

A greater share of poor people in small towns and villages can be noted. In particular a higher proportion of poor families with children are observed among the poor in small towns. We can also see that there is a higher share of poor people among those who have reduced their expenses on food, indicating that rising costs of food have hit the poor quite harshly. In Moscow food expenses have increased among the non-poor and decreased among the poor. It is alarming that part of the poorest population has reduced food consumption, as it suggests that there are some really poor people in the capital. The same pattern can be observed in bigger cities. For smaller towns the situation appears even more alarming. Expenses have increased much more for the non-poor than elsewhere, while also substantially decreased for the poor. This indicates two things: that price increases have affected the population of small towns relatively harder, while also affecting the poor relatively stronger! Such a pattern is somewhat indicated also in villages, although less clearly.

There are higher shares of those who stated that they had problems to afford buying durables in rural areas in 2015 than in the urban settlement types (Table 2.6). Studying the figures for change in living standards from 2010 to 2015, for each settlement type there are more people who state that their situation has worsened. Another remark is that the change in the situation for most people in villages and small towns appears to have been rather small during this five-year period, while people in big towns have experienced considerable changes both to the better and to the worse. The percentage figures for people stating that they have difficulties to be able to buy new clothes and durables are higher in villages and small towns than in bigger towns, on average. However, the difference in 2015 is not very high. The figures for “cannot make ends meet” is higher in small towns, while it is more common in villages not to be able to afford to buy clothes.

Experiences from field interviews however shows that there can be wide differences between rural communities as well as within them. One could easily see the

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**Table 2.6 Feeling of poverty by age (of) in villages in 2015, % of all in each age group**

<table>
<thead>
<tr>
<th></th>
<th>Under 30</th>
<th>30–39</th>
<th>40–49</th>
<th>50–59</th>
<th>Upwards 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardly make ends meet</td>
<td>0.85</td>
<td>4.26</td>
<td>1.74</td>
<td>2.59</td>
<td>4.65</td>
</tr>
<tr>
<td>Hard to buy clothes</td>
<td>10.45</td>
<td>8.85</td>
<td>14.53</td>
<td>17.88</td>
<td>18.94</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>11.40</strong></td>
<td><strong>13.11</strong></td>
<td><strong>16.27</strong></td>
<td><strong>20.47</strong></td>
<td><strong>23.39</strong></td>
</tr>
<tr>
<td>Durables are a problem</td>
<td>44.35</td>
<td>43.93</td>
<td>50.29</td>
<td>51.76</td>
<td>53.16</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>55.75</strong></td>
<td><strong>57.04</strong></td>
<td><strong>66.56</strong></td>
<td><strong>72.23</strong></td>
<td><strong>76.55</strong></td>
</tr>
</tbody>
</table>

Source: Table constructed by the author from 2015 SDMR Survey.
local importance of successful entrepreneurs or the complete lack of small local companies. In some places you can see positive spirals of development, while others show opposite trends. The local head of a rural community tells about the situation in his community:

Our sovkhoz has fallen apart, we had forests, now there are only three forestry entrepreneurs, but, without forest. Everything is terrible, we have to cultivate cucumbers!

(Interview with local head, rural community, 2016)

The head describes how almost all the jobs are in the social service sector: the school, child care, house of culture, library, administration, health, social workers. These are all jobs for women. Salaries are very low, and not enough for food and clothes. From time to time he has been unable to pay wages. The local head who has been in his post for 27 years is finally going to leave. He says it is now difficult to find a new local head as well as deputies.

The community gets almost no tax incomes, we do not take part in any state programmes, we have no functioning internet and no contacts. It is only in the foster families that the number of children is growing.

(Interview with local head, rural community, 2016)

But circumstances can be rather difficult also close to a city. In a suburban village the village administration was created to take responsibility for 13 settlements. They have their own budget, but they are also receiving subsidies. The interviewed deputy stated that everything had become substantially better since Irina Nikolaevna became the local head. Nonetheless, there was not enough money to cover responsibilities and the head was quite desperate, while the court appropriated some money as they did not comply with law 131.19

The administration had a very narrow entrance in the rather shoddy building. To enter the building, you had to pass quite a few loose dogs. “Perestroika destroyed life here. In 1996–1997 everything was completely bankrupt” (Interview with local head and deputy, suburban community, 2013).

At the next visit three years later, the situation appeared a little better:

It has been very difficult to follow the law, but we try to take part in all the state programmes. This means that life has become better, and we are doing better than many other places, we are more active than others.

(Interview with local head, Irina Nikolaevna, suburban community, 2016)

During those three years, 17 flats had been renovated and three new apartment buildings built. But there were many houses that were not included in the renovation programme. The district (raion) was co-financing 30 per cent. Houses for veterans are paid for by the federal level, which means no need for local financing.
The interviewed head and deputy did not know about the budget for the following year, and had not been invited to tell what they needed. The sawmill and the paper factory had been closed. Heating systems have been repaired, the stage at the cultural house needs repair. They were afraid that federal programmes will be cut down. The programme for renovating houses was already ending, while the programme for replacing uninhabitable living was going to continue until the end of 2017. People should move out of their houses, but the new houses were not ready yet. So where could they move? The head in a nearby city was fired because he could not solve such problems. Staff on the lowest level of administration is often predominantly female. In this community, in 2016 the entire staff of eleven persons at the local administration were women, including the driver.

What was better now was a positive change in habits: people drank less industrial alcohol which earlier had killed so many. There were problems if families continued to live according to the same drinking pattern as before, that they could not get out of. Ordinary people survive these days. Thirty per cent of the buildings have heating and running water. Most of the houses were built in 1955.

**Gender and poverty**

In terms of gender one notes two tendencies. On the one hand we hear about the feminisation of poverty. Women have lower wages, more women than men have incomes below the poverty line, women are the ones who meet the poor as social workers, and who have very low pay. Women do most of the unpaid work within households, and it is quite evident that single parents most of the time are women. Women were the first to lose their jobs following the closing of workplaces in the 1990s (Katz 2001; Khotkina 2001; Sätre 2001). It is clear that gendered segregation on the labour market continues from the Soviet time (Kozina 2005; Sätre 2005). This continuity is quite remarkable, despite all the talk that women should not take jobs as long as men are unemployed, and that women should be relieved from their double burden.

Women have preserved their presence in the labour force, and the labour market continues to be heavily segregated by gender. The relative wages of female-dominated and male-dominated sectors have not changed much since the Soviet era. It is estimated that women continue to earn approximately one-third less than men (Hansberry 2004; Kazakova 2007). Gender divisions that are characteristic of the Russian labour market can also be identified in the entrepreneurial sector.

But there is also another tendency. We are told how women have often a capability of coping with transformation, being responsible for finding solutions to everyday problems within households as well as in their local surroundings. In the post-Soviet space women have persisted and developed ‘entrepreneurial skills’ that they used to have in the Soviet time. On the other hand, men have had difficulties in fulfilling expectations of being the main breadwinner, failing in attempts to build up businesses, or simply failing to cope with new life circumstances. Earlier research confirms that the polarisation among Russian men is more pronounced than among women: men predominate both among the deeply marginalised
groups marked by heavy drinking and early death and among the political and economic elites (Ashwin 2006). The picture that emerges from the interviews is one of increasing discrepancies among men, in which a few gradually manage to build up fortunes but the vast majority fail to do so. Many interviewees spoke of hard conditions, where the stronger buys up or otherwise defeats the weaker. Mafia methods are taken for granted, and even the most successful businessmen are thought to be “in the hands” of dominant forces in Moscow (Interview with the owner of a timber-logging firm, October, 2008).

A former vice-mayor confirms the view that men have been hit harder by the transformation of workplaces. Many firms with male employees have been closed. Women who more commonly have worked in social services with guaranteed and more stable wage payments have been more able to keep their jobs. Women more commonly have become the main bread-winners in families, which indicates that young males have also lost their positions. Another former vice-mayor, Svetlana is in 2016 the leader of the women’s council, and also a deputy, she has previously been even the Minister of Culture in the regional parliament. According to Svetlana’s view, difficulties have resulted in an increase in alcohol abuse among young men. “Women, on the other hand, take responsibility for their actions, they are more diplomatic, fighting to provide basic security for their families” (Interview April 2016).

Life expectancy has increased for both sexes since 2005, actually a little more for men than for women. In 2016 life expectancy was 77.1 years for women and 66.5 for men, forming 11 years difference between sexes, which is less than in 2000 and 2005, when the difference was as high as 13 years (Rosstat 2017, 84).

In 2016, official unemployment figures show the same pattern as in earlier years; they were slightly higher for men (5.7 per cent) than for women (5.3 per cent). This means that the figures for both sexes are about half of what they were in year 2000. Registered unemployment was higher for women and employment has increased for both sexes.

Visit at the service centre/internat on the outskirts of the city

Visits at different kinds of institutions revealed many things about poverty. At the service centre you find people who have lost everything. Some have lost custody of their children, others their places of residence. Some of them are sick or disabled but have not claimed their rights to social support. A few of them are blind. Maybe they do not have any relatives. These are people who have lost the capacity for working. It appears that many of those ending up in such institutions are poor. Some of them are homeless.

This was the second visit at the service centre on the outskirts of the city. The first visit had taken place three years earlier. The director, Anastasia Ivanovna, was still the same. She tells that all men in this centre and about half of women have been alcoholics. It is usually relatives or neighbours who take them to the service centre. Sometimes there are those who had been asked to give their dwelling away or were simply cheated. Worst of all, says Anastasia, “it happens that
bureaucrats make them sign papers with the consequence that they end up in the street.” The internat does not have any resources to take care of these people, it is, according to Anastasia, only possible thanks to her staff, who work hard for very low salaries. There are too few social workers. Among the inhabitants there are more women than men, and in the staff only women. There are a few men as well, but they are drivers or in charge of technical issues only. They have applied to the relevant ministry that these people will be taken up on the list for which the ministry pays. Maybe a solution could be that somebody will be moved to another internat. The ministry decides who is entitled to live where, who has right to what. The decisions are taken on the basis of recommendations from the medical commission. These are the experts; their recommendations cannot be questioned. On the other hand, if their recommendations are not followed one could go to court. It is the minister who has to sign the papers. Otherwise, it is usually only in the case when somebody dies that a free place turns up. They live two to three in each room ideally, sometimes even four or five.

Most people at the internat are elderly, but some are in their forties. Anastasia tells about a woman and her disabled daughter who came to live there. The daughter died, but the mother remains. A woman who had lost custody of her children was found outside in the snow and brought there. Her both legs were frozen. Another woman who had lost her eye was also brought there. The internat tries to help such unfortunate people to get their disability status, which entitles them to benefits, and perhaps enables them to enter a queue for an operation. They have helped people to become entitled to a state pension. A woman who was in the internat had been reported as ‘missing’ by her daughter who had recently moved out of the children’s home. The internat helped her to collect the documents needed to show that she was still alive and entitled to a pension, and that she was eligible to claim a disability status. This woman was the only example Anastasia could give of someone actually moving out of the internat to a ‘normal life’ in society. Her daughter took her to live with her.

The different internats seem to have good cooperation. There is a queue to this one as well as to all others. The budget they receive from the ministry covers wages for the regular staff and community payments. But who can live off these salaries? Anastasia tries to pay extra, for example, bonuses. Then they can get extra funding from the ministry for particular purposes upon application. The internat is affected by the economic crisis: earlier they received extra funding for expenses, but there have been cuts each year since 2008, especially since 2011. The ministry does not have enough money, so they have to find money elsewhere to cover expenses and to fulfil responsibilities. They are trying to find collaborators, sponsors, donations and project money, and maintain the staff who are prepared to work extra hours for free.

Some of the special staff, for example social pedagogues, are paid out of the presidential programme which runs until 2018. After that nobody knows what will happen. The internat has applied for funding to enable renovations, because the building needs an elevator. Those residing on the third floor never come down or go outside as they cannot manage the stairs.
This provides an example of the end phases of those truly vicious circles you can see in contemporary Russia. Somebody abuses alcohol and loses custody of their children, falls ill, becomes disabled, loses their dwelling, and is placed in an internat. Anastasia described how one of her social workers cried when one woman was to be moved to a psycho-neurological internat; “then you are locked up behind an iron gate without return.” Her social worker said she would take care of this patient if she was allowed to stay. No, it was not possible, the commission had taken its decision. Anastasia cried when she was talking about this, she said they had all cried together with the particular social worker (Interview December 2016).

**Internat for men in 2016**

Galina, the head of a cultural club, called the director of the local internat for men, and we were able to visit it right away. A social worker, who was one of the employees, showed us around while describing the different activities the men could engage in. There were men at the tables in the room as we passed by, painting or making handicrafts. Then we went through narrow corridors with rooms on each side. In some of the beds there were handicapped persons, some of which with severe disabilities, some with Down syndrome. There were up to four persons in each room. The building was a former prison, which was easy to imagine, as the rooms were quite small. At the time of our visit 109 men lived here, which was 20 more than the number of official places. But the queue was so long that they had to find room for some extra individuals. There was a mixture in terms of age and background of the men living there. Thirty-five men were under 30 years old (about 30 per cent), and eleven were over 80. This internat opened in the year 2000; there is a new recently opened one, while another one has been closed. The director emphasises that there is indeed a great need for such services. There are also youngsters from the children’s homes who do not have anywhere to go. And there are many who have suffered from tragedies who cannot manage on their own. There is now a new law which makes it possible for individuals to apply by themselves to come to live in the internat; six of the current inhabitants came here on their own initiative, while the others came on the initiative of relatives or neighbours. This is also an alternative for the homeless. “It is crowded but clean.” They need permission from the director to go out from the internat, and currently only 15 are allowed to do so, but they have to come back for the meals, and they cannot be out in the evenings after five o’clock. Others can go out if they are accompanied by a staff member.

Some of the interns work for the community, do some smaller duties they can manage like cleaning the park or the shops, which is reasonable as they live in the internat for free. Some of them have a criminal background, and this provides a chance for social adaptation for them.

(Interview with Liubov Mikhailovna, director of internat for men, village, April 2016)
According to the director, this is not thought of as a temporary place of living: “No, most commonly they are here until they die.” Only three of the men went to stay with relatives for the summer, the rest just stayed in the internat. It has happened once that a man moved out to live with a woman. They arrange meetings so that the interns can meet with others from similar internats a couple of times per year.

We arrange excursions and discotheques with the women’s internat in another district. They have to get some possibility to meet. Afterwards the women are examined by a gynaecologist and I assume that measures are taken if needed.

(Interview with Liubov Mikhailovna, director, internat for men, village, April 2016)

There is a similar internat for women 300 kilometres away. This is how it is organised in the oblast. “There are many young men here and it would be more difficult to control their behaviour” (Interview 2016). Maybe it is due to this division that there are less children with a need to live in internats now: in the oblast there is just one internat for children in one city.

**House of culture**

At a visit to a house of culture in a rural community in 2016 we had a meeting with eleven women, some of whom we had also met three years earlier. They had been working as employees, most of them had been placed here through razpredelenie after graduating from higher education in the Soviet time, which means that they have their roots somewhere else. But they got married here and stayed. Although most of them were on pension now, some of them were still working. (The pension age is still 50 in this area.) The local head had told that all the teachers in the school were on pension, his wife being one of them. The director of the house of culture was the same as three years earlier, Olga, who at that time had not received any salary for half a year.

They are now preparing for the celebration of the 9th of May, the Victory Day. They are going to sing and we get to listen to three of the songs. They have not agreed who is to be honoured: only the heroes who were registered here until the end of their lives, or also those who were registered somewhere else, given that they were born here. The walls are full of handicrafts, clothes and photographs. They are writing a chronicle, and think about who would be able to remember how things were earlier. The school was built in 1909.

In this village they do not have any experience of taking part in state programmes or TOSes\(^{20}\) “We do not have any strong men, they are all alcoholics, we do not have any resources and we do not have any money.” Although the head of culture in the village next door has some such experience, they do not have any exchange of experiences. But there are educated women here.
For the women at the house of culture it is important to be part of a women’s community: they have important conversations, learn from each other and do not complain:

Our women’s community is formed around culture, while our men gather around the bottle.

(Interview, house of culture, village, 2016)

Nina was one of the 15 people who lost their jobs when the internat for the elderly was closed. She was the first to lose her job as she was not registered in this district. Nina was born here but had moved to the Ukraine when she got married at the end of the 1980s. She gave birth to nine children. As Nina’s mother was ageing, Nina had tried for 14 years already to get registered here, she wants to live here to take care of her mother, and one of her daughters also lives here. Every time there is a missing document, she has asked the deputy to help her, she has even asked the governor and the local police. As long as she is not registered, she is not entitled to any social services and pension. Although her daughter is married to a local Russian and her granddaughter is registered, she has not been able to become registered here. Nina tells about how badly she was treated by the local bureaucrats, she has been fined twice because she has been unable to renew her temporary registration. Every day she is afraid of being deported.

Migration and poverty

A major factor supporting a population’s well-being in poorer countries is economic migration outside the region and the resulting remittances that are sent home. A significant proportion of the population in Moldova and of the countries of the South Caucasus (Armenia, Azerbaijan and Georgia) and Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan) work in Russia. In the case of Tajikistan, migrant workers, mostly in Russia, accounted for about one-half of employment and remittances in 2015. According to figures from the World Bank, in 2013 remittances provided 42 per cent of gross domestic product (GDP) in Tajikistan, 32 per cent in Kyrgyzstan, 25 per cent in Moldova and 21 per cent in Armenia, and were consequently important instruments in reducing poverty. However, after crises the weakening Russian labour market has prompted many migrant workers to return to their home countries. Should this trend continue, it could be expected to contribute to reducing the incomes of some of the poorest countries of the former Soviet Union.

As supported by earlier research on poverty and isolation (see i.e. Shubin 2007; Salmi 2006; Benda-Beckmann 2010), those who lack support from parents, relatives and friends, and moral support from the nearest surrounding, might face a particular risk of falling into the ‘poverty trap’ in the event of hardships. Migrants from other town or countries are typically in such a position. And once inside the ‘poverty trap’ people tend to fall into other traps. Such a vicious circle concerns
not only migrants but influences also the next generation. For instance, respondents depict a migrant family from Kazakhstan:

A child has no documents and he won’t have any, because his mother moved from Kazakhstan, she’s a citizen of Kazakhstan, she has no Russian passport and she won’t get it soon; she has no residence permit, no obligatory medical insurance. And the child doesn’t have these documents either. That’s the reason for all the troubles. We help the child; he is an orphan now, because the mother is now deprived of her parental rights. It was also hard to do, because there’s no passport or any Russian identity document. It was a problem for us to place the child into a local rehabilitation center, since he has no certificate of birth, nothing. So the problem is not with education but with defining the status of the family.

(Interview with social worker, mono-town, 2011)

Migration, for example, from the countryside to cities provides another possible problem. Judging from the figure regarding the proportion living in rural areas from 2016, this is almost unchanged since 1989. Twenty-six per cent of the Russian population is rural, according to official statistics (Rossiya v tsifrakh 2017, 79). On the other hand, the impression from interviews is that there is outmigration from smaller places. Given the difficulties to register if you move (you need a job and a place of residence), it appears that some of those who go to the city live there without being registered. This means that they are not entitled to support from social services.

Families with children

Comparing figures from the different surveys indicates that the number of children was lower in Russia in 2007 and 2015, as compared to 1998. Most families have only one child. However, while the number of families with two children decreased, those with three increased a little in 2015 after going down in 2007. In 2015, 13 per cent have three children or more and 43 per cent of these families live in rural areas, confirming that families are larger in rural areas than in towns. This presumably contributes to higher poverty levels in rural areas as well.

Access to cold water, hot water, central heating and gas in the kitchen increased for families with 1–3 children in 1998–2007. The highest increase was noted for those with three children or more, although they had in general a lower access. The pattern of lower access for those families with many children was clear for both years. In 2007, 80 per cent of families with three children as well as with four or more children had access to cold water, as compared to a little more than 50 per cent for both groups in 1998. When it comes to hot water the figures are 30–40 per cent in 2007 as compared to 15–20 per cent in 1998.

A clear difference with respect to future prospects may also be noted. In 1998 most people thought the situation would worsen, which was in fact probably more pessimistic than necessary. The worst years were actually 1998–1999 and since
then the overall economy started to improve. On the other hand, in 2007 most people stated that they thought the situation would improve. In 2015 as well, people were in general terms positive, and stated that they thought their standard of living would rise again. A strong faith in the president might be noted, implying that there is a positive correlation with the belief in a rising quality of life.

Most families felt that their situation became worse between 1988 and 1998. Over 90 per cent of families with three children stated that their situation worsened between 1988 and 1998, as well as 76 and 82 per cent of families with one and two children. On the other hand, from 2000 to 2007 the situation improved for about 40 per cent of families with 1–3 children. Second jobs were more important in 2015 than earlier, but petty trade and selling ‘gifts of nature’ were less important than earlier for families with three or more children. Tables 2.7 and 2.8 illustrate how households with two and three children have experienced changes in living standards between different years. Trends are similar between households with two and three children, but in comparison with households with one child, changes were larger (see Table 2.1).

**Balancing on the edge**

Svetlana, a nurse, has been a single mother twice. When her first son was five years old his father was killed by a drunk man right by their house. Eventually she met another man with whom she has a son who is now seven years old. But the father left them. Svetlana’s salary is not enough. They live in the flat which her former husband got from his workplace. The small rise in salaries the trade union had been able to achieve at the regional level also benefitted Svetlana, but it

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Source: Table is constructed by the author from 2015 SDMR Survey.

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Source: Table is constructed by the author from 2015 SDMR Survey.
was not enough to cover price increases and the increased tariffs on gas. So how is she able to make ends meet? Her mother has been an invaluable support for her, moving in with them when she became a widow. The mother has taken care of the household and children, while also contributing through her own pension. Svetlana has taken on an extra cleaning job on top of her ordinary work. They are also cultivating a garden plot. Expenses are small, they have nothing to save on, and Svetlana cannot see any way how she could further increase their income. They get a little support from social services, a little subsidy for rent and a small child benefit for the youngest son. What she misses perhaps the most is some sort of activity for the youngest son, she would have liked to send him to a summer camp (Interview, single mother, village 2011).

Alena became a widow when her husband at the age of 39 died from a heart attack. Her husband was an officer. The military helped her, they organised the funeral and told her about the rights to a pension she and her son had. When Alena got married to an officer she had had to give up her profession as a medical doctor. It was not possible to combine two professions as they were required to move frequently. Instead she became a secretary. As a widow she started to work as a doctor again, but as she could not manage on her own with her son, she moved to the city to live with her parents who could help her take care of the child. She could never afford to send her son to a summer camp. She has worked for a private medical firm and for an insurance company. She would have preferred to work as a doctor, but the salary was too low and she needs money to finance her son’s education. Now her parents have become old and sick, she takes care of them. She has not been able to leave home for a longer time, as she cannot trust that her parents would get the right medicine without her. “Nothing becomes better without money, it was easier in the Soviet time,” she says. She describes problems with low quality Russian medicines, doctors prescribing medicines which are not good enough. Care centres buy medicines from firms which make bad copies of medicines, implying that they can save on costs at the care centre. Alena gets what she has a right to, including important information about what she didn’t know she and her son could get. Her parents get what they are entitled to according to their status as disabled, so there is nothing they can complain about (Interview with single mother, regional capital, 2011).

Evgenii is a doctor and Marina a music teacher, but they have both started small businesses. Marina developed a business from mediating services by telephone to customers who deliver goods, to selling children’s clothes through the internet. She has a little office at home. Marina describes how hard she has been working without earning much. But now her business generates at least some money.

Evgenii is a gynaecologist, but during perestroika his salary was so low that he decided to change his profession to find something more profitable, while at the same time exploring the new possibility of starting a private business. He started to sell American natural products, and for three years he was selling them through his networks. Then he became interested in the psychological dimension and started to study psychology. Since then he has worked as a consultant for ten years. He started a small business together with a colleague. But they had too few
customers and had to cut down on costs. Now he is working alone trying to sell his own product. He is also working from home. Marina started to study when her now eight-year old daughter was only three months old. They get a subsidy of 30 per cent of the rent for their four-room flat, child benefits and a little extra because of their status of being a family with many children.

They have four children. The 18-year old has been in child care, but the three other children have been taken care of at home by a cousin who is living with them during the weekdays. Marina’s father is also living with them. They do not pay for the education, just for some extra lessons when needed. One daughter is skating, which is rather expensive as the skates are expensive and the bus costs a lot of money. Marina and Evgenii say that they do not have any hopes or expectations of the state. Now, as they have so many children, they simply have to work more as they cannot lower their costs. They live from one day to the next, there are no guarantees. There is no reason to save any money today in Russia. Their incomes were affected by the crisis, as transports were reduced Marina had to work harder for each customer.

So how do people manage when expenses appear to be higher than incomes? Marina and Evgenii have some suggestions based on their own experiences. People work a few different jobs. They cultivate a plot. They pick mushrooms and berries. They simply do not pay all their bills, and the first bill they skip is the one for community services. It is extremely expensive for them. Some get help from parents who have a pension. People often live together with parents, which means help with the household and children, and more time for extra jobs (Interview, family, regional capital, 2011).

**Captured in vicious circles of poverty**

We were invited to visit a family on the outskirts of the city. The little house looked rather shoddy from the outside and the roof clearly needed some renovation. It had been built in 1918 by relatives. Inside there was a striking smell of poverty as soon as we entered through the door. There was no real floor, and it was rather cold inside. There was no wallpaper and no running water. Water had to be carried from further down the street. It was rather dark inside as they hardly had any lamps. Irina was living there with her daughter Yulia and her brother Andrei. Her older brother had died five years earlier. Yulia was lying in her bed. She was suffering from anaemia. Irina has had some training to become a cook. She has worked in a hotel for 26 years, but her salary was very low, 15,000 roubles, and working conditions were bad with long shifts, either from early morning until the evening, or from evening the whole night until the morning. She earned a little extra when working at night, sometimes meaning her salary increases to close to 16,000 roubles. Irina gets transport to and from her workplace for free when working at night. She gets a bus ticket every second year to go out of the city. This year she used it to visit friends in a village some 80 kilometres away. She has had the right to visit the sanatorium once every second year, although the employer has cut down on such services. She has used the possibility to go there for the sake
of her daughter. The boss of the company-owned hotel lives in Moscow. The situation for Irina at her workplace has become more insecure. They are cutting staff and she is afraid she might lose her job.

Their situation deteriorated substantially two years earlier when her mother died. The loss meant both the loss of her mother’s services and her pension. Now Irina is the only one in the household with a permanent income. Andrei was not quite fit for working, as he suffered from epilepsy, rheumatism and arthritis. The doctor who examined Andrei did not believe him, but thought he was feigning his symptoms. But Irina knows, she has witnessed him having a severe attack, when she thought Andrei was going to die. She is worried that it might happen again at any time. Andrei is not classified as a disabled person, which would have entitled him to some social benefits. Andrei has been at home most of the time since their mother died. He has been working here and there with anything. Andrei was only 16 years old when he started to work in the fish factory, right after school. It was four years of hard work, but he developed so much pain in his body after working in the cold water he could not continue. He does not take any medicine for his pain – he actually has not seen any doctor for many years; he is his own doctor.

Both Irina and Andrei attended the very same school for children with mental or intellectual/psychological disabilities when they were children. Irina calls it a ‘correctional school.’ The advantage of having Yulia there was that she gets school meals for free, and access to schoolbooks. Nevertheless, as she can eat neither fish nor meat, she is sometimes hungry when she comes home after school. Yulia is weak and stays at home a lot as she is often tired. She likes knitting, and sometimes she can earn some small money from selling something. She is doing fine in school. She never has any homework; she does not have any schoolbooks of her own, just notebooks.

It was not possible to get any subsidies for the maintenance of the house, since theirs is a private house. They are in the line for getting a flat, but they are in the same position in the queue since the 1970s, she says. They have tried to become a part of the “programme for moving from bad housing” – they applied to the mayor, but got the answer that they cannot be included as they live in a private house. Although it is a private house, where they have lived for four generations now, they do not own the land where the house is built. On the other hand, they do not have any expenses for the house; they pay only for electricity and water. But water they have to bring from the street, some 150 metres from their house. In the winter, the water has sometimes frozen, then they have to buy water in the shop. The most important problem for them is that they cannot move. The neighbour’s house is a dacha, so they are alone through the whole winter, and cannot get any benefit from the neighbour heating their house, spilling over some warmth through the wall. Neighbours normally help each other. As owner of a house one should have some money for renovation, but they don’t. The roof is in dire need of renovation. Nobody takes notice of them; “well, if the roof breaks down completely, maybe the mayor will arrive”? Perhaps the state will need the ground on which their house and other houses are standing. They have heard
about such plans, but they don’t know anything. But Irina says she knows people
whose situation is worse, in the city. They would be even worse off if they lived
in a flat, she says.

Andrei feels he would like to have a sauna, but with his body he is simply not
able to build one. They sometimes go to relatives’ to clean themselves, but now
the son in that family has problems – he has lost his job as new owners from Mos-
cow took over the workplace and he is now supported by his mother.

We visited also another family where the mother Olga had been going to the
school for children with mental or intellectual/psychological disabilities, and now
two of her children are in this school. Olga is the single mother of four children
since the father left the family a few years earlier. Fortunately, her parents live
close and the grandmother is of very much help.

Two years later we make a visit to this school. The social pedagogue, Elena,
shows us the ‘social passports’ for some of the school children, those with severe
problems. She is supposed to follow these children with special attention. Some
of the children attend this school upon recommendation from those in charge at
the kindergarten or as a result of a decision taken by the health commission. About
a third of children are classified as lightly mentally disabled, while two-thirds are
classified to be severely mentally disabled (slozhnyi defect), which means dam-
aged sight or hearing, cerebral palsy or poor health (Interview, regional capital,
April 2014). Of the 300 children, some come directly from child care while oth-
ers come from other schools. Sometimes older children are moved to this school,
for example a Roma boy was placed here in the first grade at the age of 16.
Eleven children live at the children’s home. Elena tells about complicated family
relations. Some of the children have parents who drink or who are former pris-
oners. Elena visits these families’ homes. She checks how it looks and whether
the children have a place for doing homework. There is a youth commission for
the protection of children’s rights that Elena reports to. There is a list of children
with special behavioural problems from families at risk. Elena has 13 families to
follow, eight with boys and five with girls. However, the school is only charged
with education: it is the responsibility of the school to ensure that the school
children are functioning within the framework of the school. The school cannot
provide help; because they do not have any resources, the only thing she can do
is to talk to people. This is something I have heard before. That the ‘talk’ is the
only resource available to the school. Elena confirmed the relation between pov-
erty and difficulties to manage in school. “It is partly genetic,” she says. There
are parents who cannot take care of their children. These parents need to be fos-
tered themselves. Elena tells about how she regularly has to repeat instructions
to those parents several times. Recently they had taken a girl from a family to the
children’s home. She had not been properly fed. In principle, the children in the
school from poorer families have the right to go to stay in the sanatoria for three
weeks where they receive food and treatment. Now, the sanatoria where the chil-
dren could go for rest has been transformed into a centre for receiving refugees
from the Ukraine.
Foster families

In 2016, Natalia and Vladimir have two new foster children, but their situation has become more complicated since the first time we visited the family in 2013. The little girl has become nine years old, and she cannot accept the two new children in the family. She is behaving very badly, and this has not turned to the better after one year. Natalia is unhappy, she took the girl to a psychiatrist at her own expense. They have not been able to receive any help from the rehabilitation centre. They do not trust the tutors (opeki) who come to make an inspection twice per year. They had felt uncomfortable with their behaviour, walking from room to room.

The two new children in their family are a brother and a sister who were seven and eight years old when they arrived. The children were at a rehabilitation centre in another district, planned to be placed in a children’s home. Their opeki contacted the opeki in this district who then contacted Natalia and Vladimir. They went to the rehabilitation centre and decided right away to take them. Vladimir remembers how happy the children were the first time they had lemonade. The children’s father had left the family and the mother was drinking. She was working as a cook but drank and lost her children. She had been given two more chances. She was back at work for a couple of weeks, then the same thing happened again.

The children were running around in the streets, begging, they were hungry. Opeki found cigarette-ends and bottles, and no food in the fridge. Since then the mother gave birth to a third child, which was left with the grandmother.

(Interview, Natalia, foster mother, village, 2016)

They get a one-month summer camp for the children for free, which they think is good, they need it. This is the help they get from social services. A crisis in the state finances has hurt the programme. Earlier their oldest foster daughter, who has heart problems, was able to spend time at a sanatorium for free, but this year it was no longer possible.

Life has become more difficult and more expensive due to inflation: their low salaries and the money they get for the children is not enough. As the oldest foster daughter reached the age of 18 they no longer get any compensation for her, although she still lives with the family. They do not get any compensation for inflation. Schoolbooks have become so expensive. Fruit has become very expensive; the only fruit they can afford now are apples. They really need to keep the car, even if they have to pay for the loan they took to buy the car.

The situation in the community is difficult, they can no longer get medication. Probably they will lose the doctor’s assistant.

She has had extremely much work to do, everybody is sick here. Now she is sick herself, it is something with her heart, she is 50 years old now.

(Interview, Natalia, foster mother, village, 2016)

The most important problem is that they need help from a pedagogue, but they do not get any help from the school. On the contrary, the teacher is getting at
the children, she has even become more negative towards them after Natalia has asked for help. “The teacher is getting at the children in front of the class and thinks we are to blame ourselves, why did they take foster children?”

The foster family programme has been an important reform in Russian children’s policy, moving children from closed children’s homes to families. It appears that there is still a lot to do in order to get the foster family reform to work. There is a need to build up a system for handling the problems that might arise (see Biryukova and Sinyavskaya 2017). There is the question as to where foster families can seek help when they have problems. Support structure around the foster families seems to be lacking. There is also an economic component, low compensations which are not adjusted for inflation, making it difficult for foster families to give the children a decent upbringing. Then there is the issue of children who are discovered to be sick. Experiences as expressed in interviews tell about foster families giving their children back to opeki. This is an option considered also by Natalia and Vladimir. This has to do with poverty.

**Children with disabilities**

Again I hear about how powerful commissions are. They are considered ‘the experts,’ and their decision cannot be violated. Olga, who is a lawyer, gives a few different examples. The commission decided that a little girl whose parents were disabled should be placed in a school for the children with mental or intellectual/psychological disabilities. Visiting such a school reveals children with various difficulties; some of them attend the school because their parents used to go there, or because their parents are disabled. Some others in similar situations in the villages are simply refused education:

> The normal schools simply refuse to accept them on the ground that they don’t have resources for them.

(Interwiew with a lawyer, regional capital, December 2016)

Olga thinks disabled people are, in general, poorer than others:

> They do not have access to good jobs. Deaf people mostly work as technicians. Very few of them have good positions. Generally, yes, they are poorer. Sometimes even a higher pension does not make them prosperous, no. In many cases, they do not have good access to social services or infrastructure. Transport is a great problem. Accessibility to buildings is another problem.

Olga filed a complaint to the commission for the under-aged. The attitude she met was not friendly. She thinks this is again a case of how the culture is reproduced, because no one hears the child, they simply stamped her as a child of totally deaf parents, and they are not able to provide her with good education. She thinks that the authorities are to be blamed in this case. They wanted to make an easy decision. But what kind of future would the girl have? They will not explain.
According to Olga, it is easier to find out what kind of support those with physical and visible disabilities are entitled to, but when you talk about ‘mental disability,’ it is very difficult:

If you are placed in the school for the for children with mental disabilities there is this danger that you end up in some internat sooner or later.

(Interview with lawyer, regional capital, December 2016)

Another ‘hidden group’ are children with neurological disabilities. Larisa, who herself is a single mother with a severely disabled child, is the leader of a newly registered NGO devoted to the rights of this particular group. It is not easy to find them, they tend to hide themselves, she says;

The aim is to help sponsors and donors to find them and to find out what they need, i.e. in the form of special equipment, special food or medicine.

(Interview with NGO-leader for parents’ organisation, regional capital, December 2016)

We hear about how poverty is passed on from parents to children. A disabled child implies a stigma, and it appears to be common that the father leaves the family:

The mother could find herself in a very difficult situation. She can’t work as she has to take care of her disabled child, which also demands extra resources in terms of special equipment and special food, which she can’t afford. Authorities might tell her that she simply can’t manage, so she sees no other option than leaving her child to an internat.

(Interview with NGO-leader for parent’s organisation, regional capital, December 2016)

**Social orphans**

In the twenty-five years after socialism Russia has been witnessing an increasing number of children without parental care. An analysis of the national situation has revealed several factors leading to social orphanhood, meaning children having biological parents not engaged in raising and taking care of them. There are historical roots of orphanhood in Russia (World War I, Civil war, Second World War). Modern Russia experiences a new wave of child abandonment. It increased in the 1990s, since 2009 it has been declining and was 2.1 per cent of the total number of children under the age of 18 in 2015 (Biryukova and Sinyavskaya 2017). Social orphanhood is an indicator of poverty. After entering a children’s home or foster family, reunions with biological parents are rare. The most alarming tendencies have been noted with respect to teenagers, children with physical or mental disabilities and school children. Another problem is the circumstances where some children are returned to children’s homes after having lived in foster
families. Small girls are generally most popular among those who want to become foster parents. Newborn babies, instead, are usually given for adoption.

There are only 22 children in this children’s home. Six girls and 16 boys. Half of the children (11) have been in foster families, where it did not work. Since 2003, the first time I visited this community, the number of children in children’s homes has decreased gradually from 65 to 22 children. There is only one children’s home left in this community, whereas in 2003 there were four. One explanation, according to the director, is that poverty has decreased, but the foster care reform has also contributed to the change. They have renovated the children’s home to make it more family-like, in accordance with the law. This means among other things that the time of big sleeping halls is over, and now there are two to three children in each room. They also receive some children temporarily; recently a boy was there for three months while they were working with the father. Two boys wanted to come to the children’s home after a conflict with their foster mother, and they want to stay. Vera describes their policy and problems. The children are between 12 and 19, one is ten. The younger children are given to foster families. At the age of 18, children from the children’s home have a right to get their own flat. Vera helps with documents, but it is the tutor (opeki) who should take care of this, where there is a person whose task is to help to arrange housing.

This is very important, otherwise they will end up with their drinking parents, or get used, or run around with different men.

(Interview with Vera Mikhailovna, director of children’s home, community centre, 2016)

They are placed in a queue, and should get their flat by the age of 23. The social pedagogue is in charge of preparing the children to manage life outside the children’s home. There are social flats just beside the children’s home where they can try living independently for a week or two at a time. They are supposed to be training to cook, plan, go to the shop and make a budget.

Two girls from the children’s home have left their own babies there. According to Vera attitudes towards the children have changed a little for the better:

They don’t have alcoholic genes, not so strong as earlier. In the 1990s we could buy 30 cardigans of the same kind, now we buy clothes for each one separately.

Vera thinks that their financing is satisfactory, but they are dependent on donors. Two of the most important local entrepreneurs and a few others in the community help. Most important was a sponsor from Moscow, who personally visited the children’s home in the 1990s. At that time they did not have anything. He gave them everything: TV, tables, beds, mattresses, a washing machine, chairs, table tennis equipment. . . . He visited sometimes to check that everything was fine, and after he died his son continued. Vera has written so many letters of thanks! She
On poverty in Russia

has kept everything in order to know who gave for what, and for what purposes money has been used.

Most of the parents are still alive, but they do not get any help. According to Vera they have been deprived of parental rights if they used violence, if their way of life was considered immoral, if living conditions were bad or the children did not receive enough food. Parents are required to change their life if they want their children back. But this has happened only once in 20 years. Children are left with foster families.

I tell them they are the president’s children. The president has said that in order to learn how to behave you are going to live in families. Therefore we do everything we can to give children to foster families.

(Interview with, Director of children’s home, community centre, 2016)

The children attend a normal school, this is good, but sometimes they are subject to harassment, then I tell them: don’t say that you are from the children’s home, but tell them you are the president’s children!

(Interview with director of children’s home, 2016)

Foster families can call whenever they need support, according to Vera, “they can get help from a psychologist . . . and they should not be ashamed, not become panicked. . . .” Vera tells about a visit from the minister. She also describes the way that they are subject to many controls: by the police, passport authorities, fire inspectors and they all have different demands. Sometimes, the children’s home has to pay fines!

We were not allowed to visit the ‘fostering school’ at the visit in another community centre, although we had received a message that this would be possible. But then the head of social services just drove us there, and entered the school with us. The rather young, well-dressed female school director took us around the school, from room to room. Of the 53 children, only 13 are girls. Most of them live at the school, but those who have families can get permission to visit them during the weekends. According to the director, the equipment of the school has been substantially improved. We visited a room where boys were painting.

It is important to follow children’s psychological development, try to avoid that they become psychopaths. Some of them don’t even have relatives who could take care of them.

(Interview with director of fostering school, community centre, October 2013)

What about inequality?

Regardless of what methods are used to evaluate poverty trends in Russia and to compare them with those of inequality, it is clear that poverty and inequality have
developed rather differently (see Figure 2.1). Novokmet et al. (2017) have looked into the longer run evolution of poverty over the 1905–2015 period. Income inequality was high under Tsarist Russia but dropped to lower levels in the Soviet time. Then income inequality figures rose substantially in the post-Soviet time. The most rapid increase in income inequality occurred just after the demise of the Soviet Union, from 1990 to 1996, although 2007 was the year when the Gini coefficient reached its highest value (see Figure 2.1). In Russia, per capita national income grew quite rapidly from 1998 to 2008, that is to say, up to the year when the economic crisis hit most of the global economy, including Russia.

Studying the pretax national income figures shows that the top 10 per cent earned 22 per cent of national income in 1985 (Table 2.9). This figure increased dramatically, and reached over 50 per cent in 2008, the year of global crisis. After that, the share fell somewhat back and amounted to 45.5 per cent in 2016. Looking at the pretax national income figures for the top 1 per cent a similar development trend can be verified. While in 1985 the top 1 per cent earned 4 per cent of income, they earned 27 per cent in 2008, and again 20.2 per cent in 2016. Further, the bottom 50 per cent earned 25–30 per cent of incomes up to 1991. Their source of income fell sharply to 10 per cent in 1996, increasing since 1997 again, to 17 per cent in 2016. What was the share of the middle group, the group of income earners in which 40 per cent of income earners are placed? They earned in 1992 about 47 per cent, which fell to 35 per cent in 2008, and has increased slightly to 37.5 per cent in 2016. Looking at the period 1989–2016 shows that the richest were the winners. In fact the bottom 50 per cent is still 20 per cent below the 1989 figure (Novokmet et al. 2017; Zubarevich 2015; World Bank 2016, 40–41).

Wealth inequality

Wealth concentration is even more evident than income inequality (Table 2.10). Since the early 1990s the trend is clear. Publicly owned wealth has been going down and private wealth has increased. Also, here it is however possible to find effects of the global crisis in 2008–2009. Households’ wealth started to decline in 2007, and has increased again since 2011. The top 10 per cent has increased its wealth share gradually from 50 per cent in 1995 to 70 per cent in 2015. The middle-income group has lost in the same period from 40 per cent to 25 per cent.

<table>
<thead>
<tr>
<th>The top 10 (1) per cent</th>
<th>The middle 40 per cent</th>
<th>The bottom 50 per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>50 (27)</td>
<td>2008</td>
</tr>
<tr>
<td>2016</td>
<td>45.5 (20)</td>
<td>2016</td>
</tr>
</tbody>
</table>

The income share of the top 1 per cent is given inside the brackets.
Source: Table is constructed by the author based on figures presented in Novokmet et al. (2017).
Table 2.10  Different income groups share (%) of wealth in Russia in 1995 and 2015

<table>
<thead>
<tr>
<th>Year</th>
<th>The top 10 per cent</th>
<th>The middle 40 per cent</th>
<th>The bottom 50 per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>50</td>
<td>40</td>
<td>9</td>
</tr>
<tr>
<td>2015</td>
<td>70</td>
<td>25</td>
<td>3–4</td>
</tr>
</tbody>
</table>

Source: Table is constructed by the author based on figures in Novokmet et al. (2017).

The bottom 50 per cent’s wealth share has decreased as well, from rather modest figures of 9 per cent in 1995 to 3–4 per cent in 2015.

Looking at the number of Russian billionaires, their wealth as a percentage of national income rose rapidly from about 1 per cent in the year 2000 to 42 per cent in 2008. In connection with the global crisis, the percentage fell to about 27 per cent in 2010, then rose again to 40 per cent in 2013, after that again falling since the oil price started to fall. As to the less owning part of population, they have clearly lost their share of wealth during 1995–2015 (Novokmet et al. 2017). One reason could be that they have sold off assets in order to cover daily expenditures, for example housing or financial assets. For example, they may have sold off vouchers which were distributed to workers and pensioners during the reform period, or a gardening plot.

**Figures in an international perspective**

Russian poverty and income inequalities are well above the OECD average (OECD 2011). With respect to income inequality, not a very big difference between Russia and the US is actually observed. Russia passed the USA at the end of the 1990s in terms of the income share of the top 1 per cent. The top 1 per cent earns richer shares of incomes in Russia than in Hungary or in Poland, two former socialist countries in European Union, and also more than the top 1 per cent in China. As to wealth, the top 1 per cent in Russia owns a greater share of wealth than the top 1 per cent in China or in the US, apart from the period 2008–2014, when this share in the US exceeded that of Russia.

Interestingly, looking at the top 10 per cent wealth share, the figure for the US actually exceeds that of Russia throughout the period. The figure for Russia is higher than that for China, although the difference is less in later years, as compared to the period 1995–2009. The authors find, however, that official survey-based measures vastly underestimate the rise of inequality of wealth in Russia since 1990. The dramatic fall in public wealth and rise in private wealth in Russia took place within a couple of years, between 1992 and 1995, partly as a result of privatisation reforms. They also find that inequality in wealth has increased substantially more in Russia than in China and other ex-communist countries in Eastern Europe. In 1980 inequality in wealth was somewhat higher in China than in Russia, but the privatisation process was more gradual in China than in Russia and this relation changed and has become considerably larger in Russia. Eastern European countries are largely owned by foreign-owned funds and most likely by
owners from EU countries. Foreign-owned countries tend to have less domestic inequality (Novokmet et al. 2017, 29). Examples are the Czech Republic, Poland and Hungary (Novokmet et al. 2017).24

Calculations of Gini coefficients of income inequality in post-Soviet states in 2016 suggest that inequality is highest in Georgia and Russia, with a more equitable distribution of wealth being found in Armenia, Moldova, Kazakhstan, Belarus and Ukraine, reflecting the differing degrees to which market capitalism and opportunities for earning have developed in the region.

Russia has shown convergence trends in social development of regions through the 2000s, although the initial differences were high. In Kazakhstan the process of regional convergence has been noticeable in terms of per capita money income, while it is not evident in terms of salaries, wages and poverty rates.

To sum up, both the wealth inequality and income gap have reached critical levels in Russia. They are very high in international comparison, being not typical of developed countries nor of other former socialist countries.

Concluding remarks

Looking into poverty statistics, trends are clear. After increasing poverty all though the 1990s, figures have calmed down, then began slightly increasing again since 2014. While according to official statistics poverty is around 13–14 per cent, surveys indicate that as many as two-thirds of the population might be considered as poor. However, if we count only those who have problems to afford food and clothes, the survey results are compatible with official statistics. Perhaps it is not so important to try to find an exact figure, whether it is half a per cent more or less. I have met people whom I would consider rather poor, for example those without running water, who do not say they are poor, but that their neighbour is. Asking people about the situation in their neighbourhood, a common rough answer has been that they would consider around a third of the population to be poor. So who is poor, those without running water, or those who only eat potatoes? What about those who can go to their parents for a shower and those who have a refrigerator on the veranda? What about those who say their costs for a car, the house, tax payments, hobbies, travel or clothes have neither increased nor decreased because they do not have such expenses? What about those who never eat in a restaurant or never go to the cinema?

Income inequality has increased, but wealth inequality has increased even more. Increasing wealth inequality is critical as it indicates that poor people are using the assets, such as property or savings, to cover the gap between their expenses and incomes. When such a process continues, they will finally have only their own labour left. Low wages eventually lead you into a vicious circle that easily leads you to fall into deep poverty.

The high number of working people with low wages is clearly one important characteristic of Russian ordinary life. Comparing the worsened life situation in 2015 as compared to 2010, we cannot really see big differences between different kinds of settlements. On the aggregate level, medium-sized cities, those below
half a million inhabitants, show a somewhat better result than other kinds of settlements. Gender differences are on average quite small, with a slightly worse situation for women than for men.

With respect to age groups, looking at those who said they had difficulties to ‘make ends meet’ in 2015, figures were higher than average among those in age groups 60–69, and 30–39 and also among women. Those are also the age groups who in the period 2010 to 2015, on average show a more substantial downturn in their life situation than others. In the latter case one explanation is that these are usually the ones who have children. Worth noting is that those who were between 30 and 39 years old in 2015, who were born in 1976–1985, were the ones who were children or youngsters during the most difficult years of the 1990s. This was the time when the number of orphans was particularly high. There is a substantial difference in living standard between those living in Moscow or St Petersburg, who seem to manage rather well, and those living in other sizes of settlements within this age group.

In fact, there is a strong correlation between poverty and families with children. The more children, the more likely the family is to have problems of reaching a decent quality of life. A relatively high proportion of families with children in small towns has been noted. The survey shows a positive connection between those stating their situation has worsened since 2010, and those who have decreased their consumption of food. What appears to be critical is also that the poorest are among those who since 2010 experienced a worsened situation, and that they cut down on food.

Taking that the official poverty line is at 70 per cent of the median income, almost 40 per cent of inhabitants in villages are poor. According to this measure there are clearly higher poverty levels in villages than in other kinds of settlements.

The poor do not appear to consist of a stagnant pool of households. For example, more than half of households experienced poverty at some time between 1992 and 1994 and most households have experienced a shock that had a major effect on their welfare. Lay-offs, involuntary leave, wage arrears all contributed to households becoming poor in the 1990s. The younger and the more numerous the children, the more likely a household was to be poor or very poor. In the 2000s the situation first became better for households with children, then became worse again. Old age does not appear to be a causal factor for poverty in Russia as it was in the Soviet Union. While wage differentiation has increased, major departures from pre-transition structures of wage relativities have been limited.

Experiences of poverty as depicted in interviews of local people have been presented. Interviews with professionals working with women, men and children at internats and children’s homes provide pictures of what the situation can be like for marginalised people. We have given an account of experiences of marginalisation as depicted in interviews with families with children, including single mothers, and highlighted the processes leading to people being caught in vicious circles of poverty. The next chapter will look closer into the causes of poverty.
Appendix

Table A1  Feeling of poverty by age in Moscow/St Petersburg in 2015, % of all in each age group

<table>
<thead>
<tr>
<th></th>
<th>Under 30</th>
<th>30–39</th>
<th>40–49</th>
<th>50–59</th>
<th>Upwards 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardly make ends meet</td>
<td>0.83</td>
<td>0.91</td>
<td>2.13</td>
<td>1.56</td>
<td>–</td>
</tr>
<tr>
<td>Hard to buy clothes</td>
<td>0.83</td>
<td>2.73</td>
<td>5.32</td>
<td>3.12</td>
<td>5.56</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>1.76</strong></td>
<td><strong>3.64</strong></td>
<td><strong>7.45</strong></td>
<td><strong>4.68</strong></td>
<td><strong>5.56</strong></td>
</tr>
<tr>
<td>Durables are a problem</td>
<td>25.62</td>
<td>26.36</td>
<td>22.34</td>
<td>33.59</td>
<td>51.85</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>26.38</strong></td>
<td><strong>30.00</strong></td>
<td><strong>29.79</strong></td>
<td><strong>38.27</strong></td>
<td><strong>57.41</strong></td>
</tr>
</tbody>
</table>

Source: Table constructed by the author from 2015 SDMR Survey.

Table A2  Feeling of poverty by age in cities of more than 500.000 inhabitants in 2015, % of all in each age group

<table>
<thead>
<tr>
<th></th>
<th>Under 30</th>
<th>30–39</th>
<th>40–49</th>
<th>50–59</th>
<th>Upwards 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardly make ends meet</td>
<td>1.70</td>
<td>0.43</td>
<td>2.05</td>
<td>1.60</td>
<td>1.89</td>
</tr>
<tr>
<td>Hard to buy clothes</td>
<td>3.85</td>
<td>6.01</td>
<td>6.15</td>
<td>10.64</td>
<td>9.43</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>5.55</strong></td>
<td><strong>6.44</strong></td>
<td><strong>8.20</strong></td>
<td><strong>12.24</strong></td>
<td><strong>11.32</strong></td>
</tr>
<tr>
<td>Durables are a problem</td>
<td>47.55</td>
<td>46.35</td>
<td>45.13</td>
<td>51.06</td>
<td>60.38</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>53.10</strong></td>
<td><strong>52.79</strong></td>
<td><strong>53.33</strong></td>
<td><strong>63.30</strong></td>
<td><strong>71.70</strong></td>
</tr>
</tbody>
</table>

Source: Table is constructed by the author from 2015 SDMR Survey.

Table A3  Feeling of poverty by age in cities of 100.000–499.000 inhabitants in 2015, % of all in each age group

<table>
<thead>
<tr>
<th></th>
<th>Under 30</th>
<th>30–39</th>
<th>40–49</th>
<th>50–59</th>
<th>Upwards 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardly make ends meet</td>
<td>0.74</td>
<td>2.53</td>
<td>1.06</td>
<td>0.63</td>
<td>2.52</td>
</tr>
<tr>
<td>Hard to buy clothes</td>
<td>6.69</td>
<td>9.60</td>
<td>7.41</td>
<td>10.76</td>
<td>15.97</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>7.43</strong></td>
<td><strong>12.13</strong></td>
<td><strong>8.47</strong></td>
<td><strong>11.39</strong></td>
<td><strong>18.49</strong></td>
</tr>
<tr>
<td>Durables are a problem</td>
<td>38.66</td>
<td>37.88</td>
<td>46.03</td>
<td>52.53</td>
<td>48.74</td>
</tr>
<tr>
<td><strong>Sum</strong></td>
<td><strong>46.09</strong></td>
<td><strong>50.03</strong></td>
<td><strong>54.50</strong></td>
<td><strong>63.92</strong></td>
<td><strong>57.23</strong></td>
</tr>
</tbody>
</table>

Source: Table is constructed by the author from 2015 SDMR Survey.
Notes

1. Working poor (wage earners in low paying occupations), are defined as those earning less than the subsistence minimum. The latter is calculated in quite a complicated way, but is also different depending on age groups and age of children, and also on place of residence (for instance it is higher for Moscow, where costs of living are higher than average). Coefficients have been recalculated from time to time, which makes comparisons over the years difficult (Rossiya v tsifrakh 2017, 114).

2. Based on Rosstat, elaborated in collaboration with Dmitry Rudenko. Unpublished.

3. Federal law No 122, August 22, 2004. A key task was to divide administrative and financial responsibility for providing benefits (l’goty) between the central level and the regions, which means that regions support two-thirds of the recipients. See Wengle and Rasell (2008), 743–44.

4. The situation for households with two and three children is shown in Tables 2.6 and 2.7.

5. The term non-poor means those who are above the official poverty line, in terms of income.

6. VTsIOM is the state-owned and government-run institution that reports to the Ministry of Labour and Social Affairs. Oligarchs were not included in this poll.

7. The poll was conducted in May 2017 in 130 towns, cities and settlements of 52 Russian regions and included 1,600 persons. According to the poll, more than 80 per cent of the Russian population consider those who barely have enough money for food or clothes to be poor.

8. Ten per cent of all respondents noted that it is difficult for them even to buy food, while 29 per cent said that they barely have enough money for clothing.


10. The largest cuts in employment in absolute terms have occurred in the machine-building and metal-working industries. According to Turunen (2004), in the 1990s it was mainly blue-collar workers who lost their jobs as a result of cutbacks in the state sector.

11. One sign of this is the low priority that is attributed to social services in the distribution of budgets (Voronin 2002, 53). Another sign is that the rural share of population of 27 per cent in 2007 remained the same as in 1989 (Rossiya v tsifrakh 2008, 84). It was still almost the same in 2017. However, as the figure represents home residence, it differs from the real share.

12. According to official figures, the rural share of unemployed increased from 16 per cent in 1992 to 41 per cent in 2006–2007 (Rossiya v tsifrakh 2008, 103).

13. The increased responsibility at the local level is reflected in an increase in the number of employees of local government bodies (Rossiya v tsifrakh 2008, 60).

14. In his speech to the nation two weeks before the presidential election in March 2018, President Putin stated that the minimum wage could not be set lower than the subsistence minimum.

15. There is a continuation from the Soviet time. In 2016, women constitute 65 per cent of high-skilled health professionals and high-skilled legal, social and cultural professionals and 84 per cent of high-skilled teaching professionals. The female share was even higher if taking associate professionals in these sectors into account (see World Bank 2016, 95). This means that the pattern from the 1990s or even the Soviet Union is preserved (Sätre 2001). As we can see in Table 3.1, these are also still low-wage professions.

16. See Table 3.1.

17. The exact title varies from region to region (see Ledyaev et al. 2014).

18. Hence, the oil-rich regions had to bear the losses due to the reduced incomes from oil, but the other regions were not as clearly affected, because they continued to benefit from transfers.
Federal law No 131 “On the General Principles of Organization of Local Self-governance in the Russian Federation” came into force on 1 January 2006. It introduced a fourth level of administration (poselenie) within each community. A key financial task involved increased responsibility for self-financing of costs.


In 2016, among immigrants, Uzbeks constituted the largest group of legal workforce (Rossiya v tsifrakh 2017, 104).

The World Bank provides figures which are even higher; 1 per cent of the population is stated to own 66.2 per cent of the country’s wealth (World Bank 2016, 40).

Privatisation of housing was the most important, while assets in the form of domestic capital and agricultural land played a minor role as compared to the rise in private housing (Novokmet et al. 2017, 16). Nevertheless, Russia still has significant public assets, including the energy sector (Novokmet et al. 2017, 28).

Although monetary inequality was low throughout the Soviet time, after a decreasing inequality for some years, inequality started to grow in 1925 and continued to grow gradually throughout the period of Stalin’s rule. Then a gradual decline was noticeable between 1956 and 1980, followed by a rise in the 1980s.
3 Causes of poverty

Poverty research in Russia

Scientific interest in the problem of poverty in Russia increased at the beginning of the 1990s simultaneously with the dramatic transformations in Russian society. In the 1990s poverty research focused on homeless adults and street children (Rimashevskaya 2004). Sociological questionnaires began to be used to identify the poor and to map poor peoples’ access to warm meals and their purchases of inexpensive clothing (Ivashinenko and Iudin 2000).

There is some research on Russia that associates poverty with informal institutions. A few studies suggest that the survival of a collective spirit (Shanin 1999) or the paternalistic behaviour of employers (Granberg 2007) can facilitate everyday life. Others argue that Soviet norms such as personal connections (blat) (Ledeneva 1998, 2008) and inter-family networks can help people to combat or cope with poverty (Desai and Idson 1998; Ioffe and Nefedova 1997; Salmi 2006; Shubin 2007) and possibly also contribute to entrepreneurship as a tool for change (Sätre 2010, 2016). There is also a debate related to surviving norms as to whether the reforms have led to increased activities in the informal economy (Ellman 2000; Kim 2002).

Then there are those who focus on the surviving negative attitudes towards the poor: that poor people are lazy, incompetent or criminal (Khlishkaya Rockhill 2010; see Varyzgina and Kay 2014). There are those who highlight how poverty is associated with shame which makes people want to hide their poverty (Kay 2011). Some draw attention to the attitudes of politicians and to the relation between the state and poor people (Round and Kosterina 2005). Some others focus on the tendency among social workers to distinguish between the deserving and non-deserving poor as a way to cope with inadequate resources (Round 2004; Larskaia-Smirnova and Romanov 2012; Iaroshenko 2010). Ashwin (1998) provides experiences of how ‘forced collaboration’ during socialism actually led to a rejection of general ideas of cooperation to meet joint problems.

An emerging body of literature studies household strategies, looking either at coping as a way to meet poverty, or at day-to-day survival (Abbott and Wallace 2009; Clarke 1999; Pickup and White 2003; Ries 2008; Sätre et al. 2014; Shevchenko 2009; Walker 1998). While it is important to reject the view of the

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poor as passive victims, it is equally important to pay attention to what gives people access to the resources which can enable them to provide what they need (Clarke 1999).

To sum up, earlier research on poverty in Russia provides information about hindrances to agency. This body of research often refers to features from the Soviet system that might prevent any agency that would encourage cooperation outside the family. It also demonstrates that there might be some potential for agency, even if it provides little guidance as to how agency could advance in the Russian context and how to identify factors which should be changed in order to make such agency possible. The present study aims to provide a contribution in this field.

**Poverty and the transition from the Soviet system**

The transition or transformation of Russian society from socialism to capitalism has been the focus of several waves of research (Feldman 2006; Baudelj 2016; Desai 2006), among others on the politicised economy (Oxenstierna 2015), path-dependence (Hedlund 2005), and the economy of shortage (Sätre 1994). These all highlight effects of specific features of the system on economic and political development. Poverty connected to transition or transformation in Russia has been studied by Jeni Klugman (1997) and other researchers in the World Bank, by Tikhonova (2004), Yates (2004), Sätre and Asztalos Morell (2016), by Stephen Wegren (2014), who analysed rural poverty connected to inequality, and by Thomas Remington (2011a), who analysed the relation between inequality and democratisation of Russian regions. Remington highlights in this connection the effects of authoritarian rule. In an authoritative system, one is likely to find relatively lower wages simply due to a general weakness of labour unions. In this sense authoritarian rule could be seen as a reason for poverty. On the other hand the rise of mass poverty between 1990 and 1996 is clearly connected to the transition process in Russia, privatisation reforms and the extremely high inflation rate. Novokmet et al. (2017) highlight the effects of the voucher privatisation and the so-called shock therapy. Inflation was particularly high in 1992–1993 after official price liberalisation occurred in January 1992. Pensions and wages then benefitted from gradual recovery between 1996 and 2015, but never fully returned to their 1990–1991 relative income share (Novokmet et al. 2017, 33).

Many works pay attention to the effects of Russia’s dependence on natural resources and its problems in diversifying the economy. One approach sees oil and non-oil economies functioning according to different logics (Gaddy 2007; Ericson 2009). There are also studies focusing on the incompleteness of modernisation in Russia (Kivinen and Cox 2016; Ledeneva 2013), and of the authoritarian type of political sphere (Gelman 2011; 2015). Two main types of explanations regarding the failure of reforms during early transition have been advanced in the literature. One explanation is that the “shock therapy reforms” as such were designed in the wrong way or have simply not gone far enough due to the lack of well-defined property rights (de Soto 2000; Leeson and Trumbull 2006; Roland
Causes of poverty

The other approach argues that the development of informal institutions can explain why changes in formal institutions have not led to the intended results (North 1990). The second line of thought will form the point of departure in the present book.

Although formal institutions in the form of laws and regulations have changed as a result of political decisions, informal institutions, such as behavioural norms, are not likely to have evolved to the same extent. Two main reasons for this can be identified. Either the informal institutions change more slowly, or they are more deeply rooted culturally and change barely at all or in a direction other than that intended by policy-makers. Effects of the survival and evolution of informal institutions are directly related to how people react or adapt to reforms, and they are also connected with the kind of organisation individuals have formed as well as their faith in the enforcement of rules, norms, behaviour and attitudes. If one chooses this point of departure then informal institutions prevent the implementation of reforms. This in effect means that Russia is still influenced by legacies from the Soviet system, which in turn lead to the view that causes of poverty in the Soviet system are still relevant for explaining poverty in present-day Russia. Hence, studying Soviet norms, to the extent they have survived or been revived, might also help us to understand problems of poverty in contemporary Russia.

An institution-centred approach to poverty

The basic nature of the Soviet economic system is defined by Janos Kornai (1980) and his followers as *economics of shortage*, with dramatic differences between priority and non-priority industries. These features still seem to have a strong impact in Russia after socialism (Davis 1988, 1989; Ericson 2009; Gaddy 2007; Sätre 1994). An *institution*-centred approach to poverty is concerned with the interaction between formal and informal institutions, and the processes which link them (North 1990). Attention is paid to the working of a society as a cause of poverty rather than individual failings (Sen 1984). Adhering to North’s approach, slow-changing institutions explain why people working in non-priority sectors would be unable to support themselves and their too-low salaries would thus be seen as an integral part of the functioning of the economic system (Gaddy 2007; Kornai 1980; Sätre 1994). Soft budgets imply that over-employment has survived, while a large part of Russians live with wages that are barely enough to cover basic expenditures (Remington 2011b; Rimashhevskaya 2010). Furthermore, in manufacturing many workers had to face a cut in their wages as a consequence of the economic crisis in 2008–2009 due to the fact that management did not reduce the number of employees (Kuznetsov et al. 2011). This reflects the fact that adjustment to real sector developments, including major economic shocks in Russia, mostly occurs through changes in real wages. Workers accept wage cuts in adverse times to avoid unemployment, given the weak labour union representation and limited outside
Causes of poverty

For firms, the system allows them to adjust labour costs to changing economic circumstances. Also, the government benefits because unemployment increases are low even in hard times, which supports social and political stability. For instance, unemployment has remained low despite the economic shocks since 2008–2009. Also, after the worsened economic situation since 2013 unemployment has remained low. However, this also implies that the practice of preserving jobs by supporting unprofitable firms through violations of labour contracts, e.g., wage arrears, unpaid leave and unpaid subsidies, continues. This slows down transformation in the sense that reallocation of workers from unprofitable to more productive firms and jobs is not promoted. Workers also remain vulnerable due to poor enforcement of labour market legislation and as informal, low-paid employment is facilitated. Although rising income from wages was an important reason for the increase in income of the poor from 2000 to 2008, since 2008, pensions, public transfers and increases in wages in the public sector have played a greater role.

In effect, some features of the Soviet system have survived the reform measures of the 1990s, which explains why a large part of the Russian workforce is still employed in unprofitable large-scale enterprises. As already noted in Chapter 2, the consumer industry, which has low priority in the Soviet system, maintains low wages, while the branches related to the extraction of natural resources keep relatively high wages. Low salaries in certain professions, such as teachers and doctors who are employed in non-commercial organisations, seem to have survived (see Table 3.1).

At the same time privatisation implied that firms are not obliged to secure welfare for their employees as in the Soviet time, while individuals have to pay for services that they did not have to pay for previously (Lazareva 2009). On the other hand, there are reforms that have led to losses of services that ordinary people previously received, such as a guaranteed job which included access to free education, health care, child care and public transport. Ordinary people have been

<table>
<thead>
<tr>
<th>Table 3.1</th>
<th>Average monthly wages in Russia in different branches of the economy (in per cent of national average)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Branch</strong></td>
<td><strong>1990</strong></td>
</tr>
<tr>
<td>Energy production</td>
<td>148</td>
</tr>
<tr>
<td>Petroleum products</td>
<td>96</td>
</tr>
<tr>
<td>Chemical industry</td>
<td>82</td>
</tr>
<tr>
<td>Textile</td>
<td>85</td>
</tr>
<tr>
<td>Trade</td>
<td>95</td>
</tr>
<tr>
<td>Agriculture</td>
<td>65</td>
</tr>
<tr>
<td>Education</td>
<td>67</td>
</tr>
<tr>
<td>Health</td>
<td>135</td>
</tr>
<tr>
<td>Banking, finance insurance</td>
<td></td>
</tr>
<tr>
<td>Total in Russian economy</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Author’s calculations based on figures from *Trud i zanyatost*’ (1996, 31) and *Rossiya v Tsifrakh* (1991, 96) and (2017, 125–127).
affected by changes in the rules for communal infrastructure and housing reform (Round and Kosterina 2005). A new law on the monetisation of social benefits, which converted in-kind benefits into cash allowances and transferred responsibility for welfare from central to local authorities, was introduced in 2005. This meant that ordinary people lost access to free local transport and local telephone calls, trips to sanatoria, free medicine and other benefits. Furthermore, traditional social networks based on family connections have fallen apart (Pickup and White 2003). Applying Sen’s analytical framework, these examples tell of losses of entitlements, which in turn might lead to losses of capabilities.

Changes in legal rules have also given rise to a responsibility for self-financing at the local level. There are a number of laws that directly or indirectly transferred responsibility from the state to individuals or families (see Kravchenko 2008). The situation some people end up with is chronic poverty where expenses are constantly higher than income (Rimashevskaya 2004; 2010).

**Financing social policy with oil incomes**

It took a decade and a half before the Russian state made any major effort to correct the established social problems. Such an effort came when the energy sector was taken under governmental control. The main elements of this policy were to regain and keep control over the oil and gas resources and then redistribute part of state incomes for socio-economic development in regions. In 2014, taxes and custom duties from oil and gas amounted to 51 per cent of the federal budget (Zubarevich and Gorina 2015, 7, 11–12). The functioning of the economic system is such that many structural challenges and available choices are similar across Russia. As the oil and gas resources were renationalised and political power was recentralised at the regional level, the Russian government succeeded in redirecting profits from the oligarchs to the state budget. Renationalisation was completed by transferring forests and fish waters from regions to federal state property, which among other operations weakened the power of regions in relation to the federal state (Sutela 2016). Profits from oil and gas were used to build up a fund to be used for stabilisation purposes. The fund, which was established in 2004, increased rapidly and was split into a Reserve Fund and a National Welfare Fund in 2008 (Appel 2008).

After that energy prices went down, and the Russian Stabilisation Fund has consequently been drained of resources. The downturn of the economy started before the Ukrainian crisis and the annexation of the Crimea. From 2013 to 2015 growth stagnated, while important reforms needed to be financed. This led to a deficit on both the central level and in almost all regions (Zubarevich and Gorina 2015, 17). To manage the situation, regions have borrowed money from the federal level and from banks.

The continued dependence on natural resources was reflected in the aim of the Putin regime to regain control over oil and gas revenues as a way to strengthen the state and maintain social stability after the chaotic 1990s (Gaddy 2007; Roland 2006; Ericson 2009). Meanwhile, the heavy dependence on world energy prices
motivated the government to encourage the development of other branches. The government expressed willingness to diversify the economy. By adopting business-friendly taxes in the manufacturing industry and service sector, these non-strategic sectors have got relatively free space to develop the best way they can under management at the local level. Nevertheless, expectations of payments into the state budget from these sectors have been rather low. Although some achievements were made with respect to modernisation in some branches of the Russian economy (aircraft, oil products, pharmacy and cars), this did not change the basic functioning of the economic system. It appears that the economy is, as in the Soviet time steered by priorities, and that it is difficult to pursue several priorities simultaneously. Other priorities, such as regaining the status of being an important political actor in the international arena has become more important than modernising and diversifying the economy.

In 2015, a total of 60 per cent of the Russian Reserve Fund was to be used to finance the budget deficit (Oxenstierna 2016, 69). The assets of the fund were reduced further in 2016 (Rossiya v tsifrakh 2017, 35). The temporary solution of financing social policy through the Reserve Fund appears to provide a warning that there will in the coming years be further cuts in social expenditures, and that this could be harmful to parts of the Russian population. With respect to social policy there were some options, as well.

The relatively low own-source revenues of local governments of about 5 per cent further reflect the difficulty in extracting the necessary taxes from local firms and the local population. In particular, low own-source revenues make the local and regional levels highly dependent on the central level. Consequently, financial funds for local projects are likely to vary depending on the fluctuations in energy prices. This shows how the funds available to local communities are affected by the structure of the Russian economy, and the continued high dependence on natural resources.

Changing attitudes to poverty and its causes?

One common pattern concerns the tendency to return to attitudes which were dominant under socialism, when citizenship was defined in a way based on work. If you did not work, you did not contribute to the building of socialism. Not to work was illegal, it was deviant behaviour. In the 1990s when everybody was poor, it was considered legitimate to be poor. However, the mass unemployment that some researchers waited for did not emerge, soft budgets continued to be a practice and over-employment remained an accepted practice in both state institutions and private firms (see Sätre 2016). In addition, attitudes changed back to earlier ones. In the 2000s, as a significant number of people were able to start firms and in other ways pull themselves out of poverty, it became unacceptable to be poor, and the ‘blaming the victim’ mentality reappeared. In our interviews social workers described how poor people might feel they need to hide.

However, there seems to be a kind of reversal of attitudes to poverty, towards again blaming the state rather than the poor. According to the 2015 SDMR survey,
it has become common among respondents to take the view that the state should take responsibility for poverty. Public support for a stronger social policy is thus indicated. The most probable conflict concerning inequality is stated to be the wide differences between oligarchs and ordinary people. While there is strong support for the view that citizens are responsible for taking care of children and the elderly, the state is seen as responsible for the disabled, orphans, education and health care. Further, housing and leisure activities are most commonly viewed as being the responsibility of the community.

There is strong support for the view that the income gap in Russia is too large. In the 2015 SDMR nationwide survey more than half of respondents say that they fully agree with such a statement, while only 3 per cent disagreed. There is also fairly strong support for the statement that the government should ensure that the unemployed have a decent life, although 14 per cent disagree on this point. The support for continued state assistance to the poor is also rather solid, as almost 60 per cent are in favour of such a policy.

High inequality is something that could be acted on if there was a political will. There are some indications of such willingness, as depicted in some political speeches by Russian leaders. However, the flat tax rate is left intact. The fact that there are very few redistributive elements in Russia is also indicative of low attention to poverty. The minimum wage-setting regime has remained largely unchanged and inherited many features from the central planning era (Lukiyanova 2016). Most of the income inequality is explained by the inequality of wages. There is further a large share of wage earners with wages below subsistence level. The estimate for 2015 is 11 per cent of wage earners (Denisova 2016). The existence of many low-paid jobs is a part of the explanation of the large share of low-income poor in Russia. No serious attempts at labour market reform to eliminate these jobs can be noted, indicating that such a development is not high on the political agenda.

On causes of poverty, in 2015 a large majority – 81 per cent – agrees with the statement that society is unjust, and 78 per cent agree with the statement that the exploiters of natural resources are to blame (Table 3.2). Eighty per cent express the opinion that the government acts in the interest of the rich. But there is also rather strong support for blaming people themselves for being poor. Seventy-four

<table>
<thead>
<tr>
<th>Causes of poverty</th>
<th>1998</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exploiters of natural resources are to blame</td>
<td>85–90</td>
<td>78</td>
</tr>
<tr>
<td>The government acts in the interest of the rich</td>
<td>70</td>
<td>80</td>
</tr>
<tr>
<td>Reform makers are to blame</td>
<td>70</td>
<td>74</td>
</tr>
<tr>
<td>Lack of talent</td>
<td>15–30</td>
<td>64</td>
</tr>
<tr>
<td>Bad luck</td>
<td>–</td>
<td>62</td>
</tr>
<tr>
<td>Weakness or laziness</td>
<td>35–40</td>
<td>74</td>
</tr>
<tr>
<td>Society is unjust</td>
<td>–</td>
<td>81</td>
</tr>
</tbody>
</table>

Source: Table is constructed by the author from SDMR 1998, 2015.
Causes of poverty

per cent agree with the statement that poverty is due to weakness or laziness. Lack of talent or bad luck as explanations for poverty are acknowledged by 64 and 62 per cent respectively. Looking at figures from 1998 shows that considerably fewer people agreed then with the statement that poverty is due to laziness or lack of talent. On the other hand, in 1998 about 70 per cent blamed reform makers for poverty, while 85–90 per cent expressed the view that natural resource exploiters are to blame.

Looking for the roots of poverty means that we are looking for factors behind the existence of poverty in society. One can find reasons for poverty, or explanations for poverty on the individual level, such as low wages, unemployment etc.

But, of course, this is a complicated task. We have to acknowledge that poverty and inequality are two different matters, which need to be analysed separately and which require different policy methods. Possibly individuals might be able to do something to reduce poverty and improve their own situation, while it is more difficult for individuals to do something about inequality. They could “go to the streets,” but at least according to the SDMR survey there is no strong belief that this will actually happen in the near future. Nevertheless, according to survey data, in 2015 only 7 per cent of the population express the view that the gap between the rich and the poor provides no threat to stability, while 42 per cent expressed the opinion that such a gap provides a serious threat to stability. In small towns only 2–3 per cent see no such threat to stability, while a little more than half of the population see that such an income gap provides a serious threat to stability. On the other hand, respondents seemed to worry less about differences between urban and rural life, or differences between regions.\textsuperscript{12} Opinion polls show that people in general are more concerned about corruption, and it appears that corruption has really been a reason for the mass demonstrations in some Russian cities since 2011.

People have expressed contradictory views that both society and the individual are to blame. If blaming individuals, this is usually connected with the idea of people being passive, not trying to do something to change their life. They just continue to live in poverty without trying to change their situation. To answer the question whether they are able to get out of poverty or not, we have to look into what kind of strategies households in poverty have used; are they coping to survive or using strategies to actually change their situation?

\textbf{Does being passive or active make a difference?}

An often-presented opinion is that as Russians are since Soviet times used to coping in different situations; they will survive thanks to their plots and picking berries and mushrooms. And, especially in villages, the population is thought to be rather passive (Zubarevich 2015). Such a view undermines the willingness of local people to change the situation. This view is expressed in the survey data (SDMR 2015). Ninety per cent agreed with the argument that it is most likely those who said they cannot make ends meet who are also generally passive. The poor are more passive than the non-poor, both in villages and small towns. In the
survey a little more activity could be noted in the Northwestern region and in Siberia than in the Volga district. It can also be noted that there are thought to be less passive people in the villages in the Northwestern and Southern regions and in Siberia than in villages elsewhere. These also belong to the regions with the relatively higher numbers of those who said they “can hardly make ends meet” in 2015. Thus, there appears to also be a slight positive correlation between poverty and being active, indicating that being active is not enough to mitigate poverty.

However, the results of the survey do not support in general the assumption that poor people are more passive than the non-poor. Further, living in the periphery does not clearly make a difference in itself. On the contrary, experiences from our field research show that activity can vary greatly inside peripheral areas, between neighbouring communities or villages. Some places are more active than others, simply because something started a spiral of positive development in this particular place (see Granberg and Sätre 2017). The lack of horizontal links explains why places next door to each other seem to be completely isolated from one another, preventing them from learning from each other.

We now turn to analyse poor people’s ways of dealing with hardships in the context of transformation with the particular aim to highlight when they are able to, and when they are not able to get out of poverty through their own agency. As low resources put a clear limit on strategies we are interested in what resources people have access to, and how they use whatever means they have at their disposal. Therefore, the approach here starts from Sen’s (1984) entitlement theory. According to his approach the ability of people to break out of poverty depends on their ability to transform the assets they have into food and other necessities. Assets are, according to Sen, classified into three categories: resources, including all kinds of capital (also social capital, human capital, cultural capital), rights, and relationships.

Coping behaviour versus strategies to change living conditions

Tikhonova (2011), based on an earlier survey, argues that it is not possible to find differences in behaviour between the poor and the non-poor; the strategies are the same: self-sufficiency, shadow work, grey economy activities. The difference is rather about different access to resources.

Tikhonova (2011) is able to show that the poverty trends look rather different than using income statistics. While poverty figures in official statistics show a downward trend from the early 2000s, Tikhonova’s analysis indicates that poverty actually increased in the period she studied, 2003–2009. Specifically, based on a survey for those years, she shows that the assets of low-income poor had decreased during this period and that lacking resources is a more important reason for poverty than agency. In particular, she shows that education is important. Tikhonova highlights the circumstances of poverty in Russia. The proportion of low-income poor is high in Russia in an international perspective, that is, compared with other transitional economies as well as other countries with similar
Causes of poverty

Levels of development. This is due to the extreme depth of social inequalities. The position of a low-income poor is characterised by what they can offer in terms of their capability or ability. To offer physical labour is not enough to provide them with an income sufficient for a decent standard of living. This forces them into a vicious circle. Tikhonova’s results show that the functioning of the economy in itself leads to such a pattern of development that is difficult to change. Tikhonova (2011) is focusing on the low-income poor who are characterised by low education, low ability to influence their jobs and who do not have major impact on their poverty. They are living mostly in small towns and villages. Gender and age do not have major impact on their poverty.

Perhaps these poor are those with low skills and low education who were favoured by high oil prices, and who were among the first to suffer at the time of the economic crisis in 2008–2009 (Tikhonova 2011). Tikhonova finds that their networks consist of persons who are facing a similar situation, and who cannot do much to help them. Therefore, such a support is at its best simply for coping, not for any qualitative changes in their conditions. Consequently, such a network cannot be considered a genuine asset that is capable to improve their situation. Moreover, low-income poor do not usually have any savings, they generally have neither a dacha or a garden plot, nor a garage or a second dwelling. According to Tikhonova in the period 2003–2009 the proportion of low-income households who had this kind of real property declined. In effect this implied that during these six years there had been a gradual sell-off or simple loss of the corresponding kinds of property among low-income households.

But employees in the public sector – mostly women – are also among those with low salaries despite high education. However, for employees in the public sector who also have low wages, the situation might be less alarming. Presumably, they have human capital connected to their higher education level, more valuable social networks and some more material resources.

According to Tikhonova, it appeared that low-income industrial workers came out as winners in periods of high oil prices and economic growth. The degradation of the resource potential of the low-income poor in 2003–2009 provided a signal of the further worsening of their position and further deepening of the gap between them and the well-off. During the period of rapid economic growth, the gap widened. In the years of the economic crisis in 2008–2009 they were affected by decreasing salaries and the gap widened still more. Tikhonova (2011, 40) estimates that about 60 per cent had inadequate resources to satisfy such basic social requirements as housing, fee-based medical services and additional education. The size of the low-income population grew also due to the fact that a part of the former poor moved into the low-income poor. At that time about half of Russia’s population was classified as low-income poor (ibid, 41).

Survey on poor families’ strategies in two towns 2006–2010

There are obviously various difficulties associated with the circumstances in which people have fallen into poverty. They have lost their job, fallen ill or lost a
Causes of poverty

breadwinner, and afterwards it is difficult to get back to ‘normal life’ again. This is something that happened to many Russians, especially during the most difficult periods of transformation. In that time wages did not cover basic needs, people had to relinquish any savings or property they might have, including the garden for cultivating potatoes and vegetables (plot). In that way they fell into a situation where they no longer have any assets at all except for their own labour. At this point the logical solution could be to work more and more; take on a second or even a third job. Survey results indicate the importance of digging deeper into what kind of assets people actually have access to, clearly supporting the importance of not just focusing on incomes. People have walked in and out of poverty, but there are also those who get stuck in poverty, and are relatively more affected in a new time of crisis. It appears that not only human capital (education) matters, but also, in particular, social networks of support and mutual assistance are an important factor. It is quite common among the poor that they lack access to the scarcest and most important forms of support from social networks.

We made a survey in two mono-towns in central Russia in the Nizhny Novgorod region to study actions taken by different income groups in the time of poverty. It covered the five-year period 2006–2010. From the results we can clearly see that the lowest income groups have tried to meet hardships by working more, producing more food for their family by themselves on a dacha or farmland, and cutting down on expenditures for food, clothing and footwear (see Table 3.3). There are quite many, around one-third, more so among the poor who got a second job, which could mean that they work more and more, but still enter an ever-worsening situation. However, economising was the most frequent response among those

Table 3.3 Actions taken by poor households compared with all households in 2006–2010

<table>
<thead>
<tr>
<th>Actions</th>
<th>% of poor households</th>
<th>% of all households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economised, spent less on leisure, entertainment</td>
<td>79</td>
<td>66</td>
</tr>
<tr>
<td>Economised on clothing and footwear</td>
<td>75</td>
<td>65</td>
</tr>
<tr>
<td>Economised on nutrition</td>
<td>67</td>
<td>52</td>
</tr>
<tr>
<td>Got another job</td>
<td>48</td>
<td>34</td>
</tr>
<tr>
<td>Received material help from relatives, friends</td>
<td>26</td>
<td>16</td>
</tr>
<tr>
<td>Improved personal competence</td>
<td>23</td>
<td>16</td>
</tr>
<tr>
<td>Changed profession</td>
<td>22</td>
<td>11</td>
</tr>
<tr>
<td>Received help, benefits from state or municipal institutions</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td>Made new contacts with useful people</td>
<td>16</td>
<td>15</td>
</tr>
<tr>
<td>Sold property</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Received important information</td>
<td>6</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: Table is constructed by the author from Survey in two mono-towns in Nizhny Novgorod oblast 2011. Data presented in Säter et al. 2014.
Causes of poverty earning up to three times the subsistence level. Two-thirds of them considered economising on leisure, clothing and food. Saving and working more to cover expenses provides no sustainable strategy for those living on the edge, because if something happens they face a big risk of falling down. But also some of the poorest invest in education. From interviews, however, it appears most likely that investment concerns the next generation. However, a difference can be seen for those who earn above three times more than the official subsistence level/the poverty line. They made useful contacts, received useful information and did to some extent start businesses. Some of the better-off responded that they have made new contacts with useful people and collected important information in order to meet hardships (Sätre et al. 2014).

Based on this survey, however, we can also see that coping strategies are similar comparing those on both sides of the poverty line up to those earning 2–3 times more than the subsistence level. This is compatible with Tikhonova’s finding that coping strategies of the poor and non-poor are similar. The difference comes when incomes are more than three times over the poverty line. Similar coping strategies of the poor and non-poor might indicate that the difference in their standard of living is not that great and that the official poverty line does not reflect the threshold it is supposed to mark.

Voices from a regional capital in 2010

The interviews provide illustrations to what the situation looks like. Interviews in a regional capital in 2010–2011 told about the worsening of the situation in a particular time and place because of the global crisis in 2008–2009. Social work experts in this city told in 2010 that new groups of poor come to social assistance centres to ask for support. Many of them are working on wages too low to cover for increased expenses and either face chronic poverty or the risk of falling into such a situation. A few voices from persons coming to the social assistance centre to apply for benefits are presented in the following.

The material circumstances of our family are difficult, quite difficult. Firstly, it’s related to price rises, secondly, we have two children, and my wife didn’t work – she works now, but she works in a kindergarten where salaries are very low. I am an ex-military officer, I have a military pension. But there’s not enough money. Everything in our life is connected to our material situation. Let’s take the children – you need to pay for everything now: for kindergarten, for education, for text books and so on, I don’t even speak now about food, holidays – we don’t have enough money.

(A male benefit recipient, July 2010)

It’s difficult nowadays. . . . Education is not free, I mean for the earlier development of children. Also, there are waiting lists for the kindergarten placement. It is difficult to get one.

(A mother with a child, July 2010)
One thing that has been mentioned is that it has become more common to ask for help with apartments and rents, a problem which earlier was commonly dealt with by the workplace (Lazareva 2009).

The increase in tariffs has affected many families in Nizhny Novgorod. People come to us to get some subsidy for housing in order to make ends meet. (Social work specialist, July 2010)

Apart from problems related to housing, other examples of losses in entitlements were mentioned in the interviews with social work specialists:

Some have lost privileges that they had earlier or they have to pay for services, such as for health, medical services, child care, education, and school books that they did not have to pay for before. In the cities, especially in large ones like Nizhny Novgorod, social networks based on family connections have fallen apart, and are no longer the important channel for providing resources that they used to be, or as it remains in the countryside where people know each other. (July 2010)

Voices from a mono-town in 2011

Poor families were studied further in 2011 in a mono-town, asking how they coped with hardships. When asking about experiences of poverty and ways to react to it some respondents express an ambition to break out of poverty, while others mention methods of coping with a difficult situation (Table 3.5). Sometimes respondents express an ambition to break out of a difficult situation in the future, arguing that they just have to go through some temporary hardships. According to this thinking, coping behaviour could be a necessary step in a larger strategy.

It is possible to distinguish between those who have improved their situation in the last five years, versus those whose situation has become worse. In the first group actions were directed towards changing jobs, improving competence, education, development of human capital, constructing social networks and important contacts, and capability of making use of information.

In the second group actions were directed towards taking on an extra job, changing profession, saving on clothes and shoes, nutrition, leisure, working on a plot and relying on support from parents. It is indicated that those in the lowest income groups have been more active than other groups; we also see that those who are primarily saving on expenses are among those who face a worse situation. In many cases facing increasing costs by working more and saving more (‘just coping’) could actually cause a downward process.

Interviews outlined about how families use opportunities which can be referred to as citizen rights, how they used land, their own labour and other resources, as well as their good relations with families and friends, and also work relations. We heard about those who had moved to the city, but who failed and came back. We
also heard about those who moved out of the town to the countryside in order to reduce costs of living and concentrate on agriculture. But still we saw that being active is not enough, not even for those who are already above the surface. Many families near the poverty line told about various activities, struggling just to cope with hardships and trying to keep themselves above the surface.

One could think work is the best activity against poverty. As emphasised by a schoolteacher, however, low wages might imply that people are trapped using all their time with work:

You see, I know families where they work from morning till night and have not one place of work. They just have a miserable salary and as a result a low income. It doesn’t mean they are lazy, they are just low paid. It could be an employee of a government-financed organisation. They get into a situation they can’t influence. They can work all day long but still be low paid. How to overcome it?

(Interview with schoolteacher, mono-town 2011)

Some of the mentioned hardships took place out of the control of those affected. Such events could start a downward process. One factor that could start a downward process is the loss of a breadwinner because of the death of a spouse or a divorce. The situation is especially difficult if children are small as this also makes it harder to keep a full-time job. A one-parent family with no relatives is particularly vulnerable. Both experts and families confirm that giving birth to a child means increasing expenses and decreasing income since child benefits are inadequate to support large families, reflecting the inadequacy of Russian wages.\textsuperscript{16}

A loss of a job as well as a sharp decrease in salary appears to be another common cause of financial difficulties within families. Respondents point out negative consequences of the crisis in 2008 as heavy redundancies took place at the most important enterprises in the town. At that time working people felt the crisis, due to sharp salary reductions. And only some of them were able to find alternative adequately paid jobs or to start their own businesses. The vision of the opportunities available among the clients of community job centres is sometimes limited by previous work experience, especially for those whose occupation was highly specialised and not highly qualified. Many have to just cope and to be patient.

Although aspects of family structure are the most significant ‘risk factors’ for impoverishment, in Russia there are other factors. Life events, a sharp deterioration in health and a forced move as well as the loss of someone who supports the family with money or assistance. Often, she is a grandmother, whose loss implies both a loss of her pension as well as her help in running the household.

A single event can cause downward mobility when people are close to being poor and vulnerable to any changes. It does not really matter how it starts, crucial are the circumstances that have no good mechanism to stop the downfall in terms of social positions. Respondents tell how they cope but how difficult it could be to rise up above the threshold. It is not the poorest who actually apply for social benefits.
Table 3.4 Reasons for changes in poverty

<table>
<thead>
<tr>
<th>Downward trend</th>
<th>Upward trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The birth of a child</td>
<td>• Grant from programme for building a private home</td>
</tr>
<tr>
<td>• Lose a job</td>
<td>• Enter social network</td>
</tr>
<tr>
<td>• Fall ill</td>
<td>• Back to living with parents leading to shared consumption</td>
</tr>
<tr>
<td>• Lose a breadwinner</td>
<td>• Vakhtovy metod(^1)</td>
</tr>
<tr>
<td>• Decrease in salary</td>
<td>• Start a business</td>
</tr>
<tr>
<td>• Lose a grandparent</td>
<td>• Become a foster family</td>
</tr>
<tr>
<td>• Migration leading to a loss of networks</td>
<td></td>
</tr>
<tr>
<td>• Abuse of alcohol or drugs</td>
<td></td>
</tr>
</tbody>
</table>

A kind of temporary shift-based work (see Chapter 1, footnote 1)

We hear about poor people we do not meet through the interviews with others. These are the ones who do not even have proper documents needed to receive elementary support. Although we heard about individual social workers who describe how they have to help people step by step to collect documents etc, the tendency seems to be that if people fall out of the social security system, they are likely to be lost (see Table 3.4). As for families, rather than helping families in hardship to find ways back to normal life, social policy is directed towards saving children.

**Survey on changes in 2010–2015**

During the financial crises 2010–2015 the economic situation for Russia’s households became clearly worse. It seems from survey results that the poorest more than others have experienced a worsened situation in the period 2010 to 2015, regardless of settlement type. The SDMR survey also shows how dependent the poor are on help from relatives and friends, with more than 50 per cent of respondents saying they have received material assistance from relatives since 2008, as well as about 10 per cent stating they have received help from friends.

Novokmet et al. (2017) have studied wealth shares of the Russian population. When it comes to wealth, the bottom 50 per cent have little by little lost their wealth in the period 1995–2015, from having owned about 8 per cent in 1995 to 4 per cent in 2015.\(^{17}\) One explanation is that they have sold off assets in order to pay for expenditures which are not covered by their incomes. In the SDMR survey, some respondents stated that they had sold property. Others had sold the vouchers they had received during the privatisation reform (Interview with female entrepreneur, small town 2014). Decreasing wealth and increasing poverty among the poorest clearly indicate a downward trend in well-being, and increasing danger of entering the vicious circles of poverty.

According to the SDMR survey 2015, about 50 per cent of Russians stated in 2015 that being able to afford durables was a real problem. These are the ones who might have to save for years to be able to buy a refrigerator, a vacuum cleaner
or a washing machine. Among those who live in a big city and who stated they have problems to make ends meet, 45 per cent said their situation had become significantly worse in the past five-year period, while another 40 per cent said their situation had somewhat worsened in the same period. A similar pattern is evident in other settlement types, although less-alarming figures were given.

**Voices from 2015–2017**

Interviews from 2015–2017 portray the effects of the worsening economy due to falling oil prices since 2013.

One community had participated in 54 federal programmes in 2014, but two years later I hear about the difficulties that the small companies have and about some unemployment. “Life has become harder this year. A few local heads have left their positions as their work is too difficult” (Interview with vice-mayor, community centre, April 2016).

Irina is working her last day as a vice head at the sub-local level in a rural community. In this particular place there is one successful entrepreneur, a former Komsomol leader, who finances everything for everybody in his own home village; a sports hall, a soccer field, a hockey rink, a hotel, a new school, a playground, a church, a new restaurant, new housing, a fountain and a new square. There is a new road, and transport is provided so that all the workers at the factory can participate in the Victory Day celebrations in the village. In the village there are eleven what Irina calls ‘impossible families’, and it has been her duty to work with them. But Irina found this job almost impossible; “the same pattern is repeated over and over again,” she says, and Irina knows well this pattern because her own brother is an alcoholic. She has tried everything with him, she says, but nothing works. And she also had another brother whom it was not possible to save, he died a few years ago. Irina feels that it has been very difficult to have been responsible at the local administration for unfortunate people in a small place which is dominated by one single person, who is not interested in such matters. On the contrary, he tries to force such people to move away (Interview local vice head, April 2016).

Irina has applied for the job as the head of another rural community with a population of 7000–8000 people, and at the time of the interview she does not know whether she will get the job or not. Earlier it was the population who elected the head, now it is a committee.

**Poor families’ ways of meeting hardships**

In this section the interviews have focused on poverty, on those who were on the verge of poverty, how they cope, what actions they take and what resources they use. In the following we will analyse strategies of people, taking their access to resources into account. For analytical reasons we have used Sen’s (1984) classification of assets into resources, rights and relations to distinguish between the different actions families have used.
Causes of poverty

The use of resources

Answering the question “what will you do if things get worse” the respondents typically answered they would try to work more. For many respondents keeping an extra job is a characteristic of low-income families. Use your own labour, you don’t have anything else. . . . Set up a business, or engage in some informal trading activity in the market. The results from the interviews show that individuals have started up new businesses in different ways. The shut-down or privatisation of state firms has sometimes granted opportunities for former employees to take over equipment or the whole firm itself from the state (Duvanova 2011; Frye 2002). In line with earlier research (Aidis et al. 2008; Ericson 2009), respondents express the view that it has become more difficult to set up private businesses than before. Still, people start their own businesses in, for instance, trading, hairdressing or taxi-driving. Interviews describe how entrepreneurship rises in crisis years, when family incomes are not enough to live on.

The possibility to work with the “vaktovyi metod” was mentioned. Usually this means that the husband goes away for specific periods, to work in, for example, the oil fields or in the forest. It was pointed out that this way of working could be harmful to the family.

One effect is that families in hardship, occupied by everyday survival routines, simply do not have the time or strength for any planning, and neither do they have time to think about leisure activities.

Respondents further indicate that plot production is important for most people:

Small towns are still alive due to home production of food. The land feeds. Everyone here is low paid.

(Interview with social worker, mono-town, 2011)

I don’t know what we would have done if we had had to buy food, we have everything; we don’t buy vegetables, we’ve got eggs, chicken of our own.

(Interview with young mother, village, 2011)

It happened to be a difficult period in the autumn, we used to live on home food and used to buy only milk and bread.

(Interview with young mother, mono-town, 2011)

There is a trend towards fewer people getting food from their plot, from 49 per cent in 1998 to about 32 per cent in 2007 and 20 per cent in 2015. Having a plot seems to be more important the more children there are in families. This is indicated in the SDMR surveys for all the three years 1998, 2007 and 2015. But the trend towards decreasing reliance on plot production is also clear. For example, while two-thirds of families with three children or more relied on a plot in 1998, the figure had fallen to 43 per cent in 2007 and further fell to only a third in 2015.
We also hear about the use of other natural resources:

We have our land, garden. We grow vegetables ourselves, we pick berries and mushrooms in a forest. We make jam, pickling mushrooms. A subsistence agriculture.

(Interview with a father, mono-town, 2011)

**Exercising rights**

With reforms ordinary people gained some new rights while losing others. For example, they received the right to start businesses or private farming, but they lost the right to get a job, along with different rights to services they had been entitled to in the Soviet time. The new poverty phenomenon opened up a role for social workers as a new profession along with resources allocated to social services (Iarskaia-Smirmova and Romanov 2002). Interviews reveal that those who are entitled to social benefits are active enough to claim benefits and show how families try to fit the official criteria for the poor:

I have many friends and all of them qualified to get benefits, applied for them and got them: benefits, subsidies, children’s food. No one was refused, there is nothing bad in getting benefits, why not take what is offered?

(Interview with an entrepreneur, mono-town, 2011)

Respondents also provide examples of employees who have turned to the trade union to claim support in the form of sanatorium vouchers, compensation of employees or special help with repairs:

They get a salary, but it’s not enough for them. For example, a cleaner, her workday is shorter, but still she works and earns 6000 rubles per month plus bonuses. But if she needs to install gas consumption, and she has no husband, she is divorced and her house is cold. She wants to install gas fire, asking for help, and we help her, give money etc.

(Interview with a trade union leader, mono-town, 2011)

Some of the respondents who lost their jobs describe how they exercise their rights to get an unemployment benefit by registering at the employment service. The low unemployment benefit, however, means that they work illegally in order to survive, rather than using their rights to get assistance in job-seeking and requalification which could improve future possibilities. It happens that such behaviour is even promoted by staff from the unemployment centre who say they
’look away’ when they observe those officially unemployed trading on the market, because as they explain:

Everyone knows the unemployed have no choice. One can’t live on unemployment benefits.

(Interview, mono-town, 2011).

Respondents however indicated that it is maybe not the poorest who claim their citizen rights (for example the right to get support from “the young families programme” to building the foundations of their own house).

**The use of relations**

The majority of respondents recognised the importance of financial support between relatives. Some of them provided examples of how a person or a family gives away resources when their relatives are in urgent need of help, while the same person or family may accept help when their own situation turns worse. Respondents describe how relatives help in different ways: it can be occasional or regular, payment of a loan, food sharing, help with children, and, for example, cohabitation after divorce.

I provide only food for my son, and the rest, for water or gas consumption . . . all that is from parents, they pay and feed us. They also pay for a loan on my car. I don’t help them in this case either. Sometimes they buy pants or a sweater for Vanya, my son.

(A young mother living with parents, mono-town, 2011)

Some respondents mentioned that their friends helped them to look for jobs or sponsors, but perhaps more importantly they provide moral support:

Well friends – they can give only moral support. Of course if there are some troubles with my son, for example to fetch milk, I asked my friend Lena, she drove and brought it to me. Well, there are some presents friends gave to my son, toys, many toys. We have bought only a few of them ourselves. The godmother or friends or relatives give presents.

(A young mother, mono-town, 2011)

Results are summarised in Table 3.5. As we have seen, families in vulnerable situations could find a few strategic opportunities to improve their situation. However, even if social networks such as kinship are vitally important families are vulnerable if somebody disappears. As earlier research shows, the most vulnerable social groups, as a rule, experience lack of social and even kinship networks, while inclusion into social networks gives a person a feeling of social security and moral support (Teodorovich 2009).
As supported by earlier research on poverty and isolation (see i.e. Shubin 2007; Salmi 2006; Benda-Beckmann 2010), those who lack support from parents, relatives and friends, and moral support from the nearest surroundings, might face a particular risk of falling into the ‘poverty trap’ in the event of hardships. And, once inside the ‘poverty trap’ they tend to fall into other traps.

**Strategic agency**

There are also those who are able to improve their situation through their own agency. For example, entering an educational programme or leaving the town to seek opportunities of professional development in the city. Sometimes one action leads to the next, or you combine different strategies. For example, moving to a village, becoming a foster family and using opportunities to take part in state programmes; one foster father established a firm producing cement rings for wells. Moving to a small town or a village and joining the young specialist programme, to get a house and a car. Going away to work in the oil fields and earn money, then come back and set up a business. Going off to work in the Siberian forest for some time in order to earn some quick money, then come back and build a house for your family.

**Business strategies based on households**

The privatisation reforms opened up the possibility for individuals to become owners of firms. This meant the possibility of getting access to capital in the form of bank loans, for those who were able to provide guarantees for loans (Schleunig 1998). The privatisation of property provided another opportunity to accumulate capital. In brief, there are various reform measures that each presumably

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**Table 3.5 Examples of different ways of meeting poverty**

<table>
<thead>
<tr>
<th>Coping</th>
<th>Strategic agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Economising</td>
<td>• Professional development</td>
</tr>
<tr>
<td>• Plot farming</td>
<td>• Investment in education</td>
</tr>
<tr>
<td>• Take extra job</td>
<td>• Education (for children)</td>
</tr>
<tr>
<td>• Be pluriactive</td>
<td>• Seek information</td>
</tr>
<tr>
<td>• Start to work, change jobs/profession</td>
<td>• Change jobs (and move to the city)</td>
</tr>
<tr>
<td>• Migration – loss of networks</td>
<td>• Vakhtovyi metod</td>
</tr>
<tr>
<td>• Subsistence entrepreneurship</td>
<td>• Entrepreneurship</td>
</tr>
<tr>
<td>• Apply for social benefits</td>
<td>• Join business club</td>
</tr>
<tr>
<td>• Borrow for consumption</td>
<td>• Use grants from programme for building private home</td>
</tr>
<tr>
<td></td>
<td>• Become a foster family</td>
</tr>
<tr>
<td></td>
<td>• Move to countryside and join specialist programme</td>
</tr>
<tr>
<td></td>
<td>• Borrow for investment</td>
</tr>
</tbody>
</table>
have provided possibilities for some people to prosper or at least have offered an escape from poverty by means of their individual or family’s agency (Sätre 2012). We hear about oligarchs, but there are also many ordinary people who started a business with small resources (Glisin 2002; Radaev 2001, 2005; Wells 2003). “Fortunately there are some honest entrepreneurs” (Interview, teacher and small entrepreneur, small town, 2014).

In our survey from two towns in the Nizhny Novgorod oblast in 2011, two-thirds of respondents stated that business owners among their friends and relatives are unable or just partly able to claim their rights as business owners. Interviews in another region tell about how small entrepreneurs have adopted various strategies in order to reduce uncertainty: diversification, gradual development, independence in borrowing, independence from larger firms, development of links with local development projects and non-reliance on the state. Interviews support the impression of collaboration within households as a strategy for business development, where income from one business is used to finance the development of other business activities within the household. For example, Zhanna developed her textile enterprise slowly, and did not invest in new technically advanced machines until there was enough capital within her own enterprise (Interviews, 2003, 2005, 2006, 2008, 2012). Some of the invested money in the textile firm comes from the husband’s cutting earnings (Interview, 2005). Zhanna was sewing on orders only, due to the limited buying capacity in the local community. These orders included ladies’ clothes, costumes and work clothes for firms as well as textiles, towels and tablecloths for restaurants. She said her expansion in the local community was limited by a lack of skilled staff. Her solution was to educate her staff herself. In 2008, she had opened a new shop in a town 400 kilometres away. The number of employees had increased to 18. She had also expanded her activity to the sewing of curtains and interior design. She learned these skills herself by attending special courses in the town.

In Tatiana’s family, all three generations within the same family contribute in the business. Besides the main agricultural business activity, selling meat, they were running a shop along with the processing of berries and mushrooms. Tatiana did most of the cooking, also for the daughter’s family, facilitating household work for the daughter, while also helping to take care of children. The father and the daughter’s husband were doing traditional men’s duties, such as driving and making furniture. Some work like picking mushrooms and berries was shared by the entire extended family (Interviews, 2003, 2005, 2006, 2008). In a few years, the gradual expansion had allowed them to employ three young persons from the local village (Interview, 2012).

Another “family business model” was a cheese business owned by a mother and a daughter. While the daughter produced cheese in her own kitchen in the city, the retired mother took responsibility for selling the cheese and other dairy products from her own farm. The mother, widowed at an early age and therefore the single mother of three children, always supported her family by means of various entrepreneurial activities. Since retirement, she continues with her business,
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and she works as a massage therapist as well. She was living as if in an extended family in a big, newly built house (after the old one burnt down twice) with homeless couples and former alcoholics, who perform different duties at her farm, for which they receive free housing, food and some pocket money. Her good friend who also has been a widow for many years is involved in the cooking (Interview, 2008).

A fourth example is a tourist enterprise that has been built up gradually, step by step (Interviews, 2003–2016). The first step was that a couple started a sports school, free for children. As teachers their salaries were paid by the state. This couple had previously run a shop in the village together with some relatives. Although they earned very little from this shop after paying salaries, taxes and repaying loans that they had taken in order to start the shop, some money was left to put into the development of a business within tourism. As they rented out the shop, they received money to build a house of their own to live in as well as other houses. The timber you need for building your own house to live in is free. This was the beginning for a tourism business which Marina managed to build up step by step. In thirteen years, nine houses were made available for rent to tourists. From the money they earned they have also been able to build a sauna, a café, and a building for administration and selling souvenirs. Gradually the ski and tourism centre was developed partly by state money and partly and increasingly with money from their own incomes (Interviews, 2003–2016).

A similar example from another region is a hotel and shop owner who started by selling oranges in the 1990s (Interviews, 2013–2014).

Strategies include the starting of several businesses within households or families and overstaffing to allow for taking care of household duties alongside the business. Some of the smaller businesses collaborate with each other. The ski and tourism centre, for example, orders caps, ski vests and pants, including embroidered articles, from the textile firm, while the owner of the textile firm and her family get free meals at the cafeteria of the tourism firm (Interview 2003). This is compatible with earlier research which found that extended families and personal networks had a crucial role in making post-socialism survivable (see McMylor et al. 2000; Pickup and White 2003; Ledeneva 2008).

Interviews reveal how some have been able to “start with two empty hands” and develop their businesses little by little, using timber or trade as capital for starting any business. Others have tried to get started by means of borrowed money. “You have to be brave to get started” and enter one branch after another “to ensure a more stable position” and “not put everything in one basket.” As one of the successful interviewees put it: “as the risk of failure is so big, in order to succeed, you have to start at least ten firms.” Yet another approach has been to engage in the field of public services, obtain a state employee salary and then gradually go into the private field. In most cases, several of the previously mentioned strategies were combined within households. A fact that reflects low trust in formal institutions, above all the enforcement of legislation and the possibilities of securing the necessary financial means.
Summary and considerations

To sum up, social and labour mobility appear to be especially important factors for overcoming poverty. Those families that have work and are socially active appear to often reach better results. Social connections prove to be important for those who are already poor or face the risk of poverty. Inclusion in social networks may give them new opportunities, stimulate their capabilities and help them to be active. Social networks offer information exchange, which is important for overcoming poverty. Labour mobility may give higher incomes when moving to better paid places and industries; however, it may also be a trap where low salaries do not really help workers over the threshold.

A fairly clear picture of the adaptive potential of poor Russian households is crucial if authorities are to develop effective policies for social support for those most in need. The 1990s in Russia were characterised by uncertainty and instability in incomes. Therefore, Russian households have diversified their activities to acquire any independent source of existence and continue to do so. Apart from salary incomes, they apply for social benefits, cultivate plots, and use help from relatives and friends. They try to push the boundaries between various means of survival, combining and intensifying them in order to avoid the situation where their welfare is strictly dependent on their current income. The resource potentials used by Russian households thus have a socio-cultural dimension. Trying to use the family’s accumulated resources along with accessible informal support networks in their everyday life might be heritage of the Soviet shortage economy. A high adaptability of Russians to the negative consequences of market reforms has arisen out of social connections and customary ways of behaving. However, the poor have less access to social networks, the most important aspect of social support that has helped to overcome difficulties.

Interviewees tell about using land in order to produce food for their own consumption and also to build their own house. This is about using ‘maternity capital’ or grants from the presidential programmes and having a capacity for manual work. But it is also about using rights to unemployment benefits and other benefits. Some respondents have mentioned as the most valuable resource “a good working family and a husband who does not drink.” However, many respondents also indicate that it is not enough to be active, while some of the poorer families are not able to break out of vicious circles, even if they work more and more. They try continuously to reduce expenses just to cope, and they are particularly vulnerable to any changes. Their income enables them to satisfy their most basic needs. They have enough to eat and to purchase cheap clothes, but they do not have any resources that could be used if their current income situation worsens. These resources include real property, savings and social resources as well as qualitative human capital that could be mobilised if there is a need. In effect, this means that they are vulnerable to any changes and that they are in danger of entering vicious circles of an endlessly worsening situation. Interviews reveal that families living on the edge of poverty do not have time and energy for long-term strategies. This underlines the need for supporting structures. The supporting role of public
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authorities is especially needed when poor people themselves take actions. We will pay more attention to the role of authorities in the following chapter.

The fact that it is visible that some people are able to break out of poverty (by their own actions) makes it interesting to study what strategies they have used. This tells us something about the effects of reforms and consequences of social change. The analysis of strategies of change means that you focus on agency, which in turn feeds back into social change, challenging existing norms, changing the space for actions, imposing effects on societal development. On the other hand, coping behaviour should be associated with acting within a given space, adapting behaviour which tends to keep to existing norms, preventing societal changes. This can also tell us something about processes leading to a continuation of poverty, how and why processes of poverty are started, when and how they are leading to and reproducing patterns of poverty, and when it is possible to break out of such vicious circles.

Earlier research shows that Russian households in need try to use alternative possibilities for survival, providing for oneself and mutual assistance. However, the use of land to grow one’s own food, the exploitation of family property assets and receiving help from relatives and friends are not always available to such households, because of their lack of material and social resources.

Conclusions

Transformation after socialism created large income gaps and removed social safety nets for ordinary people in Russia. Old societal structures have disappeared and workplaces are not obliged to provide housing, child care etc. as in the Soviet time, while individuals have to pay for services that they did not have to pay for previously. Low wages in non-priority sectors in the Soviet economy is a feature that has survived to present-day Russia along with the continued heavy reliance on natural resources. While wage inequality has increased since the Soviet time, the legacy of the Soviet structure of wage relativities prevails. This situation is caused by a failure of the economic system inasmuch as the system has been unable to promote the development of the non-oil economy to be capable of paying decent wages. Continuously low wages and loss of social services has meant that expenses tend to be higher than incomes for ordinary people.

This chapter paid attention to existing attitudes, what strategies active people have and what are the links between them. Do people want to hide, do they protest or do they try to change their own behaviour? People have expressed the view that both society and the individual are to blame for poverty. If you blame individuals, it is usually connected with the idea of people being passive, not trying to do anything to change their life. To answer the question whether they are able to get out of poverty or not, we have looked into what kind of actions they have chosen: are they coping to survive or using strategies to actually change their situation? What have they done concretely? The data highlights that. I also show the process explaining why people are not able to get out of poverty no matter how active
they are. The importance of resources and agency is clear, it is both about what resources they have and their ability to use them, to transform them.

A large portion of Russian families is close to the edge of poverty; younger families and families with many children are closer than others. There is a large share of wage earners whose wages are below subsistence level, providing a significant indicator of hardship. The situation some people end up with is chronic poverty where expenses are constantly higher than income. In order to handle the gap people have used whatever resources they have, which means that some of them have exhausted their resources. Losses of wealth among the poorest is a tendency which means that quite a few are losing a buffer they have had for possible future difficulties.

What is left is your own labour power, and a tendency to work more and more in order to cope with a difficult situation. What is even more worrisome is that reaching this point makes people highly vulnerable. If something happens, it might easily start a downward fall.

To conclude, even if society is to blame, this does not mean that individuals cannot do anything to change their situation. But they need some resources.

Notes

1 The continued dependency on natural resources was reflected in employment patterns as well as in relative wages in the 1990s (Sätre 2001). In the first decade of the new century, average wages continued to be highest in the gas industry and oil extraction, and lowest in agriculture and the consumer industry (Rossiya v tsifrakh 2005, 107–109 and 2008, 122–124).
3 See Chapter 2, footnote 3.
4 See Chapter 2, footnote 19.
5 According to official figures, the accumulated assets of the Stabilisation Fund were more than twenty times higher in 2007 as compared to 2004 (Rossiya v tsifrakh 2008, 33). The fund, which was established in 2004, was split into a Reserve Fund and a National Welfare Fund in 2008.
6 This is in line with repeated statements by the earlier president Medvedev in which he put more emphasis on the urgent need for development of small and medium-sized companies (for example in the news programme Vremiya on October 29 and 31, 2008). Statements on the need to limit the number of controls and promoting other attempts to remove bureaucratic obstacles have also been noted.
7 This is particularly evident at the regional and local levels as while the more volatile and unpredictable revenues from profits go to the regions, the more secure sources of income go to the state (see Thiessen 2006).
8 Income and profit tax amount to just about 1.5 per cent of total revenues (Thiessen 2006, 203).
9 In Putin’s speech to the nation before presidential elections March 2018, he said that maternity capital would be extended to 2021 and from May 2018 the minimum wage should be equal to the minimum subsistence level (so far, the minimum wage has been lower). In 2016, the minimum wage amounted to 6,852 roubles per month, while the subsistence level was set at 10,598 roubles for those of working age. For pensioners the subsistence level was set at 8,081 roubles and for children at 9,660 roubles in 2016 (Rossiya v tsifrakh 2017, 130).
In March 2017, Olga Golodets, the vice-premier for social issues in 2012–2018, declared that five million employed people live below the poverty line and that 10 per cent of the workforce receive wages below the subsistence minimum level. This, she remarked, is not acceptable.

However, in the public sector there is an attempt to increase wages of education and health care professionals, as expressed by a presidential decree from 2012. Contrafactual information however tells on cases that even if wages were raised, the work time was decreased, for example for teachers in some schools and universities, keeping the budget expenses intact. Such incorrect implementation reflects the lack of trade unions.

On the other hand, only 7 per cent see differences between urban and rural life as a major threat to stability, while 31 per cent said they think such differences provide no threat to stability. The figures on differences between Moscovites and provincial residents as a major threat to stability were similar.

Tikhonova (2011, 27) uses the term “low-income poor” (maloospechennie) ‘to typify those who’s position in the labour market is characterised by the fact that all they can offer to labour markets is their “ordinary ability to do physical labour,” which is not enough to provide them with an income sufficient for a good standard of living’.

Families were selected from those taking part in the previously mentioned survey in one of the mono-towns. Forty-three qualitative interviews were conducted in one of the two mono-towns. People were asked how they survive and how they try to act to overcome hardships, and what resources they use.

The most obvious division concerns the fact that strategic behaviour is connected with a more long-term perspective, while coping draws one’s attention to survival and the handling of hardships in the short-run.

Wegren shows that the daily calorie intake decreases with the number of children in a family (Wegren 2013).

As mentioned in Chapter 2 also the wealth share of the middle income group, to which 40 per cent of Russians are counted, has decreased, from 40 per cent in 1995 to 25 per cent in 2015 (Novokmet et al. 2017, Table 12a).

This was how individuals started to run their own businesses after the privatisation reform in 1993 (Interviews with owners or managers of firms in the textile, agriculture and dairy business, 2003 and 2005).

Most likely not formally registered in order to avoid taxes.

For a detailed account of her story, see Granberg and Sätre (2017).

This view was expressed by the female manager of a tourism firm (Interview, November, 2003). The husband of the woman running the textile firm makes money from timber-logging, besides helping his wife with her firm.

Two of the persons who were interviewed both in 2003 and 2005 talked about serious problems they have had; one of them said he had to hide in the forest for 2.5 years because of his debts (Interviews, November 2003, December, 2005).

Interview with a businessman who described how he built up a business “with two empty hands,” how he was cheated and lost everything and how he started all over again, October 2006. Kay (2006) has provided similar examples based on her own field work.

For a more detailed account of experiences of small entrepreneurs in Russian small towns and villages, see Sätre 2016, Granberg and Sätre 2017, 62–93.
4 State in social policy

The Soviet system of social support

The Soviet system of social support could be characterised as a universal job guarantee combined with low controlled prices and a state-run retirement system and social insurance system. The direct welfare role of employers involved the provision of non-cash benefits. The most important benefit was housing. Soviet enterprises often constructed housing for their employees. Large firms also maintained child care centres, polyclinics, cafeterias providing subsidised meals, and a system of subsidised health and recreational facilities. Firms further took measures to reduce the negative effects of the general shortage situation on their employees. Some workplaces provided waiting lists for the purchase of cars and consumer durables. It was quite common for workplaces to maintain small retail shops and to organise the purchase of services for employees (Braithwaite 1997).

In the Soviet time a formal system of payments existed to target orphans and disabled people. Public transfers also existed for old age, loss of breadwinner payments, student stipends, sick leave, maternity leave, birth grants, funeral grants, supplements to single mothers and to large families. Already in 1947 a pronatalist birth grant along with bonuses for three or more children was established (Braithwaite 1997). The supplement for under provisioned families was a way of providing means-tested support for poor families with children. This was adopted well before the clear slow-down of the economy in the late 1980s and the subsequent demise of the Soviet Union. In 1991 a system for family allowances was introduced.

Distribution of social support after the Soviet time

In the 1990s in the aftermath of the perestroika process, the pressure on social welfare provision increased considerably. The poverty phenomenon put pressure on the resources allocated to social security (Iarskaia-Smirnova and Romanov 2002). Officially, the distribution of financial social benefits became the main means of regulating poverty after the Soviet time (Ivashinenko 2014). However, rather than targeting the ‘most needy,’ support was a form of compensation for increased costs (Round and Kosterina 2005; Zubarevich and Gorina 2015). That

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subsequently led to a decrease in the number of groups eligible for welfare provision. Efforts were required in the sense that benefit recipients started to have to apply for benefits themselves from social services. Decentralisation has strained regional budgets by shifting expenditures from the federal budget, and this has contributed to large differences between regions in how social assistance affects poverty (World Bank 2016, 122). According to the World Bank, only a minimal share of social assistance programmes goes to the poor: in 2014 only 25 per cent of all beneficiaries belonged to the bottom 20 per cent (World Bank 2016, 116).

Across Russia, the sudden emergence of large-scale poverty in the 1990s was exacerbated by the fact that the social welfare programmes inherited from the Soviet Union were inadequately focused on deprivation. Social benefits were generally universal, for example pensions, or else awarded to particular groups of the population on the basis of merits or special needs, for example to military veterans, mothers of large families and disabled people. A significant amount of support was provided in kind or as discounts on services, rather than cash. The notion of “targeting” state financial resources to individuals on the basis of material need was unfamiliar, and existing welfare programmes thus could not cushion shocks to income and well-being during the 1990s (Klugman 1997; Lokshin and Popkin 1999; Yates 2004). In the 1990s regions coped in various ways. Although some experiments with means testing were undertaken, few regions developed measures that reached the new poor created by the transitional economy, the unemployed and the households with declining wage incomes that fell below the poverty line (Cook 2007). Russia confronted the challenge of reforming its social protection systems in conditions of limited budgetary resources. Also, resistance to change appeared from a range of stakeholders: public protests broke out across Russia in 2005 when the government attempted to replace a range of subsidies and free benefits for pensioners, veterans and other groups with cash payments. Except for demanding the retention of benefits and privileges as manifested in these protests, Russian society has had little voice in social policy change (Cook 2007).

The poverty phenomenon of the 1990s led to increased resources being allocated to social security but also laid the basis for the professionalisation of social work (Iarskaia-Smirnova and Romanov 2002). In the year 2000, social policy issues started to be discussed more widely than before. Public commitment was made to a reduction of the high income inequalities through better pensions, the elimination of wage arrears and the targeting of benefits to the poorest rather than the ‘middle class’ (Saarinen 2012). There were still barriers to shift in prioritising the poor. The continued delivery of social policies through the workplaces meant that social support was channelled to those who were relatively better off – thus further increasing rather than decreasing inequalities (Tikhonova 2004, 11–12). Just as the retention of surplus labour in the large organisations kept unemployment under control, it contributed to rising inequality between employed and unemployed in Russia. However, the 2015 SDMR survey reports that workplace benefits, although they still exist, are in general no longer that important.
Social policy as reactions to poverty

Russia has used budgetary reserves from energy incomes to raise pensions and social payments at regular intervals (Zubarevich 2015). Such moves as increasing pensions by 35 per cent in 2010 ensured that real disposable incomes actually rose, despite the economic downturn and inflation in the years of financial crisis. Wages for teachers, librarians and cultural workers have been raised. Regardless of their employment status, all individuals are eligible by law for a basic pension and free health care. This principle of universal coverage of the provisions is combined with a low level of the provision (Rivkin-Fish 2005). Welfare has been financed by oil and gas revenues rather than income tax revenues (Gaddy and Ickes 2015). This means that access to welfare services is not conditional upon formal employment and personal contributions. This also implies that individual taxpayers are alienated from the state and that government bureaucrats are not accountable to taxpayers. Another problem is the large illegal working force, consisting of people who are outside social programmes.

Increased attention to poverty was reflected in an increased share of the federal budget to social policy, from 2007 to 2013 (Zubarevich and Gorina 2015, 7, 11–12). Up to 2012, expenses for social policy in Russia were adjusted to inflation rates (Ovcharova et al. 2015, 2). From 2013 to 2015 adjustments were not done even though inflation rates were increasing (Biryukova and Bardanyan 2015, 2–3). Nevertheless, despite the falling GDP, leading to considerable cuts in most budget expenses for 2015, the federal budget for social policy was increased in nominal values.

In 2007 to 2015 major reforms were initiated, for example, the ‘maternity capital’ reform, the foster family reform and the social enterprising reform enabling delivery of social services by non-state actors. The ‘maternity capital’ reform (Federal’nyi Zakon No. 256-FZ 2006) came into force in 2007. Its stated aim is to encourage women to give birth to a second or even a third child by providing families with a substantial financial incentive. In addition to the state support system come the regional programmes, i.e. subsidies for families, for their living and for education, and extra roubles for a third child. Families can also get land for free to build homes. It is important for local administration to be active in order to get any federal funding for these programmes. This funding is mostly based on the system of local co-financing.

There are also many documents demonstrating the size of the different benefits, and depicting their adjustment to compensate for price increases. Social services provide information to groups entitled to support about their rights. At the same time it is evident that hierarchical structures in social services have many negative effects. One such effect is that recipients have low trust in authorities (Shlapentokh 2006). Also, there exist problems of enforcement as, for example, it appears that it is difficult for social services to allocate help to the neediest. The poor have to apply for benefits themselves, but many do not fulfil the requirements
Federal and regional programmes

In 2005, the Kremlin launched national programmes aimed at developing centre-regional cooperation to be implemented by the governors (Smyth et al. 2007). Individuals have to apply to take part in these programmes. Although it is difficult to tell to what extent the programmes have actually been implemented, interviews with low-income families have revealed that they have benefitted from participating in the foster families programme, young specialists’ programme, programmes for building private homes, programmes for young families, the programme for setting up businesses, etc.

Even if questions of development and problems of poverty are far from solved, it appears by and large that the development policy has had some positive results. Federal funding has been flowing down to the local level in several ways. Between 2007 and 2014 building activity experienced a boost in many small localities, including family houses as well as larger buildings for veterans and workers. In addition to new houses, even more renovations were under way. Also, larger building areas on former state farmland have been taken into use. With varying priorities, roads and pavements have been repaired, and schools and houses of culture have received their share of increased state funding.

Some social policy programmes have been especially important for local development. Young professionals get subsidies when they settle down after their studies in rural areas – including central settlements and small towns. The foster family programme has enabled many married couples to take foster children and to earn a moderate income in relation to local conditions, making it possible to renovate and often extend their house. Also, kindergartens are being built again in small towns and villages, after a 20-year break.

Funding increased when the National Priority Programmes started in 2007 and continued until 2014. Interviews describe families using the possibility to get a grant to build their own house from the federal programme for young families. Respondents typically mention how important the help from parents or relatives was when they decided to build their own house. To use the grant for building your own house, for example, you typically need help from people who are prepared to work for free as the grant does not cover the cost of labour and building materials (as the grant is for building the fundament of the house only). This help concerned assistance in building or financial help, as well as providing a room to live in or taking care of the children while the family was temporarily homeless.

Parents still help us. For example my father-in-law, he’s a carpenter. He helped to build a house for us. We didn’t hire any builders.

(Interview with a father, mono-town, 2011)
We also heard about families using the ‘maternity capital’ to improve living conditions, for example by building a bathroom. Others have improved their living standard by using the grant for building their own house:

A friend of mine, they are rebuilding their grandmother’s house. He works on weekends and on weekdays he builds, for three years already.

(Interview with a family, mono-town, 2011)

Respondents however indicated that it is maybe not the poorest who claim their citizen rights (for example the right to get support from “the young families programme” for building the foundations of their own house).

But there are also programmes that a village or a community can take part in, which could reduce poverty in an indirect way, such as improving roads, renovating houses and building a sports centre. A local head tells about how he manages to keep the young people in the village by providing them with jobs through taking part in such programmes (Interview, urban village, 2013). A vice-mayor in another community describes how unclear rules from above make any long-term planning difficult (Interview, community centre, 2012). She likes the idea behind the law on self-governance, but as funding is so poor, hopes are focused on putting in some small money from the community budget and getting ten times more back from the region.

Another example is the mayor in a rural community and the director of cultural affairs, both women, trying to encourage agency by advising people how to apply for funds for projects (Interview, community centre, 2003). Similar activities are reported in another community, and also at later visits, when officials promote cultural activities, education and local development groups, to make people more self-confident, thus achieving a change in the mentality of people towards seeing possibilities and taking action (Interviews with local vice head, community centre, 2011, 2012). Local politicians are actively taking part in starting cultural organisations, trade unions, and women’s clubs. They also promote the establishment of social NGOs, which are used for applying for money from welfare funds at higher levels (Sätre 2014a).

Interviews reflect how female politicians have initiated social projects, cultural activities and small businesses in villages. One example is the project “House of Culture” which is visited by children from distant villages. A vice head reported that she had been able to get support from a charity fund for a youth project directed towards those from problem families (Interviews, urban village, 2011–2012). Another female head told how they try to participate in all the state programmes (Interview, suburban village, 2013). Interviews also support the assumption that local authorities are able to mobilise the resources of local entrepreneurs for combatting poverty in Russia. This is about local politicians making use of their own human capital, as well as improving the skills of the local population through projects and educational programmes (see Sätre 2014c).

But there are also places which are not doing well at all. A local politician emphasises that differences on the lowest political level are wide within one and
the same district. “Some do not have any money of their own, due to the lack of firms. This means that they have to live just on subsidies which are inadequate.” One head tells me that she uses her own salary if the budget is not enough (Interview, May 2011). I hear about another local head who is crying over the miserable situation in her villages, and how she already spent her own salary on urgent matters.

In 2012, a vice-mayor responsible for social policy emphasises that poverty is the responsibility of the state. Social services decide who is entitled to support, who is classified as poor (maloimushchie), and thus how to distribute benefits; this money comes from the federal level:

The community can pay for transport to the hospital for somebody from a distant place or for a pregnant woman, given that the person is classified as entitled to support. We build houses for social living and pay for weak elderly people. Then we have programmes for preventing infant mortality, and for the rehabilitation of mentally ill children, for which we can get support from rich individuals or firms.

(Interview, community centre, May 2012)

This particular district participated in 54 programmes in 2014 (Interview with deputy, September 2014). However, in 2016, the vice-mayor for social affairs said that they do not participate in any new programmes as the funding for such programmes have decreased:

The most interesting time was in 2011–2012, at that time we were able to modernise schools, child care and summer camps. In those years it was possible to make priorities, but now there are no such possibilities.

(Interview with vice-mayor, April 2016)

Resources allocated to poverty relief in one form or another have generally, however, been insufficient; social benefit payments do not cover basic expenditures. It appears that social policy has not been primarily devoted to combatting poverty, neither at times of economic growth, nor during times of crisis. Although the National Priority Programmes included resources to social policies in Russia, they were not really about improving the situation of the poor. Birth grants are, for example, contingent on child-bearing only. Policy changes further increased birth grants and family allowances, incorporating clear incentives for second and third children. The Maternity Capital programme is perhaps the most important ingredient. Above all, the National Priority Programmes and demographic policies have entailed new interventions in employment, housing and health care in order to reach the state’s demographic goals (Cook 2011; Chandler 2013). These national policies are targeted towards women, young children and families across Russia. It is difficult to judge whether these programmes are to the benefit of the poor. There are, for example, those who argue that the maternity capital reform has benefitted mostly the “middle class” in the cities (Borozdina et al. 2016).
However, our field work provides evidence that local populations in villages and small towns have benefitted from federal programmes, and not least from the maternity capital. Differences exist between communities as some programmes – for example, the programme for young families – require participation and even co-funding of local authorities, and their activity varies from one community to another.

The social benefit is easily documented in terms of how it should work. Interviews have provided a picture of problems of implementation. Another kind of social support is the social centres and/or rehabilitation centres that are run by social services. However, the number of sanatoria, resort establishments and recreation organisations have decreased (*Rossiya v tsifrakh* 2017, 156). The number of children visiting sanitary camps has been going down since 2010 (*Rossiya v tsifrakh* 2017, 164). A new federal law from 2015 allows the outsourcing of social care, but the consequences are to be seen later at the local level (Tarasenko 2018; interview, leading officer 2015).

It appears that the social services finance summer camps visits for the vulnerable groups, for example children from families with many children, or from poor families (*maloimushchie*), foster families or families with disabled children (Interview with leader of foster family club, 2017). Social services in a small town also provide support in the form of free access to a meeting room for the foster family club. Another example is that a rehabilitation centre for pensioners was made available to members of the foster family club (Interview 2017). They also organise meetings between the foster club and the veteran club, and joint activities at celebrations, e.g. ‘Mothers’ Day’ or ‘rest days.’ However, as the social services has also been affected by the financial crisis, the foster club cannot count on other support besides some “small candy” from social services this year (Interview 2017).

### Regional redistribution

The economic system included also other elements besides social benefits that had an impact on poverty. One important component is the transfers between regions and administrative districts. The Russian administration is paying two levels of socio-cultural expenses, both by the federal level and by the regions. Around 75 per cent of social policy expenses (including, notably, pensions) are paid by the federal state. The regions have to finance the main part of health and education expenditure themselves. Social policy seems to have contributed to decreasing inequality between regions. There are a few reasons for this. Most pensioners were poor and benefitted from a reform leading to higher pensions (Zubarevich and Gorina 2015, 11–12). The lower pension age in the north of the country indicates that a large share of the additional funds went to northern parts of Russia. Also, wage reforms, which increased incomes to public sector employees might have contributed to reducing wage inequality as the share of public sector employees is high in regions with a shortage of other jobs. The social benefit system also includes various benefits, which tend to go to poor regions. However, only a small
part of benefits are targeted to low-income families; a subsidy for accommodation plus a minor child benefit of about 100 roubles per month per child, and since 2013 additional monthly payments for families with three children or more (Zubarevich and Gorina 2015, 51–52). As a whole, Russian regions have been converging in terms of all living standard indicators: incomes, salaries and wages, poverty rate and consumption, especially in 2005–2015 (Zubarevich 2015, 189).

Transfers were rather stable in monetary terms during 2013–2015 (ibid.). Although the value of social benefits had been reduced by inflation, at that time there was no clear effect of the economic crisis to be seen at the local level as to social expenditures, according to our interviews in four different regions. Neither did we hear about any dramatic impacts of sanctions, although ordinary people apparently were affected by the rising prices and the lack of some products in shops.

New reasons to get social support?

Interviews at the social services in three regions tell about the formal procedures which define what you have a right to if you are classified as poor, a family with many children, disabled etc. There are also many documents outlining the size of the different benefits, and describing the adjustment to compensate for price increases. Social services provide groups entitled to support with information about their rights.

The picture that is given by the interviews with social work specialists is that families with children are the most strongly affected by the transfers of responsibility for social welfare from the state to individuals and families.

When I started working material help did not exist. . . . In 2008, 2007 there were more pensioners, pensions were smaller, and subsidies were not accounted for, they were less. Now pensions have increased, and the pensioners’ living standards are higher. Ordinary families have their total wages and salaries divided for all members of the family. So, families with two minors, single mothers – they constitute a larger proportion now.

(Interview with social work specialist, regional capital, July 2010)

This is compatible with general tendencies in Russia. Interviews further reveal that new groups of poor come to social assistance centres to ask for support. Many are working on wages too low to cover their increased expenses and either face chronic poverty or the risk of falling into severe poverty.

While interviews with social work specialists reveal that people seeking assistance apply for different reasons, they do not provide a clear picture as to what extent social benefit payments correspond to or compensate for such losses in entitlements. One social work specialist expresses the view that problems are related to an increasing need for cash:

I would like to emphasise that the difficulties are related to the affordability of such commodities as a television or a refrigerator. We do not have absolutely
poor people. There’s a budget which is calculated every three months and which defines the poverty threshold.

(Interview, July 2010)

Another social work specialist describes how people who applied to social services are “at the opposite fringes of the socio-property hierarchy – either they are relatively well off, or extremely poor, without a permanent address, or homeless”:

The first group are mothers with many children and war veterans who apply as they are entitled to certain support as they belong to a certain category, and who consider interaction with the social services relatively painless. The second group apply in extreme situations, when put in extreme conditions, on the brink of survival. One needs to take into account the season: in autumn and winter it is cold, and they need shelter, more nutrition, and in the summer life is easier, so we have fewer visitors

(Interview with a social work specialist, July 2010)

The social work specialist emphasises how people easily fall into this second group if something unexpected happens:

If we only speak about the notion of people in need, then when people find themselves in a difficult life situation – long and complicated medical conditions, loss of health, extreme situations, natural disasters, fire, and – the elementary one – loss of work, they join this group.

(Interview with a social work specialist, regional capital, July 2010)

One social work specialist emphasises how young people were affected by the global economic crisis in 2008:

We have more families with children and single mothers among our benefits recipients. A lot of people have lost their jobs. Changes are related to age. Loans were taken and so forth.

(Interview, July 2010)

Interviewees give the impression that social work specialists believe that parents (mainly mothers) are the main source of help to young families with children:

Very often when families live together with grandmothers – grandfathers, the latter are income providers because their income is stable – their pension has steadily increased.

(Interview with a social work specialist, July 2010)

**Experiences of a social worker**

Natalia, a social work expert in one of these regions gives a picture of the situation in a small town (Interview, community centre, 2013). The social services have an
office in each main village. Those who get support from social services are families with children and single parents. Their number has not changed, it is more or less the same as five or ten years back. Social services work only with those who apply for benefits. They pay for child care and school lunches, sanatoria and medicines for orphans and families with many children.

Orphans from the children’s home get a free meal, and also help after they finish school. They are given clothes and a flat when they turn 18. They pay only 10 per cent of the fee for summer camps. Single parents can send their children to summer camps for free. There is no longer any children’s home in Natalia’s community. One has been turned into a rehabilitation centre, where the children should stay only temporarily. Another one had been closed a year ago, because in accordance with the new policy, children are to be placed in foster families. The foster families get a rather small salary, along with a sum for food and petrol, for each child. These children can visit the sports centre for free. They can for example borrow skates there. The children can also go to the art school for free, and can get help from social pedagogues at school. There is also free advice from legal experts available for these families.

Natalia tells how festivals, sponsored by private organisations, aim to reach children and youngsters from poor circumstances. Nine operations have been financed by an individual duma delegate. Money has been raised to help people who have been subject to some unfortunate event. A further method is the exchange of toys and clothes. Social services collaborate with the job centre and the church. Social workers often develop personal relationships with the families they help, which means that they sometimes help privately if the relationship is good. On the question of who is poor, Natalia says:

It is those who do not have enough to eat. The reason could be that they drink, but also that wages are so low. Salaries within agriculture are not enough to support three children.

(Interview with social work specialist, small town, 2013)

**Enforcement of rights**

The interviews with aid-seekers indicate that some of the problems they face are related to the functioning of institutions. Maybe the relevant laws exist, but their enforcement is not working well. Alternatively it could be that laws prove to be inconsistent, which was not uncommon in Soviet times (Braginsky and Myerson 2007). At that time inconsistent plans were part of “taut planning,” which may have fostered an attitude that it was possible to fulfil only the most important plans, given that they were ranked as high priority (Davis 1989). Another side of this was the attitude among people that you did not expect that you were actually protected by the law (Shlapentokh 2006). Interviews, for example, with a man suffering from epilepsy, provide examples of a low faith in authorities, not seeing any point in applying for support no matter what ‘rights’ he might have on paper: “Why, me getting help from social services, ha, ha, ha” (Interview, city 2012).
A young single mother, who thinks that the amount of help offered by state social services is insufficient, expresses her negative attitude towards social services:

Sure we get milk and food for my son. We also get a 100 rouble benefit, it is such a funny sum of money. And to get that you should gather tons of references, proving you really need it. Experts of the agency came to our place to check our housing conditions, if we are really poor.

(Interview with a young mother, mono-town, 2011)

Unclear rules along with a lack of health insurance or workplace insurance are problems related to the working of institutions. This is reflected in sad interview stories by individuals who feel cheated when they are not compensated in cases of accidents, thefts, storms and fires. If people do not believe that they are protected by the law, they blame bureaucrats or individual persons working at the social assistance centre rather than systemic factors.

Both benefit recipients and social work experts provide evidence of perceived arbitrary treatment and a perception that the poor do not get access to assistance regardless of what ‘rights’ they have ‘on paper,’ which supports results of earlier research (Round and Kosterina 2005). Many types of support depend on income, but “if you happen to be just above the threshold, you are not entitled to support” (Interview, social work expert, regional capital, 2010). Interviews reveal a view of benefit recipients’ rights to obtain certain medicine for free frequently being violated, presumably contributing to the uncertainty that some of the recipients have talked about.

In 2011 Tamara, a local head in a rural community, described how she was a witness to the problems people have. She signs the documents they need to get the required status that entitles them to support. (Interview, village, 2011).

There seems to be a difference between the distribution of money, on the one hand, and the distribution of in-kind help. The latter kind entails a more personal contact. While entitlements are formed by national laws, welfare praxis is formed on the local level. One aid-seeking man expresses his low faith in the local level and asks for “a strong hand from above” (Interview, regional capital, 2010).

The impression of arbitrary or unstable enforcement is supported by the observation that the subjective evaluations of the general public appear to differ from the official definitions based on income (Kalugina and Najman 2003). The World Bank report writes about how medium-level social allowances are paid to relatively rich people rather than to the poorest ones (World Bank 2009, 21; World Bank 2016, 116). A mentality of poverty being blamed on the victim contributes to providing an impression of arbitrariness (Shubin 2007; Round 2004). This impression is strengthened by the share of female households being greater among the officially poor than among “self-rated poor” (Iaroshenko 2010). Earlier research shows that this distinction is due both to gender preferences in social policy and to the fact that women more readily acknowledge economic distress and ask for
help than men (Ashwin 2010). For similar reasons middle-aged men appear to be over-represented among “the non-deserving poor” (Kay 2006; Round 2004).

Thus, if enforcement is perceived of as being arbitrary, this might indicate that the attitudes of social work specialists can make a difference. If these are of the kind that encourage agency and collaboration, this could have an empowering effect. If however attitudes of social work specialists are in line with traditional Soviet norms of blaming the victim, the fact that they can take decisions on their own might prevent openness towards agency and collaboration to combat poverty.

**Local solution in hierarchical decision-making**

The social security system is constructed on formal hierarchies of decision-making prepared to deal with benefit recipients according to their categories. As mentioned, income is not the sole basis for deciding about support, but benefit recipients’ homes can also be visited in order to get a better understanding of their standard of living. There are cases of children being taken away from their parents as a result of initiatives from a social work specialist. Hierarchical decision-making is likely to impede or slow down taking social workers’ views into account.\(^7\) In broad terms, the Soviet system might be characterised as having prioritised industrial development over social infrastructure.\(^8\) Concentrating on the formal aspect, while industry was completely integrated in the state system of planning, social services were only partially integrated, leaving social issues partly outside of the planned target system to be dealt with in the informal sphere (Lapidus 1975). Those responsible for social issues were left to look for entrepreneurial solutions outside the hierarchical structures for planning. Social welfare services were likely to have had insufficient resources in the Soviet time and after that they continued to face the same situation (Iarskaia-Smirnova and Romanov 2002).

Rules on benefits are regulated in documents, indicating that also agency is determined from above. As an example of this, one social work specialist describes how there are “two different types of benefit recipients.” The first type are those who either come because they have a right to support as they belong to a certain category or because they are in need of help. According to the social work specialist, for this type of benefit recipient, agency is not relevant. The second type of benefit recipients would be those who ask for temporary assistance. In this case, the social worker argues, the situation is different; it would be worthwhile to support such a person, given that this person actually “tries to make ends meet” when they have temporarily lost a job and are actively trying to retrain as soon as possible. So, the message is that this person can get a subsidy to pay the rent provided that he or she gets a new qualification and gets back to work. Agency is interpreted with a top-down perspective, where officially set conditions are imposing a particular form of agency.

Interviews give the impression that social work experts try to comply with the legal framework and that they try to follow directives from higher levels. One consequence is that some social work experts devote most of their time
to categorising people with the help of more or less sophisticated calculations of what people are entitled to, rather than helping people to change their situations. Sometimes there are problems of an administrative nature such as the fact that a husband is registered in another place. Social work specialists mention various problems in present work practices (interviews 2010–2016): ‘There is too much paper work’ (Interview, city, 2010). ‘The shortage of child care is preventing people from earning incomes, as those who work don’t get places for their children in kindergarten’ (Interview, small town, 2013). One social work specialist expresses the view that the minimum standard of living is far too low:

I am ashamed that the child allowances are so low and that the only subsidies we can offer people in need are very low.

(Interview, city, 2010)

Some interviews reflected desperate attempts to cope with a difficult job where resources are inadequate to support those who are entitled to it. For instance, one respondent said she tried to help disabled people and disadvantaged families she visited to change their life situations, but this was only in her free time (Interview, social worker, regional capital, 2012). The resemblance to situations in the Soviet system of having to deal with difficult tasks by means of informal solutions is apparent.

Another social work expert, however, mentions that they will not refuse to give moral support. There also seem to be many programmes around to help families, directed according to specific categories of recipients. Social work experts describe how they work to strengthen families, and how this work is facilitated if there are educational activities at hand. “A plan for each family” sounds like solutions could be different depending on needs, rather than dependent on what category families belong to. Education and sanitary measures to improve health would help families to take care of children. Interviews tell about how letters are written to firms and farmers to ask for material help or money. This is mainly for New Year’s presents or for other celebrations, she says. Outside of her job she has started a club for families with disabled children. “If we can’t afford needed measures, we write projects.” (Interview, head of family department at social services, small town, 2013).

A social work specialist feels powerless and cannot make a difference. Another social work specialist seems disillusioned by the fact that they cannot help everyone, while giving examples of people really in need of help. An example she gives is a woman with three invalids in the family who asked for help to repair the roof of her house, which had been damaged as a result of a storm. The only help they could provide was to advise the person to write to the governor of Nizhny Novgorod oblast!

There are examples of staff being innovative and entrepreneurial when their allocated resources have been insufficient to carry out their obligations. One social work specialist told us how she perceived herself as being the link between
the decision-makers at the top, who decide about distribution to the needy, and the benefit recipients:

The services that are required most of all are subsidies for food and medicines, ways to cope with loneliness. We have a social rehabilitation centre Vera (Belief) – we work there not only with children, but with parents as well. We provide legal consultations, explain the law, and help with various documents and paperwork. We also keep a record in a special register, and if we for whatever reason cannot provide them with the services they need we write to other organisations which can help. We also have four outreach local centres which are located as close as possible to the residential areas where we help with applications for subsidies – for example – or with information about pension entitlements, benefits, and appointments.

(Interview, regional capital, July 2010)

One social work specialist talks about their struggles to allocate services that are in short supply such as child care and housing to the poorest, preventing those with money being first in the queue:

The most required services are social support in various forms, social payments and subsidies, housing benefits, which do not apply only to the families at the top age level group but in the younger generation as well. I mean families with children before school age. It is not a secret that communal charges are very expensive. The state allows these families to have part of these charges compensated. As these are expensive costs for families, we have a lot of people coming to us with this issue. We have a legislative basis and procedures allowing us to provide this support, and we do our best to fulfill these requests and to provide this service. For example, in the case of the summer health campaign – many families need it.

(Interview, regional capital, July 2010)

Constrained capacity in social work

There is a separate issue with vulnerable families where parents suffer from alcohol or drug addiction:

Families who became dependent on state benefits – they don’t want anything, they just want to get the benefits to use them on alcohol or drugs. We have such families, they are part of our DESOP database – this is a special database, which includes children from these types of families. We work with these children in a special way.

(Interview with a social work specialist, regional capital, July 2010)

It is suggested that education as well as sanitary measures to improve health would help families to take care of children. Such examples show that the social work
specialist has an objective to help people to help themselves, to find a solution for getting out of their difficult situation, at least when they have serious problems and need to get up from the ground. Such an approach implies a widened possibility, not limiting judgements about support strictly to official incomes.

In any case, the more acute situation in the 1990s was reflected in the fact that social security could give mothers contributions directly into their hands (Interview, vice-mayor, 2008). “This kind of immediate help is no longer given, as people are no longer starving.” (Interview, vice-mayor, 2012). On the other hand, there are new groups who have been able to buy on credit but who are not able to repay their loans, who have lost their jobs or other stable source of income or for other reasons are in need of material support. One social work specialist says she wonders what some people live on.

Interviewees express the idea that social workers have difficulties to meet the needs of supported families. They have ideas about how a particular form of support could be used for a particular kind of agency. This argument is compatible with the view that the local administrations are not competent enough (Richman and Struik 2001). Iarskaia-Smirnova and Romanov (2002) have highlighted how low competence levels give the profession a largely administrative character, where social workers administer the distribution of social benefits according to specified instructions. On the other hand, Round (2004), Iarskaia-Smirnova and Romanov (2012) and Iaroshenko (2010) all provide evidence of how social work specialists actually make their own judgements about to whom to give support, given the inadequate resources they have at their disposal. Taking into account deficits in training for the kinds of decisions social workers do have to take, it is not strange if a person takes decisions compatible with existing norms and where individual attitudes rather than professional judgements will guide a particular social worker. Possibly such habits of finding ways to cope could be transformed into constructive approaches so as to find solutions based on collaboration with benefit recipients.

To conclude, social work experts express disillusionment about not being able to help the poorest, they feel powerless and they feel that instructions from above give them little possibility of coming up with alternative solutions to organise their work. What they express is that they can influence the allocation of help, but not its content. Nevertheless, interviews indicate that social work experts might be prepared to take initiatives in order to end up with better outcomes. Some of them have ideas, and they even experiment with some ideas, among others on how to empower poor people, but their own agency and capability is constrained.

**Persistence of attitudes towards poor people?**

An argument against possibilities of empowering poor people is associated with attitudes towards poor people. One body of work provides a critical view arguing that the state has deliberately chosen not to see poverty as a problem (Round and Kosterina 2005). Others focus on the tendency among social work specialists to distinguish between deserving and non-deserving poor as a way to cope with inadequate resources (Kay 2011; Round 2004; Iarskaia-Smirnova and Romanov
2012; Iaroshenko 2010). A third group argues that it became socially unacceptable to be poor after the chaotic years of the 1990s when it was considered legitimate to be poor (Chebankova 2010).

Some social workers appear to hold the opinion that benefit recipients do not want to work, or that they are simply predetermined to be poor. As one social worker put it:

‘Professional’ poor – they exist, they even teach their children to ask for bread near shops. There are about 300 people who simply don’t want to work, they bring us proof year after year that they don’t have any income.

(Interview, regional capital, July 2010)

There are however somewhat contradictory views on the ability of poor people to do something themselves. On the one hand poor people are considered “helpless victims who cannot do anything themselves”:

I really don’t know. A very common stand now is that somebody must do something for them, and what about themselves.

(A social work specialist, July 2010)

Some social workers express the view that the poor have themselves to blame:

They don’t want to work. If they try they can do it. Because if you decide to do something, you can get what you want. But this desire has declined.

(Social worker, July 2010)

The preceding examples show evidence of views that some, the victims, are deserving poor, worthy of support, while others are non-deserving, a result which is compatible with previous research (Round 2004; Iarskaia-Smirnova and Romanov 2012). By statements such as: “Others demonstrate frustration, irritation, aggression, an attitude characteristic of socially inadequate, unsuccessful clients” (Interview, July 2010), social work specialists express the view that some benefits recipients are unworthy of support. Such statements reflect a survival or revival of the norm from the Soviet time that poor people are unworthy of support as they do not want to work, or they are just lazy or incompetent (Khlinskaya Rockhill 2010).

Interviews reflect the view, however, that also in 2010, there are deserving poor. Some social work specialists express the opinion that they are proud of what their centres are providing, where they also see letters from thankful clients as a positive feed-back for what they are doing. One social work specialist declared satisfaction at having used up all their money, indicating that this showed that they performed well. Another said she felt ashamed that the child allowances were so low and that the only subsidies they could offer people in need were very low. Her view was that the social security system uses up more resources than they give out, indicating that the money put aside for social welfare could be used in a better way.
To conclude, although some social work specialists distance themselves from a “blame-the-victim” mentality and are open to constructive approaches to meeting the problems of poverty, these approaches are more about helping with a top-down perspective than being based on empowering people.

The effect of benefits

From coping to agency and empowerment?

Sen has connected agency to the issue of empowering people. According to this idea social service should seek ways of empowering people. This requires agency of the benefit recipient based on his or her own perceptions of what they need. The aim in this approach is not only to answer to actual needs of a resource (money, roof etc.), but also to identify the kind of support needed to transform resources into goods and services.

Interviews reveal that agency means different things to different people. Sometimes there is a tone of despair or apathy in how benefit recipients relate to agency:

You start by getting up from the sofa.

(Interview with male benefit recipient, regional capital, July 2010)

Sometimes understanding of agency is linked to Soviet traditions of letter writing to authorities (see Carlbäck 2005; Turbine 2010).

If you can’t do anything else, you can always write a letter to the region or to Putin.

(Interview with a young aid-seeking woman, July 2010)

There are also examples of how claiming a right rather than begging might in itself have an empowering effect:

I applied only when I got to know that I qualify for help.

(Interview with a male benefit recipient, July 2010)

Well, money only. Virtually ‘peanuts’ – they would give 100 or 200 (roubles per month), I don’t know exactly. I asked my wife – is this money? She – well, it’s something, isn’t it, let’s take it anyway. I agreed, but I still don’t think that it can be called ‘help’ or money.

(Interview with a male benefit recipient, July 2010)

The payments are virtually nothing, very small. But it is really difficult now. Very difficult. Just difficult. So I would like to get at least something from the state.

(Interview with a male benefit recipient, July 2010)
None of the benefit recipients mention the possibility of initiating common actions with individuals with similar needs. Neither, it appears, did they get such advice from relatives or friends, nor do they know about such experiences around them or in a general sense. They have considered the possibility of applying for grants for starting networks or groups. One should perhaps ask to what extent it is realistic to expect that poor people are likely to do that. As an aid-seeking mother with many children puts it: they do not have any time for engaging in such activities. Then one should reflect upon who is likely to take the initiative to start a network (Clarke 1999). The route to poverty might, for instance, make a difference (Shireen 2004).

Nevertheless, some interviewees reveal that they receive informal support from other sources than the official ones and that their informal networks are important sources of information about entitlements and services. The idea of using a network for helping themselves is already there. One tendency is to use new networks of mutual social support, based not so much on the principles of remote kinship, but more on friendship and common interests. This tendency is characteristic of some younger people who share the same life experience such as those who were raised in orphanages or who are mothers with many children.

I receive material assistance from friends, less from other organisations, but I can’t give percentages.

(Interview with a female benefit recipient, single mother, raised in an orphanage, July 2010)

Sometimes it is indicated that there is a special service they would prefer, such as being able to send their children to a summer camp, getting medicine or an operation:

Well in my particular situation I am applying for the milk and food supplement for my child. If the state is ready to provide this particular service (the milk), I would not refuse it.

(Interview with a young mother, July 2010)

Such specific wishes could also be seen as a form of agency, where the benefit recipient could be involved in decision-making about possible solutions. If social assistance centres become aware of the fact that a few benefit recipients ask for the same thing, they could encourage cooperation between them. Maybe the social assistance centres could help young mothers to create the meeting places they are asking for, where they could get access to information and exchange experiences. Maybe there is an empty building they could use, a grant for equipment they could get, an employee at the social assistance centre who could help to organise and/or help with documents and other administrative matters?

To start with, we can observe that individuals who visit social security offices prove that they are capable of some form of agency by actually taking the initiative.
Second, the fact that they actually visit the office shows that they believe in the possibility that they can get help. As long as people come to claim what they believe are their rights, this provides witness of some form of empowerment (see also Iaroshenko 2010). However, this provides little knowledge of actual empowerment processes of poor people in general as previous research also indicates that the poorest and most in need of support might not come to ask for it (Round 2004; Iaroshenko 2010). A considerable part of social transfers has gone to families without recognition of ‘needs.’ This is valid for both occasional social services and regular payments.

How important are subsidies for poor families?

A general picture of the effects of subsidies against poverty in 2015 is received from the SDMR survey. According to the survey, the differences between the employed and the unemployed with respect to difficulties being able to afford durables are not so big. It is however more common that those receiving unemployment benefits cannot make ends meet and cannot afford to buy clothes, which also might be taken as an indication of the low value of unemployment benefits. Unemployment benefits are simply not big enough to compensate for income losses from losing a job. Only 1.74 per cent of respondents received unemployment benefits in Russia in 2015.9

When it comes to child benefits, similar patterns can be extracted. The same opinion prevails: child benefits are according to interviews so low that they do not make an important difference to the quality of life of families with children. In 2015, according to the SDMR survey a little under 13 per cent received child benefits in Russia, that is, only those who are classified as poor (maloimushchie). In rural areas the percentage is slightly higher, 15 per cent. Around 10 per cent of the population receive state benefits from the community, about 6 per cent get disability benefits, while 6 per cent receive benefits to buy medicine.

Looking in more detail at those who have been able to receive maternity capital, survey data indicate that this benefit matters. It is clearly indicated that respondents who received maternity capital had lesser problems in buying clothes and durables. Another observation is that also the poor are able to get maternity capital and also families in all settlement types, an observation that does not confirm the assumption made by some scholars that maternity capital is mainly used by ‘the middle class’ (Borozdina et al. 2016).

There are higher proportions of those receiving pensions in villages, around 30 per cent, than in other settlement types (20–22 per cent).

Families with 1–2 children received a lower share of the child benefits in 2015 than in 1998 and in 2007. On the other hand those with three children or more received child benefits to a higher extent than earlier. Such observations support the view of increasing priority to providing support to families with many children in recent years.

Benefits from the local or federal level to families with two children or more were more common in 2015 than in 1998 or 2007. This is probably explained by the programmes implemented between 2007 and 2014.
Families with children are clearly among those who stated they had experienced a worsened situation in 2015 as compared to 2010, but interestingly such a reduction in the standard of living was reported more commonly among those with one or two children than among those with three children.

About 25 per cent state they have received benefits from the federal or local government since 2008. The share was lower in 2007 as compared to 1998, but the share was higher in 2015 than in 1998. Those who have received benefits still say they have difficulties to afford clothes and durables, possibly an indication of the generally low value of the benefits. The same result is seen with respect to pensions. Pensions are in general not high enough to cover needs for clothes and durables. Similarly, neither are the benefits for purchasing medicine. Nevertheless, about a third of respondents said pensions and benefits are important sources of income.

Another survey (an RLMS-HSE survey) covering the years 2003–2015 confirms that the effectiveness of family benefits has been low. Although benefits for children under 18 months were increased in 2007, Kolosnitsyna and Philippova (2017) found that the role of family benefits in supporting family incomes is negligible. Almost 30 per cent of poor families with children under 18 months do not get these benefits. The fact that child benefits may be perceived of as an indicator of poverty can possibly contribute to explain the low take-up of child benefits programmes (Kolosnitsyna and Philippova 2017, 24).

Changing priorities?

Some reorientation in government priorities, with an increased priority to families with children, has been reflected through a few pieces of legislation introduced during 2013–2015 in order to increase support to families with children. This increased priority is based on the need to increase birth rates and to solve the problems of social orphans (Gorina 2017, 3). This has meant increased benefits to families. Of major importance is probably the extension of the maternity programme. Subsidies are also distributed for housing and various forms of child benefits. Many of the benefits are small, but together they represent a considerable contribution to family incomes, especially for families with three or more children. These are distributed according to category, and not based on needs, and as such not primarily to the poor. The aim to reduce child poverty is about solving the problem of social orphans by, on the one hand, increasing support to families in connection to the birth of a child, and on the other to increase support to families who step in to take care of bringing up children who do not have parents or whose parents have lost custody over their children. The generous lump sum benefits announced to foster families adopting children with disabilities, siblings and children of older age groups provoked a rise in the number of their family placements. This might have also caused an increase in the number of returns into the children homes in the following years (Biryukova and Sinyavskaya 2017).

But there is something of a contradiction here, which is due to the downturn of the economy implying restrictions on expenses directed to social policy. This
is about the increased effort to also direct support to the neediest. The minimum subsistence level, along with its components and ways of calculation is set by the federal level, while it is the regions that are charged with the responsibility of securing these payments from their own budgets.

According to new principles adopted in 2014 for 2014–2017 support should also be reoriented from general support to those below the poverty line (adresnaia pomoshch). The policy is implemented by regions, but due to financial deficiencies in 2014–2015, this has led to other kinds of adjustments. In effect, the normative rights to support have been changed; the list of responsibilities that should be covered by social support has changed, conditions for measures have become stricter and decision-making processes concerning the size of payments have been changed. The concrete changes vary between regions, but in general terms this is about stricter conditions for being entitled to support. In Arkhangelsk region, for example, according to a social work specialist, the minimum subsistence level has been reduced from 13,500 to 10,000 roubles in 2016 (Interview, social services, December 2016).

The change to targeted subsidies has meant a cut in social transfers, while also reducing the number actually entitled to support. In addition, inflation is no longer compensated for, there is no indexation. Interviews with foster families indicate that their benefits are not protected from inflation either. On the contrary, it seems clear that they have also been affected by general cost increases (Interview with foster family, Arkhangelsk oblast, April 2016). By and large, only a small percentage, 7 per cent of total sums for social support go to targeted groups (Moskovskii finansovyi forum 2016, 5). This is not surprising given the extremely small amount of money that actually is paid in the form of child benefits etc.

The state and socially oriented NGOs

The number of NGOs was growing all through the 1990s, but many commentators have noted that doors have been closing again after Putin’s access to power along with new legislation in 2006 and again in 2012 and in 2014, which is reflected in a decreasing number of NGOs (Cook 2011). After the 2012:121-FZ law on “foreign agents” was enforced, NGOs using foreign funding faced an increasing risk of difficulties with authorities. Therefore, they became more dependent on domestic funding. A kind of compensation was that the Presidential Administration increased its capacity to distribute presidential grants (Chebankova 2012). As an NGO leader expressed, in order to be able to get grants one has to make sure to enter the ‘right’ NGO list – meaning not to enter the list of foreign agents (Interview with NGO leader, regional capital, May 2016).

Increased control from above suggests that it has become more difficult for bottom-up initiatives to provide social services, given that they are not likely to get support from the state (Interview with a lawyer, regional capital, December 2016). Some of the larger NGOs with roots from the Soviet period, such as the non-governmental organisations “for Deaf and Blind” and “for the Disabled,”
provide an example of NGOs who are accepted and supported by the state (Interviews, regional capital, October 2012; December 2016).

The increased effort to engage people in the ‘third sector’ or socially oriented activities is promoted by the Federal law No 40-FZ “On Socially-oriented NGOs” (adopted in 2010). It appears that, rather than increasing tax payments to finance social policy, citizens are ‘encouraged’ to contribute to the fulfilment of social aims in various ways (Obshchestvennaya Palata 2012). First, there are general measures to redirect NGO activities from politics or human rights to social welfare, through new laws regulating the activities of NGOs promising tax relief measures, fewer audits and less control. NGOs should contribute to ‘social help,’ emphasising the importance of being an active citizen in the social sphere, that is, a special kind of activism is promoted. Secondly, there are raised expectations of voluntary work, mainly by women engaged in the social sphere. Third, voluntary contributions to charity by businesses are encouraged on the basis of ethics and moral values, rather than through the use of monetary incentives (ibid. 2012). We will return to the role of NGOs in poverty relief in Chapter 6.

**Policies aiming at increasing birth rates and reducing child poverty**

The priority of family placements and the temporality of institutional care were inscribed into the Family Code (Family Code 1995: article 123.1). However, the process of moving children from children’s homes to foster families became more pronounced after the adoption of the Federal Law No. 48-FZ, “On Guardianship and Fostering” in 2008. The new policy implied that regions were directly instructed to develop mechanisms to reduce the number of placements of children in children’s homes. The foster care reform indicates a change in child and family policy, both in terms of increasing efforts to decrease child poverty and in terms of upbringing policies. Eventually such changes might lead out of the vicious circle where poverty feeds poverty. A new law from 2015 also states the aim that children should be returned to their biological parents and that those leaving children’s homes at the age of 18 should be followed up as they cannot usually manage. However, the practice of large institutions for people with deviant characteristics seems to be continuing with weak prospects for them to be socialised to life outside such institutions.

**Children’s homes and foster care**

The foster family programme aims to close children’s homes and to move children to live in foster families. To have a great number of children’s homes was a Soviet heritage, reflecting both practical needs and the high valuation of collective upbringing. The need for children’s homes was very high in the 1990s when poverty increased. Reports circulated in the media about street children in cities, Russian children were adopted by foreigners and children’s homes were filled with temporarily or permanently residing children. Many fathers died too early
State in social policy

and often parents as well as relatives lost their ability to take care of their sons and daughters.

Increasing numbers of children in children’s homes was followed by new legislation aiming to move children into foster families instead. The change in direction was fast. In 2012 the number of children in the care of foster parents or guardians exceeded the number in residential care in Russia, pointing to incremental change.

This reform has implied possibilities for many to improve their incomes, as besides the various benefits foster parents can get, one of the parents is entitled to a salary. With at least one salary in the family, it may be easier to start some form of business by the other parent. If you become a family with many children, you are entitled to participate in state programmes that give you land to build or renovate your own house. People in smaller villages seem often to be willing to take foster children, it gives them work and the possibility to continue living in these villages. With more children in smaller villages, the survival of kindergartens and local schools is promoted, and possibly other aspects of village development as well.

Fostering patriotism

The general problem of insufficient resources for carrying out the job, which as we have seen, many social work specialists have told about, sometimes implies that these women find solutions through their own actions. The line between controlling and empowering is not always clear. To keep control is about being able to do your job. For example, the school pedagogue describes how the school has both the duty to report problems to the authorities and the difficult job of trying to help families with problems. As one social worker said: “we have to take over the role of fostering people, the role that the workplaces had before” (Interview, family centre, regional capital, 2012).

Similarly, the line between empowering and fostering is not clear. Fostering means something else than in the Soviet time – no longer fostering in terms of socialist values, but it is about telling people what to do, how they should behave. Also here we can notice a change back to enforcing patriotic values. The connection between promoting voluntary work and patriotism is clearly noted in youth policies (see Hemment 2015).

Pronatalist policies aimed at strengthening and sustaining the nation through increasing the population was mirrored in the pronatalist reform from 2006, which promoted a patriotic ideal of motherhood (Chandler 2013). A stated need to restore an ethic of hard work and service, bringing together individuals with a strong state along with the promotion of the family as a social unit reflected the view that social problems were more deeply rooted in the values and ideas of people.

We see it in the child care centres, where symbols of both the state and the church can be seen. Combined with adherence to traditions in terms of culture, children learn to read poems by national poets, dance and celebrate ‘the patriotic war’ and the Victory Day from an early age.
Reflections on the policy of placing children in foster families

There are clearly a few problems that the system of care for children without parental care has not solved. These include how to handle repeated orphanhood, the placement of the children with disabilities and older children and the inadequate efforts to reunite families (Biryukova and Sinyavskaya 2017). On the directive that nine out of ten children should have been moved from the children’s homes to foster families in 2020, one respondent made the following comment:

How could we carry out the programme with the children we have at the children’s home, those of age 12–18 who are difficult to place in families, and who are returned from relatives or foster homes.

(Interview with director, sanatoria – children’s home, regional capital, 2015)

The policy change from children’s homes to foster families is clear. There are many good intentions as expressed in the new laws, but it appears that there is a tendency that these are more statements or directives, as they are generally not followed by resources for their implementation. Adoption is commonly promoted in the first place, it is the least expensive option for the government and some people can afford it. The foster care alternative is more complicated, although also cheaper than placing children in children’s homes. Critical voices express the view that the process has been too fast:

We have had too many sudden policy changes in our country, the foster family reform has to be followed up carefully.

(Interview with NGO worker, regional capital, 2015)

This reform is a revolution of our work, now there is a need for specialists who know about the rights of children, we don’t have that, we need to organise measures for families, but we have too few resources, and due to the crisis in our country we can’t count on more.

(Interview with professional at administration for protection of children’s rights, one of the districts of a regional capital, 2015)

One critical view regarding this rapid process is that children’s homes are closed too quickly:

There is so much on TV and in the media about unhappy children from children’s homes, this is unfortunate as it makes people not willing to work in children’s homes, where there are only children with a bad future, and makes their work more difficult which is unfortunate as there still are children who really need to be in the children’s home.

(Interview with specialist at a children’s home, small town, 2015)
There is criticism also towards not providing the remaining children’s homes with enough resources, making their work extremely difficult, forcing them to look for sponsors, which has become more difficult than earlier. Interviews also confirm difficulties to prepare those approaching the age of 18 to living outside the children’s home. “They are used to everything being done for them” (Interview with director of children’s home, community centre, 2016). “They can’t even buy bread” (Interview with specialist at a children’s home, small town 2015).

Some voices are critical of the inadequate support to families:

Policies should be more directed towards professionals helping parents, and to also help them to gather the documents, they need material, psychological and legal support.

(Interview with professional, administration for protection of children’s rights, one of the districts of a regional capital, 2015)

Critical voices are raised about authorities controlling procedures, both towards parents and foster families:

Control of parents or foster parents implies too much attention to material aspects, controlling is about whether they have a refrigerator and a toilet.

(Interview with specialist, charity fund for motherless children, regional capital, 2015)

Sometimes children are taken very quickly from biological parents, while in other cases where there are strong reasons children are not taken. One family lost their children because of a leaking roof.

(Interview with professional, sanatoria – children’s home, city, 2015)

One should be more careful about intervening, but those in charge (opeki) most likely have problems to sleep at night, fearing that children in some families will be hurt by a violent parent, but some leaders simply don’t care as long as figures look alright.

(Interview with specialist, charity fund for motherless children, regional capital, 2015)

Another issue concerns the ability of foster parents: “Most of them are relatives who failed in the upbringing of their own children” (Interview with professional at administration for protection of children’s rights, one of the districts of a regional capital, 2015).

Foster parents are not prepared, one course is not enough. The returning of children is a big problem, it is very stressful for the child, this is why educating foster parents is so important.

(Interview with director, sanatoria – children’s home, regional capital, 2015)
How could the foster families deal with children’s psychological problems, that they are not reliable or that they are sick?

(Interview with specialist at women’s crisis centre, regional capital, 2015)

Others are critical of the foster family policy because they question foster parents’ reasons for taking foster children:

I have a feeling that families take foster children to earn benefits, especially in rural areas. They take one, and another one, as a way to have a job. In general it is better for a child to live in a family, but where is the limit?

(Interview with specialist at women’s crisis centre, regional capital, 2015)

Conclusions

Russia has gone through some changes in social policy since the 1990s. First the state has tried to take over the social policy tasks from privatised state enterprises. Secondly, social work was established as a separate policy area. Thirdly, the foster family reform was made as a part of the child and family policy programme. An increased priority to families with children based on the need to increase the birth rate and solve the problems of social orphans can be noted.

The increased efforts made to engage people in socially oriented NGOs provides another sign of an increased attention to social policies in Russia. Rather than increasing tax payments to finance social policy, citizens are ‘encouraged’ to contribute to the fulfilment of social aims in various ways. There are raised expectations of voluntary work, mainly by women engaged in the social sphere, but also among youth. Patriotic messages are also used.

It appears that the Russian state has implemented new social policies which have given people opportunities to improve their own life situations, implying that it would be beneficial for them to be active. Such policies deal with poverty issues through developing welfare and improving life conditions in a general sense but are often directed towards certain groups; the young, families with many children and the like. Consequently, actors in the social sphere try to find resources, not only to cope with every-day problems of poverty but also to construct strategies based on participating in state programmes, to reach more satisfying circumstances in the future.

This is about the effects of hierarchical structures, low trust in authorities and problems of enforcement. It appears that it is difficult for social services to allocate help to the most needy. The poor have to apply for benefits themselves but many do not fulfil the official requirements.

The demise of the Soviet Union led to clear reductions in social services. Although social welfare provision has increased since then, the system for social policy is still fragile. The necessity of solving at least the worst social problems has been high, and as one solution the state and business have made new kinds of unwritten deals on combatting social problems and poverty. According to new
principles adopted in 2014 support should be reoriented from general support to those below the poverty line. However, due to limited resources in regions this has been combined with stricter conditions for the poor to be entitled to support.

As it became visible that some parts of the population have been able to pull themselves out of poverty by their own actions, the demand on people to take active responsibility for their own life situations increased. There are opportunities for the poor in Russia to benefit from national programmes focused on health care, housing, education and agriculture. However, these programmes have helped those who are already above the threshold and not primarily the poorest groups. On the other hand, the foster care reform and other reforms indicate a change in child policy, both in terms of increasing efforts to decrease child poverty and in terms of upbringing policies. Eventually such changes might lead out of the vicious circle where poverty feeds poverty.

The present social policy presupposes that neither benefit recipients nor social work specialists can influence payments as they cannot influence wages, nor the basic supply of welfare services. Focusing on filling at least some of the gap between incomes and expenses with subsidies rather than on empowering people to actively change their situation, this policy in itself leads us to the conclusion that it would be really difficult for poor people themselves to take actions to get out of chronic poverty. On the contrary, such an approach to poverty looks for policies that eventually would lead to decreasing poverty through rising wages.

Although it is difficult to estimate to what extent the national programmes have actually been implemented, interviews with local authorities and low-income families reveal that they have benefitted from participating in the programmes. These had impacts at least from 2007 to 2014, after which inflation and budget cuts have increased. Also, in the severe situation of 2014–2017 the government has kept social programmes running. Because of the decreased real value of budgets allocated to the local administrative level, the crisis is seen in longer queues for those who apply for such support.

Notes

1 Wages were to – according to the government’s plan from 2013 – continuously rise until 2017.
2 The funding could be used for three purposes: housing, children’s education or saving for retirement. The mother can claim the benefit when the child reaches the age of three. The right to receive maternity capital is given only once. It can be received only as a bank transfer, it is exempted from income tax and subject to annual indexation. In January 2015 the maternity capital amounted to 453,026 roubles.
3 http://programma-molodaia-semiya.ru/programmy. The federal programme is from 2010. One component is the programme for young families (up to the age of 35) providing state support in the form of a 30 per cent subsidy to young families buying a flat. Sub-programmes for young families have been worked out in the regions. A second component is the federal programme for comfortable living. The third part is a subsidy of 30–35 per cent for young families who want to build their own house.
4 The maternity capital programme was to be ended by the end of 2016, but it was extended to 2018. In a speech two weeks before the presidential election in 2018, President Putin announced that it will be extended to 2021.
State in social policy

5 State-NGO contracting on provision of social services has been adopted by European governments, and this experience was familiar to policy experts in Russia (Cook 2015).

6 Wage reforms concerned teachers and doctors in the first stage, then social workers and cultural workers in the second stage. In 2012–2015 wages in education, health and social services increased more than average in Russia (Ovcharova and Biryukova 2015b, 8–9, 14). As already mentioned, counterfactual evidence however suggests that reforms have not been fully implemented.

7 On the other hand, non-priority in the Soviet system also meant that those responsible for social welfare had to be entrepreneurial in a sense (Sætre 2001; 2012).

8 One sign of this is the low priority in the Soviet time that was attributed to social production and social services in the distribution of budgets (Voronin 2002, 53).

9 As noted in Chapter 3 official unemployment is around 5 per cent, so it appears that only a part of the unemployed receive unemployment benefits.

10 See footnote 4 in this chapter.

11 In 2015, about a third of state expenses for social support went to families with children without taking ‘need’ into account, while according to Gorina’s estimates based on data from 20 regions, about a third of regional expenses for social support was directed to poor families with children and to families with many children (Gorina 2017, 3–4).

12 The new law rendered benefits and services such as professional support and financial assistance, including foster parents’ salaries and monetary allowances for food, clothes and other related expenditures.
5 Social welfare and combatting poverty as a female responsibility

Women and politics

In Russia women are often in charge of social security. Women are responsible for social welfare from the top central level down to the local villages. This has been a clear female domain within politics since the early days of the Bolshevik government when Alexandra Kollontai, the very first female minister, became minister of social affairs in 1918. Since then women generally held this post, and it is also the case in post-Soviet Russia. Although it seems evident that policies within the social sphere must have changed in the aftermath of the general transformation and decentralisation processes, there are also clear patterns of how social welfare policies in various respects continue to rely on previous practices.

Women in politics in the Soviet Union

Women’s assigned responsibility for social affairs was manifested as a part of the general strategy for development. It was part of the politically strong emphasis on rapid industrialisation in the Soviet priority-driven model for development. Although they had been assigned this task earlier, it was not institutionalised according to the visions of the socialist society, expressed in the Lenin era. The idea of official socialisation of general household duties was not realised in practice. This was as important as the socialisation of work. Welfare connected to the workplace was considered important given everyone’s right and duty to work. It was difficult to secure welfare given the priority given to production, and the welfare provided by the workplaces presumably differed according to the position of a particular workplace among priorities as well.

Simultaneously, efforts would be made to alter expectations and behaviour so as to draw women out of the limited confines of private households into public life. In a series of early decrees, the revolutionary government proclaimed the full civic and political equality of women and their equal rights in economic life and marriage (Lapidus 1975, 93). The Zhenotdel was in charge of the task of bringing about the necessary massive transformation of popular attitudes, values and behaviour.

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Two different views within the zhenotdel

Two different views within the zhenotdel came to be distinguishable. First, there was the “feminist” view of liberating women from household duties, arguing for the disintegration of nuclear families. According to this line of thought, the role of women in society was emphasised, women were equal with men and also represented in the political sphere. The other view was built on women’s roles as mothers. Clements (1992) supports the view that there were two lines of thought within the zhenotdel; the question was whether to support women’s work, that is, women working in factories, and working-class women at large as well as peasant women. This was about concrete measures to improve working conditions or enabling women to manage their roles as female labourers who had families. These efforts resulted in, among other things, the creation of child care, and the selling of foodstuffs through the workplaces. The other main question the zhenotdel devoted attention to was engagement in the big struggle for how to develop society. This was about intellectually stimulating women. The task of the zhenotdel was to create the new woman whose defining characteristics were independence and activism. This was to be built by local organisations, and consequently at the local level (Clements 1992). Thus it might be argued that the general functioning of society in the socialist economy was left to women to plan for and organise. According to Clements (1992), the women who worked in the zhenotdel had a vision of a socialist future, although the means to achieve this diverged in significant ways from those articulated by the Party’s male leaders. The initial group of women who had begun to organise working-class women in the pre-revolutionary years, shared a deep commitment to drawing women into the Party and to creating the institutions that would liberate them.

Women had been mobilised into the labour force since the early years after the revolution. As a zhenotdel worker put it “Communism transforms woman from the wife of a person, into a person” (Clements 1992, 487). Women would be as fully involved in productive work beyond the family as any man. This presupposed a thoroughgoing transformation of her relationship to the family. The zhenotdel stressed the importance of the creation of local organisations as the means to communalising society. Decentralised means to achieve utopian objectives included child care centres and public dining rooms. Local organising where women themselves would build the communal institutions that would revolutionise the family and make “new women” possible. Women workers were encouraged to “pay special attention to the creation of new forms of socialised feeding, socialised distribution and socialised education, through which she will abolish the old family slavery” (Clements 1992, 492). Simultaneously, there was a general belief that the government simply did not have resources for such projects. Therefore the zhenotdel believed that women had to build the child care centres, public dining rooms, cafeterias and laundries themselves, often with funds raised by their own contributions (Clements 1992, 494). In 1930 the zhenotdel was abolished while at the same time it was declared that the emancipation of women had been accomplished.
Male utopians, on the other hand, were relying on centralised structures as a means to achieve communism, rearranging economic structures and producing as a result the social transformation of which women’s emancipation was a part (Clements 1992, 488). Building a centralised economy was believed to be the prerequisite for all other social changes. This meant that financial resources were put into heavy industry. Values related to loyalty and industrial production were considered to be of primary importance. The creation of the Soviet worker who was hard working and highly skilled became the primary concern. Values related to domestic life were considered less essential to industrialisation.

There were different points of view concerning women’s roles in society, struggling between ideological concerns and practical matters as well as what kind of political responsibility women could be entitled to. Arguments concerned whether gender differences were biological or the result of socialisation and different attitudes towards women; discrimination among women; differences in motives, or different capabilities, where male aggressiveness was considered more suitable for politics. National fatherhood was placed against social motherhood. Social welfare became a matter of values in public life that did not correspond to the valuations of men with respect to their own wives, comparable to Kay’s (2002) observation as to how women’s views on women’s roles in society differ from how they look upon themselves. There were also warnings of the danger of “feminine tendencies” opposing common class struggles, in 1923 at the twelfth party congress.

**The gendered labour market established and reinforced**

In effect, the first five-year plan, expressing the aim of forceful industrialisation and collectivisation implied a redefinition of organisational and political needs, which meant that the Zhenotdel was abolished (Lapidus 1975, 97). This implied that the institution which expressed the commitment of the Soviet regime to altering the status and roles of women disappeared, leading to a decrease in the resolutions and decrees directed towards women’s issues. From the 1930s onwards, policies towards women became a function of broader patterns and priorities of economic and social change which affected society as a whole. Male and female deputies had divergent occupational backgrounds: the female deputies were predominantly collective farmers, doctors and teachers (Lapidus 1975, 99). They directed their participation towards health, cultural affairs and public welfare. It appears that joint actions with women’s organisations occurred in the 1990s at all levels of government within the social security field. These were devoted to children, impoverished families, and the elderly. In effect, this focus of joint actions towards the social sphere was likely to reinforce the view that women’s voices matter only when they speak as mothers on behalf of the weak and vulnerable in society (Nechemias 2000, 205).

**Women of Russia – for Russia**

In the early 1990s, women’s organisations formed a pro-welfare party Women of Russia (WR) with a women-friendly agenda which favoured women’s interests
in social policy. This party gained influence especially in the 1993 election. It is believed that the political movement “Women of Russia – for Russia” gained wide support by stressing the task of restoring social benefits and placing high priority on social policy. It was felt that approaching women through family and children’s issues was the best way to advance their development, as it was thought that “the Russian society was not ready for the feminist movement and women’s issues.” As it appears, WR benefitted from the legacy of past experiences, previous well-established norms and traditions. Their extensive networks of grass roots organisations were associated with women’s councils. Yet they lost votes and ended up just below the required 5 per cent threshold in the 1995 elections. Amongst other things one explanation is attributed to their failure to deliver on promises with respect to social benefits. Another is the failure to reach out and work with independent women’s organisations. Achievements made in the early 1990s were cut back. Apparently, as women were losing ground in politics, attention to social policy declined after the 1995 election.

**Women responsible for social affairs**

Women’s representation declined in the two elections after 1993. Nechemias (2000, 210) points out a few factors that adversely affected women’s representation in the national legislature in 1995 and 1999: the divided women’s movement, and a political atmosphere that emphasised strong leadership and a habit of exhibiting concern for the women’s vote in a symbolic manner. Kudriashova and Koukarenko (2003, 5) emphasise the lack of unity in Russian women’s movements and the unwillingness of political parties and movements to work with females, as well as the conservatism of public opinion. They point out that in the first government after the 1999 election there was only one woman in the Russian government, who was responsible for one of the most difficult sectors; the social sphere. The divided women’s movement is well documented by Clements (2000), Lapidus (1975) and Nechemias (2000). The effects of the second of the factors, that of the desire for a strong leadership, implying a preference of fatherhood over social motherhood, is well reflected in the priorities of production over social security. While industry was completely integrated in the state system of planning, social services were only partially integrated, leaving social issues partly outside of the planned target system (Lapidus 1975).

The political representation of women decreased heavily in the 1990s (Kudriashova and Koukarenko 2003; Moses 2008). As in the Soviet era, women rarely hold the highest political positions. As a general rule, the more responsible the position, the fewer the women (Moses 2008). Female deputies from the United Russia by contrast took the view that there were no problems specific to women. This view is reflected in a general decay of societal interests within Russian legislation (Cook 2007, 164). In Medvedev’s period as Russia’s president, there were three female ministers in the government – the ministers of economics, health and social/culture – the latter two well within traditional female spheres. In 2018, there are only two female ministers. We find more women at the regional and local levels.
The dimension that sometimes is missing in the literature on gender relations in politics is that of the power relations with respect to industrial priorities. Most important are the energy-producing branches that Putin regained control over after the chaotic 1990s (Treisman 2010). While these are under the control of men in centralised power structures (see Gaddy 2007), many other branches which are not directly related to energy or military production are left to the regional and local levels to take care of. This means, for example that the production of consumer goods and social services fall under the responsibility of regional and local politicians who often do not have adequate resources for the assigned tasks (Thiessen 2006). Consequently, it is not possible to judge power relations solely in terms of closeness to central power, but instead, there are reasons to believe that power relations vary significantly between sectors as well as between regions (Chebankova 2010).

In their investigation of female participation in politics at the municipal levels in the Arkhangelsk region, Kudriashova and Koukarenko (2003, 6) show how the percentage of female deputies varies from 4 per cent in Arkhangelsk to 80 per cent in the Solovetsky district, supporting the view that women are in charge in sparsely populated areas, where there is little money, while men dominate in the most important parts, including the regional capital. They also showed that women are active in election committee work; according to their investigation the majority of people involved in the processes behind elections are women. They find that women are actively involved in forming state, regional, local authorities as well as NGOs.

In light of the above, it is interesting to consider the links among women’s varying roles in Russian society. Analysing developments in the 1990s and onwards, one could easily find striking similarities with earlier experiences (Nechemias 2000). Just as in the years around the revolution, in the early years of perestroika there were basically two different directions of the women’s movement to improve women’s situation in society. On the one hand we can see those who attempted to increase female influence in society, and on the other hand we can see those who promoted women’s traditional position, given their “natural” responsibility for the family and social security. In the 2000s, just as in the 1930s, the latter aspect of the women’s movement came to dominate the development. As in the Soviet Union, women continue to take the responsibility for social policy at all political levels in post-Soviet Russia (Clements 1992; Lapidus 1975; Moses 2008; Shevchenko 2002). This is illustrated through the following interviews conducted at the local level in 2003–2017.

Social mothers: combining politics and informal activity

Local politicians have faced the consequences of privatisation and decentralisation – for example, that a considerable part of the workforce is unemployed, an increased inequality and the state’s at least partial withdrawal from social affairs. Inadequate and insecure resource funding from the central level and limited possibilities to collect taxes from local firms and local citizens, however, has placed local governments
in a difficult position. As a result, some social issues have to be dealt with in the informal sphere. In line with the Soviet system people have had to look for solutions outside the hierarchical structures.

Earlier research has documented how women seem to take on the role of “social mothers,” as their duties include “taking care” of the village or the local community (Kulmala 2010; Salmenniemi 2008). My interviews with female politicians support the view that being “social mothers” is considered to be a female responsibility. In answer to the question about where women get their strength, a former female vice-mayor (Interview, 2005) responsible for social issues replied in the following way: “Women are focused on how to survive, they are not aggressive and they do not have to prove anything.” Another answer was: “Women have themselves and their own strength, they do not count on anything else” (Interview, vice-mayor, 2006). Another female vice-mayor emphasised how her grandmother had been her best teacher. From her she learnt how to bargain in various ways, when to be diplomatic, and how to avoid problems. She said: “It is about being able to talk in front of other people and to know your history. It is what you actually do that matters. As a Russian woman you are used to surviving, you simply have to. It is not about experience from your work life, training or education, it is an instinct, a habit.” (Interview with vice-mayor, 2008).

Local authorities have to rely on informal solutions (Shubin 2007; Adachi 2006). One such solution is to collect informal taxes, which could take the form of in-kind benefits such as social services and housing and also includes the creation of jobs (Gaddy 2007). If there are economically viable enterprises, local authorities may be able to successfully implement informal taxation strategies at the local level. Another form of informal taxation is when local authorities simply do not pay for services provided by local enterprises. It is also possible to interpret the payment of informal taxes as a sign of a continuing paternalism. Informal taxation could then be seen as a voluntary contribution, or as a component of some kind of partnership agreement between local authorities and local enterprises (Oganyan 2002). The existence of partnership agreements, in turn, indicates that local authorities should have something to offer local enterprises, thus potentially contributing to their economic development.

In a general sense it might be argued that these transfers of responsibility to the local level, sometimes with, sometimes without, adequate funds are in line with the overall priority given to structures of material production over social security. The state wants to have control over the priority branches, in particular those that are related to energy production, while the rest is left to the regional and local levels to care about. Simultaneously, the state wants to control the regional level by appointing governors, as well as the public chambers. State efforts to control NGOs is reflected in the amendments of the NGO-law in 2006, 2012 and again in 2014 (see Tarasenko 2015; 2018). The state desires broad control politically, while women’s organisations with social aims can operate with little or no interference from the state even if they are NGOs too.

Another norm that has survived is the active role of women in ensuring survival. Women who were used to finding informal solutions to problems during
the Soviet period have transferred the knowledge to secure survival in post-Soviet Russia. Through their non-paid voluntary work as well as through paid work in the social sector, they continue to be entrepreneurial in a broad sense. This means that women can be expected to continue to solve problems which are not their duties but that “fall between the chairs.” The continued “double burden” manifests itself not only in the economic sphere, but it is also reflected in politics. The reliance on women’s double attachments continues, including women’s roles as local politicians responsible for social affairs and their engagement in the women’s councils.

Women in charge of social issues and their implementation

Interviews with women working in local administration at the community level confirm how the strong norms established as an integral part of the Soviet system, as well as some new possibilities as a result of reforms, contribute to facilitate survival and development. They have to be active in order to secure possibilities for people to have a decent life even if there are no resources. This is confirmed by interviews from 2003 to 2017. One example from 2003 is how a mayor in a rural community together with the head of culture, both women, try to encourage entrepreneurship and local development by advising people how to apply for funds for projects. In another community, officials try to encourage the development of cultural activities, education and local development groups, to encourage people to be more self-confident, to suggest possibilities for action (Interview, female former vice-mayor, 2005). The women working at a local administration in 2005 describe how they are actively taking part in starting cultural organisations, trade unions and women’s councils. They encourage the expansion of the norm from Soviet times, that big firms take social responsibility for their employees, to include the local community. This phenomenon is confirmed by the work of other scholars (Granberg 2007; Shubin 2007; Kulmala 2013; Lazareva 2009).

In 2008, Natalia has been in charge at the lowest administrative level for eight years. She describes how she has to find ways to get hold of resources by asking for funds at higher political levels, by asking the local entrepreneurs for support or by mobilising local people to contribute on a voluntary basis, or she must engage in a process of bargaining. Natalia describes how decentralisation affects her own work situation and how difficult it can be at times. It seems clear that her job is not really about ideology or political strategies, but about finding practical solutions to peoples’ ordinary problems for their every-day lives to function.

Svetlana, the vice-mayor for social affairs comes to the interview from a lunch she had with the local vodka producer. She describes her working day in the following way:

A regular working day I have meetings with firms, as I find it important to support local producers. Then I have a meeting with those in charge at the poselenie level (the lowest level of political administration). Then I have
meetings with local residents. As soon as rents are raised they call me. There are lots of meetings with people about matters that are not working well.

(Interview, 2008)

They come to the community house, to her, to get some support, as evidenced by the number of people sitting outside her office waiting for her. Svetlana also related that she goes out to the villages to report about activities there and the villagers’ plans for the future.

Most difficult for local communities has been the implementation of new laws, which lack mechanisms needed for their implementation. As regards Law 131, for example, the distribution of responsibility is not clear. The community is expected to propose budgets for the *poseleniia*, and also to decide how much money they should receive from the regional level as well as from the state. Local leaders face the same problem when it comes to Law 121, on the monetisation of benefits, which used to be provided to different categories of the population according to some specific rules. Instead of the former services, citizens are now to be compensated monetarily. According to the vice-mayor, they have not received proper advice from higher levels about how to distribute such rights to deserving inhabitants, such as pensioners, war veterans, or disabled people, and because they are living in northern Russia. One such right is the possibility to go to sanatoriums, which in practice was available only to the urban population. This is a right on paper that was never actually realised for rural inhabitants, she says.

Another former vice-mayor, Valentina (Interview 2008) describes her job with responsibility for social affairs for seven years in the 1990s as her most difficult work ever; “all the drinking, thefts and criminality.” Women had to suffer, and her job was very much about defending women and children. At that time, there were strikes, because people did not get paid on time. Valentina had to handle desperate and hungry people. Due to the lack of money, people were paid in the form of bread, butter, or other products, such as furniture, lamps or whatever was available. With the help of a special committee, the vice-mayor set about collecting taxes and ensuring that firms actually paid wages. The priority was to pay wages first and only then, other bills. She had to organise the mobilisation of all forces within the community to combat urgent problems at all levels, to ask firms for support, to apply for funds, and to organise the police, fire protection agencies, and health care.

The results of the former mobilisation activities are reflected in developments. According to the vice-mayor, Svetlana, although priorities have to be set about how to allocate health services, among other things, they now have gas, timber, medicine and an ambulance. “There is timber, water collection facilities, ongoing construction, good equipment and resources available for improving roads” (Interview, 2008).

Interviews support the impression that although there are still hierarchical structures within politics, the increased responsibility for budgeting as a result of Law 131 has also been put into practice.
Having set their own budget, local leaders have greater power to implement measures. More people have gained access to hot water, some roads have been improved, and there are streetlights in some villages. And Natalia has received a new car. In the main village, twelve houses have received running water. The _poselenie_ is able to pay wages, buy furniture and pay for the painting of houses. They have employed a person who takes care of repair work. Having applied for and received funding from the region and the state, they are building a hospital. Natalia takes pleasure in her power to ensure that the new construction is steady and sturdy – and she admits to having argued with men about this. She says that the standard of living is considerably better than just a couple of years ago, but that some people are very lazy.

My interviews reflect how women working at the local administration have initiated social projects and cultural activities in the local communities. One example is the “House of Culture,” which receives children from distant villages. With the help of financial support from the regional level, women have created local jobs in sewing workshops and in cafés (Interview with a deputy at local level, 2008). There are also examples of how young people have been able to start their small businesses with the help of retired women. Earlier research confirms the importance of social networks and subsistence entrepreneurship for the survival of villages (Granberg 2007; Svensson 2008).

**Women’s agency to deal with their continued responsibility for welfare**

The capability approach to analysing poverty highlights relational aspects rather than incomes or ownership as such (Sen 1984). This means that exchange entitlements are highlighted. Social mothers’ ability to promote welfare development thus depends on their capacity to transform whatever income or assets they have into useful necessities for the poor. As a result of the low priority given to female-dominated sectors in state policy, women have had to develop entrepreneurial skills, and these skills have survived after the Soviet system (Sätre 2014b; 2016). Women use them in their formal positions as responsible for social policy and in informal positions, when taking responsibility voluntarily in social work. Adhering to North, this is about the survival of responsibilities and having an ability to find practical solutions to every-day problems. To act they need to have access to some assets, and also to be able to use these assets. Agency in one form or the other is required.

**The use of rights**

Interviews on local level verify the inadequate allocation of resources for assigned tasks as well as uncertainty of the rules for using these resources (see Thiessen 2006).

Nevertheless, reforms have implied that local politicians have rights to make decisions, they have the right to their own budget, to find funding from non-public resources, and make deals with local actors. Interviews give the impression that
local politicians at the municipal level try to use these rights, although hierarchical structures and arbitrary enforcement puts a limit on their implementation.

The hierarchical structure is reflected in the interviews with the persons in charge at the lowest political level. Natalia tells about how she has to solve each issue with the particular vice-mayor, thus heating and water have to be dealt with through the particular person in the community administration dealing with housing. To get the required money she has to go to the vice-mayor for housing:

> The old system of receiving salaries in an envelope means that you don’t get official incomes and thus no base for collecting taxes.

(Interview with local head, village, 2008)

One person in charge at the lowest political level also, however, emphasises that she feels more powerful with new possibilities to implement measures than previously. So, although “women continue to solve the problems that fall between the chairs as they did in the Soviet times” there seem to be more options now, and she is proud about her achievements in recent years.

The difficulties concerning the implementation of the new laws mean that they have to make decisions themselves at the local level, that is to say, if there are any rights to distribute. A vice-mayor, Elena, describes how the unclarity of rules from above makes any long-term planning difficult (Interview May 2012). She likes the idea behind the law on self-governance, but because funding is so poor, hopes are focused on investing some small money from the community budget and getting ten times as much back from the region. Although there are some possibilities to get such extra funding from above for certain projects, she wants to change from what she calls “a slump-wise development,” by becoming less dependent on central funding.

Contradictory rules also allow for arbitrary enforcement. I hear different stories of how local heads are fined, according to their own expression, arbitrarily and how they do not bother to go to court about it. When I asked a vice-mayor about the collaboration between the local administration, social security and NGOs, she called in five women, who represent NGOs with roots from the Soviet time. As one of the heads at the lower level put it: “As the state cannot apply for funding from the national programmes we have to mobilise the NGOs. This is facilitated by working in the villages, where everybody knows each other; the same people are involved in all the NGOs” (village, May 2011).

The conclusion to be made is that despite tendencies of surviving hierarchical structures and arbitrary enforcement of legal rules there seems to be a view that local politicians do have space for different kinds of actions. Within certain limits they are able to use their rights provided by reforms.

**Strategies towards firms**

We can identify three general strategies employed by local (women) leaders in their interactions with businesses. The first strategy consists of seeking voluntary
contributions from firms, either as a result of the initiatives of firms themselves or as a result of “begging practices.” An example of the former is building a church, which has taken place in numerous villages. Another example is a successful entrepreneur who finances various local projects within his native village, e.g. the building of a sports hall, the renovation of the house of culture, and the construction of a fountain. He also contributes to programmes that benefit children. An elderly woman who runs a dairy business contributes by opening up her own home to those who have lost work or are having other difficulties. They get food, shelter, cosmetics and some clothes, and in return they do some work for her, e.g. one of them is responsible for technical matters, another takes care of the animals. We might interpret this to be philanthropy, as some of the interviewees did, as a continuation of a tradition whereby firms voluntarily take responsibility for employees and, more broadly, the local population.

The “begging practices” entail contracting with entrepreneurs to provide employment and social services for their local villages. As an example, they might provide funds for funerals. Their rationale might be to improve ordinary people’s views on and expectations of entrepreneurs. Those who earn money are often considered to be criminals. If entrepreneurs wish to operate in the local context, it is presumably important for them to be viewed as decent men or women, who contribute to local development. The interviews revealed that this strategy works well with both small and large firms.

A second strategy for raising funds on the local level is to institute informal taxes, provided that the authorities have some power. Interviewees considered that this strategy works better with smaller firms. According to Marina, an entrepreneur within the tourism business, the local vice-mayor expects her to contribute to the community in different ways free of charge, and she feels obliged to comply (Interview, 2016).

Finally, local authorities might collaborate with firms to provide various services. Interviewees consider this approach better suited to the larger firms. For example, they might contribute to the celebration of Victory Day, providing coffee and presents at concerts. Firms do not usually provide housing and child care to employees, however, as they did in the Soviet era.

Combining politics and unpaid work

Another strategy for addressing social issues is to rely on voluntary work. It is difficult to see where the responsibility of the state ends and where voluntary work takes over. The former vice-mayor with responsibility for social affairs declared that she was the one who revived the women’s council. In 2008, the women’s council consisted of 15 women, most above pension age. The women’s council’s goal is to support families, and to take care of children who are not taken care of properly, to support the school, child care, and the women’s movement in general. The same women will also be active in local politics. The women’s council will work with applications for projects that would promote local development. This
work had already resulted in a new sports hall, and the repair of water sources
and local bridges. They have organised competitions, the setting up of a veterans’
council, and activities for the disabled. They have organised weekends for fami-
lies, and festivals. They have bought sheep for women to keep.

In the 1990s, within a period of two months, more than a hundred men died.
This caused the women’s council to act. Heavy drinking in the bus on the one- to
one-and-a half-hour commute to the forest-logging site was thought to be one
reason. Thus, they organised women to take turns going on the bus each day in
order to prevent the drinking. They also organised open village meetings. Those
who sold alcohol of bad quality were punished, and they did not get help with
firewood. And they shamed those who misbehaved, writing on the exterior walls
of their houses. The women tried to attract people to various activities; they organ-
ised competitions and all sorts of activities to redirect attention from drinking. So
women are in all instances active, trying to be creative and not to give up in hard
times. “Women have responsibility for the family and children, when men do not
have the strength, women organise village meetings on how life should be lived.”
Or as a local social activist put it: “In the villages women provide concrete ideas
and behind them come the men with their tool-boxes” (Interviews, rural com-
munity, 2006).

The same women are often chairpersons in the women’s councils. These are
often registered NGOs, although they are not bottom-up organisations. On the
contrary, their close ties with political bodies suggest that they are still like Soviet
top-down organisations. In 2006, the region’s vice-chairman in the duma, a
woman, was also the chairperson in the regional women’s council (Interview, city,
November 2006). Similarly, the vice-mayor was the chairperson of the commu-
nity’s women’s council. The fact that she replaced the former vice-mayor in both
these positions automatically as the latter reached retirement age reveals that a
top-down procedure was used. In any case, this means that the same women can
be in charge of the formal state networks of authority, when they have access to
formal networks as well as to the political hierarchical structures, as well as of the
informal networks, through the women’s councils. The survival of the women’s
councils since the Soviet era is reflected in the fact that older women continue
to be the active ones. They are the ones who work through the women’s coun-
cils without payment, and who are mobilised by female politicians. The younger
women are not as likely to join, something that in itself seems to suggest a break
with traditional norms.

This is further illustrated by the links between women’s roles in society in
another region eleven years later (Interview with three women from a women’s
club, city, November 2017). The woman who had been the leader of a women’s
club for 17 years in another regional capital, Olga, had been vice-governor with
responsibility for social policy before she retired two years earlier (Interview,
2017). Women of Russia has an agreement with United Russia when it comes to
social policies. There are also close connections between Women of Russia and
women’s organisations. In the city in question the leader of the Women of Russia
party is also the leader of the city’s women’s council. Olga depicts the close connections and how it works:

We inherited the women’s councils, which is a very good movement, from the Soviet time. We have them at the oblast level and within each district. They are very active, they take part in all the elections, in all kinds of charity and in societal work. There is a women’s council in our city, their leader carries with her women’s council practically the whole social sphere on her shoulders.

The women’s club is contributing, as well as all the other women’s organisations in the region. The members in the women’s club are more educated than in the women’s council. The women’s club takes the role of mediation, exchange of information and mutual help with the women’s council. The leaders of the women’s organisations form a network, they all work for free since many years back. It is generally accepted and expected that women take care of social responsibilities. Each of them has some kind of resource to contribute with, but unfortunately resources have eroded over the years. They do get grants for various measures, it is especially easy when it comes to families with many children (mnogodetnie) and children with disabilities. But these grants never cover their work.

Olga says she does not like politics as it is always a little dirty, she does not want to be involved herself, and she does not want the club to take part in political games. She knows well how it works from her long experience in working life. Nevertheless they cannot stand completely outside of politics, she says.

Lidia, who is the head of the children’s cultural centre is also the head of ‘the women’s parliament’ in this regional capital. She explains that the women’s parliament had recently arranged a round table for businesspeople on social responsibility, with the aim to make firms socially responsible. Most of the participants were women.

All the women’s organisations live on grants, which means that they have to be able to write applications or collaborate around common resources. They support underprivileged families and women to enter the labour market. Then the women’s parliament will arrange a Eurasian forum about how to unite all the women’s organisations in Russia. They follow the leading women’s organisations in the region to find out about their direction and how these organisations interact. In the city they also plan a women’s forum soon in order to unite the women to be able to solve contemporary problems. Included are the rural women’s council, and women who created psych-centres to help women in crisis. In this work they need the help of the head of the women’s club.

The women’s parliament has their own journal about social responsibility. But the money is finished, they have to find a sponsor. It is no longer possible to find a sponsor by putting your hand out, you need to get a grant! This is new and requires a new strategy; they have to mobilise all strength, to unite all the women’s organisations. There is now a women’s movement, which is something new, going across all of them, all through the women’s organisations. It is an
ongoing process, which has to some extent changed the direction of the women’s parliament which was started 20 years ago. That was another time! The women’s parliament arranged forums etc to support questions brought up by women in the duma in the city, but which were not listened to (Leader of women’s parliament, November 2017).

The women’s parliament gets a grant from the state, and also from the region. But competition is hard. Questions of equality are left to professionals, “there are so many specialists” (Head of women’s parliament). President Putin has stated that the regional level must put aside money to support women’s organisations, she says. As women’s organisations take on so many important issues, social issues in particular, as well as the control over these issues, they have to unite all strength to show that they actually are able to help improve our society.

There are so many questions that fall between sectors, between the social sector and medicine. There are so many standards that questions fall between. The women’s organisations have to take care of these! As Putin trusts us, counts on us, that we take it on! Of course they will give us grants for this! (Leader of women’s club, November 2017)

The leader of the women’s parliament tells about how some families/women have faced a very difficult situation, that they did not know really how difficult.

As we attract them, thanks to somebody’s efforts, we start analysing the situation. They have seen that we can help them, heard about us through some channel. We look for jobs or material help to distribute to these families, or we try to find support, for example the right to benefits.

But we also support cultural projects, for example a film project where children are heroes, about promoting human values in the upbringing of children, why you should help people around you, about conscience. Included are also young mothers in such support.

(Leader of the women’s parliament, city, 2017)

The leader of the women’s club emphasises that civil society associations do not get support from the state, even though it is possible to get some grant, at least this is what they hope for:

We do not count on grants or budget funding (never!), we say that women are independent. We are not poor, we want to contribute, doing something, and we do it. Nobody earns any money, none of us got any salary, nevertheless we think we are successful.

We no longer get any grants from the rich! Yes, we do not get involved in politics; grants cannot go to politics, but to families with at least three children, disabled children, education programmes, development of sports as well as to patriotic themes, for example we have the project ‘Our valley’,
which praises the army. There is even an article about support to NGOs for social issues in the legislation, at the federal level, as well as in the *oblast* budget since five years (head of women’s parliament).

The head of the charity fund in the town is also part of their network. She was proud of having been congratulated by the president when she won a grant as her project was appointed the best in Russia in providing help to families.

Female strategies seem largely to rely on women’s double attachment. They are responsible for social affairs at all political levels while also being active in the corresponding level of the women’s councils, thus compensating significantly for deficiencies of the state in this sphere. This implies a blurring of responsibilities, a blurring of roles as well as a blurring of tasks. Kulmala (2013) and Phillips (2005) have observed that many of the organisational skills evident in NGOs were developed from women’s experiences in Soviet organisations. The same women are in charge of the informal networks and formal state authorities. They have access to both formal networks and the political hierarchical structures and to the informal networks through the women’s councils (Interviews with three female politicians at the lowest level of political administration, October 2008). A local head of administration tells about how she had herself initiated the ongoing TOS\textsuperscript{17} activities in her area (Interview suburban village, December 2016).

**The women’s council in a small town**

A woman in charge at the administration of a small town tells about how she, as a member of the regional women’s council, is a mentor to a child in a poor family (Interview April 2016). In this case, the women’s council was not officially registered, it had no state financing, no paid staff, but de facto the relation to the state is quite keen. As some of the women who are active in the women’s council work in the administration they can use connections and resources (meeting room, computer, etc.), to which they have access through their official working position, for the benefit of the women’s council.

In this case the activities of the women’s council are mainly connected to supporting vulnerable people and families. In 2016 it received an award for supporting large and poor families. Some events with gifts were organised at the local municipal administration. However, all events took place in collaboration with state bodies, such as the social protection department for poor families, the so-called problem families of the district. The list of such families is usually difficult to get hold of, even if a civic organisation wishes to help, but in this case the women’s council could use representatives of municipal bodies to get access to the required information.

Another type of activity that took place in 2016 was the distribution of food packages for poor families. The main sponsor was the local factory, which was officially welcomed to take part in the social activity by a letter from the local administration, and unofficially through the personal contacts of women’s council members. Local people were also invited to participate via advertisements on the
town’s unofficial web pages in social networks. Many people donated clothes and toys. As organisers said, “the main idea for the distribution of the food and clothes was not only to give something,” but – which was mentioned by the informant as more important – “to show poor and vulnerable problem families that they are not alone with their problems and that they have opportunities to ask for help and support from the authorities” (Interview, 2017).

**The commission for under-aged and the children’s homes**

Ludmila is the head of a commission who describes how they work together, both with an NGO which gives psychological help to parents of drug abusers and alcoholics and with a charity fund.

I hear about how the charity fund provides social support, for example, the woman in charge there arranged that a poor family got a new roof, by means of sponsorship money she received. Ludmila describes how the head of the charity fund always calls to ask if she has some family in mind for the things she has collected; food products, covers. On the other hand she tells how she calls the head of the charity fund if there is an extreme need for something:

She always finds somebody who is prepared to give something even for those hopeless families. We have to work with both punishment and carrots. First, we try to help as much as possible. Then we check whether the money was actually used as it was supposed to be. If not we have meetings. If such meetings do not give the intended results there is the option to sue the parents, which is something we really do not want to do. This is only if nothing else works.

(Interview with head of commission, mono-town, 2011)

She describes how they work in close connection with the tutor and that she also checks with the leader of the NGOs about whether a parent is on the list for psychological support. If not, the family is offered treatment. She sets out how they have all known each other since the mid-1980s. She emphasises how important the social pedagogues are who work with the families with school children. For the smaller pre-school children there are the doctor’s assistants who work with problem families, who visit those with small children. As the children of problem families do not attend child care, it is especially important that health authorities keep control over the situation in those families. These medical specialists are also members of the commission, she says.

At the administration for the protection of children’s rights they emphasise that their most important role is to find the social orphans and to find a solution for them. They have a responsibility to fulfil obligations regardless of whether they have resources or not. The most important problem is the parents who don’t care to try to change their way of life, those who abandoned their children, she says.

We have to prevent social orphanhood by supporting families at risk. There is no policy promoting families to take their children back, I try to persuade
those who have been able to sort out their life problems to take children back. You need to help them with documents. You also need to have a heart and compassion, you are deciding about destinies of children. It is so difficult to place the 12–13 year-olds in families.

(Interview with the head of commission for the under-aged, 2015)

The tutor emphasises that their collaboration with United Russia is useful. One example is that the party organises video-meetings with other regions on child protection. She thinks such meetings allow for an exchange of experiences (Interview with opeki, 2015).

Olga has been the head of a children’s home since 1997. In the previous hospital there is one building for girls and one for boys. Fewer and fewer children continue to live there. Olga supports the new policy to place children in foster families. The reduction from 68 residents in 1997 to 28 in 2013 means that the children’s situation has improved. Only four of the children are orphans, the others come from homes where parents are unable to take care of them. The children’s home gets extra payment if she finds foster families for the children. Most families prefer girls, as they are believed to cause less trouble. This is reflected in the figures, only eight of the 28 children at this children’s home are girls.

Their financial situation is really bad, but they make sure that the children get fruit and milk every day. They get sponsorship money from a local hockey team and a firm. Olga describes how the director of the firm has been engaged in a number of ways: he sponsored journeys and festivals, clothes, summer camps, boots, pens etc. In the New Year’s celebration he was also Santa Claus. But then he was accused of something, and now he has disappeared. Students visit now and then, entertaining the children with performances. The governor provides them with money for furniture, the library and sports equipment. The director of the children’s home tells how they won competitions and that they received money through a fund. This children’s home was, however, closed three years after our visit in 2013.

The woman who was the director for another children’s home for eight years in the 1990s tells about how difficult it was and how she took all the children to her home village in the summer so they could get at least some fresh air for ten days. There she taught them how to cultivate a garden plot (Interview, village, 2013).

In another children’s home in a sanatorium in a town near the city, there are lots of empty places. In 2015, of the 106 children only five had been abandoned by their parents, while 15 were orphans. The rest were children who had been taken from their parents through court decisions. The director is concerned about the children, it is morally difficult to work in the children’s home as people are not educated for that. According to the law children have the right to go on summer vacation, but circumstances have worsened. Luckily, they do have a generous sponsor, this is really helpful, but also ordinary people help if you ask for it. However, collaboration with the administration, opeki, the fire protection department, the police, the sports centre, art school and the music school is also very important (Interview 2015).
“It would have been so nice if we had been able to work with these problem families while we still could have been able to save them. It is so difficult when these 7–8 years old children arrive” (Interview social shelter [priior], 2015).

The school, teachers and social pedagogues

The head teacher of the school in a small community remembers how difficult it was to work in the school in the 1990s, that teachers took on great responsibilities, and how they were able to get support from the Red Cross. “At least they don’t die from bad ethanol like in the 1990s” (Interview 2013). Today, about a third of children are on the social services’ list. These children are living without running water and toilets and they get help from the school. The head teacher tells how she herself was able to get toilets for the school. The Red Cross gives clothes, also for adults; they can come to the school and give them. For the last eight years, the Norwegian Red Cross has paid for the children’s school lunch. They benefit from a programme which provides school children with free milk. The school drives the children to the swimming hall, and if they do not have enough money, they ask the monastery for support, or the head teacher herself applies for project money through the Russian Red Cross. The monastery provides meat and other food products to poor families through the school. In addition, the monastery provides protection for three girls. They have to get a social passport for the children. The head teacher told about two young school girls who became pregnant, and that they were able to receive project money for ‘bad girls’ through the Red Cross. The school tries to follow-up with the families who are believed to be at risk of breakdown (Interview, village, 2013).

In another village school, those on the list of social services get a free school lunch, which the social services pays. The head teacher tells about how the school tries to provide additional support if both parents are drinking. They have formed an emergency group with the tutor and social services (Interview, village, 2011).

Teachers tell about how they observe the children and have to make a list of cases where ‘it is visible’ that a child is without a winter jacket in the middle of the winter or of those who just have “tea and pirogi for lunch” (village 2014). These are the signals, then you go to visit the family, and it is visible right away whether this is a problem family. “Chinese clothes is one sign of poverty, you can see it, it is obvious, the fence of the house, the windows . . . children without their own bed, the kind of job, the housing, how they spend vacations, if they steal, damages on the car” (Interview, teacher at a school, village, 2014).

The school can perhaps provide families with psychological help, a teacher says. But the school does not have any money, and it does not get any financial support from social services. However, they work together with the school board to find solutions to some of the problems. They get a list of the poor families, so that they can pay special attention to them. They get pens and other material needed for school work for free, food three times a day, and summer camp for free. The older children from these families are first in the line to earn a little money, if they organise work brigades to clean the town. They collect money if
someone dies or if there is a fire, there are parents who pay for those who cannot pay. Some parents help with sports equipment and prizes, for example books. They collect toys, “but many of them don’t want to receive anything as they don’t want to show that they are poor, but it can be seen, the clothes” (Interview, educator, school, 2011).

The social pedagogue is called Tatiana. She is the one at the school who knows about the life conditions of families. Low-income is a signal. According to her the situation has improved in the last three years, but there are still villages where people have never worked, where they live on just potatoes (Interview, suburban village, 2013). Since 2011 there has been a regional programme for building new houses for families with bad housing. There are four families with children from the school who benefitted from this programme. These were people without permanent jobs who had been drinking. Tatiana believes this implies a better situation for the children as they now live close to the school. But they don’t pay for electricity, which means that it has been cut off. Some of the parents have had temporary jobs, but some have been out of a job for longer periods. Tatiana thinks it is very important to check these families, she has to pay visits regularly to make sure they don’t start drinking again. The parents have to go to the job centre. The job centre regularly gets in touch with Tatiana. She receives information if someone unemployed gets a job. Tatiana regularly pays visits also to the social services. Before school starts in the autumn, she has to contact families to check if they are prepared for the new school year. Do they have clothes for the children, is there a need for the school to help with documents? Perhaps they need the school to verify the documents needed to receive benefits. If the children don’t have shoes, they can get help through the school. Perhaps Tatiana has to come along to see that they really buy shoes with the money they receive. She once helped a woman to get treatment for alcohol addiction, but paid for this from her own pocket. She collected the necessary documents so that a child could go to a summer camp. For her, there is a problem if those who drink don’t register, that they just don’t care about it although their children are in real need of all the help the family can get. Tatiana has to interfere. The only tool she has is to talk, she emphasises. She tries to talk to these families, she tries to explain, motivate them to do something, at least to register. For Tatiana it is important to involve parents in the school, it is important that they are social, that they don’t isolate themselves. She wants to provide them with responsibility, so they take part, they participate in the work to make furniture for the school, painting the walls to make the school look fine. Tatiana feels that if she loses control, there is a risk that the family will be weakened and that their situation will turn to the worse. It appears that the social pedagogue is an important resource for the poor families. But there are many families for Tatiana to follow:

Apart from the 29 families who are classified as poor entitled to support (one-third of the families with children at the school), there are another 16 families who are not even registered. They are so fragile, those with a
garden can at least get carrots, onions and potatoes, but some of them don’t even have a plot.

The social pedagogue in the college is helping the girls from the children’s home, helping them become capable to manage on their own.

As orphans they are entitled to get a flat at the age of 18. You have to do everything with them; buy clothes and food, show them how to use the stove and the fridge, fill in the forms for applying for a social passport.

(Interview with social pedagogue at college, small town, 2013)

Social passports are made at the beginning of the school year (Interview, social pedagogue at school, regional capital, 2014). The teacher counts how many children in the class have parents who work, how many have single or unemployed parents and how many children are from families with many children. In one of the classes there is, for example, “seven such asocial families, whom everybody knows.” The information is passed on from the previous school. But it also shows in the children. She visits these families immediately. Then she keeps them ‘under control.’ She sees herself as a link between these families and the social services. She is to keep the families updated of novelties from the social services, that they can get certain benefits, a rental subsidy, New Year’s presents. They have to fill in the documents twice a year in order to receive money. It means child benefits, money for school lunches, extra money if the families have three children or more and money for the bus, money for school uniforms, clothes and schoolbooks. The school has to report about problems to the authorities. The most difficult are parents who don’t take care of their children. Those who stop drinking, and then start again, she has to check on them all the time, she says. “The deserted children. How difficult it is to see all the drinking everywhere.” Compensation is paid for the cost of housing, lighting, child care, food, clothes and shoes. But the compensation is too small, only part of the year is covered, no discount is provided, children can only buy tea and pirogi. She focuses her attention on those with the smallest incomes, who barely make it from day to day. She advises them to visit the social services. But as they don’t have the strength to fill in all the documents, she helps them. But it has become really complicated. Nobody wants to talk about their poverty.

**Rural doctor**

The doctor’s assistant is the leading medical worker in many communities, a lower level doctor. Marina is a rural doctor who also feels that the only real tool she has is to talk (Interview, rural community, 2013). She tries to talk to people, to explain. It is about 20 per cent of the families who have real problems, “those without a head, who don’t come to the doctor.” Therefore, it is especially important that she visits them, she says. As a rural doctor, she can write out medicine
prescriptions. But the poor don’t have any money for medicine. She reports to the pharmacy once a month. Sometimes, if the parents don’t pay for the medicine for a child, she pays herself. The problem with children of such families is that they are often sick as they generally don’t get the nourishment they need, they don’t get enough vitamins. Maybe she can help so that they get treatment at the community centre, a maximum of two weeks based on financing from the state. She also has to report to the commission for social welfare at the local level. Occasionally they intervene and force the family to leave the child in child care. The commission comes quite often, it could happen after a phone call from a neighbour. Marina can choose whether to take a child to the hospital, or talk to parents if they are sober. If the hospital is chosen, the child will be subject to a medical investigation, and thereafter placed in a temporary children’s home. A permanent children’s home is chosen only as the last alternative. The commission only looks into the sanitary conditions of families with alcohol problems. They can help with money and pay bills.

It was Marina’s own idea to put out boxes for the collection of money for a family under special stress. In this way they received enough money to buy curtains. Another similar idea was to pick berries together, sell them, and buy schoolbooks with the money.

Marina emphasises how important it is to talk with the families about how their children could get enough nourishment and that they can get food for free at the child care centre in this community. Neither NGOs nor the church help, only relatives and neighbours help by giving clothes. Marina described how the commission took a child from a mother who had started to drink, and refused to reveal who was the father. The child was taken to the hospital, and then to the children’s home for one year. After some discussions with the mother, she pulled herself together, and she got her child back. It is obligatory to follow the development of such a child over the first year. It happens that Marina visits a family every week, if she thinks that it is necessary.

A doctor in the hospital of a small town tells about how they actually have a doctor’s assistant in all the main villages. In this community there is on average one doctor’s assistant per one thousand inhabitants. They are important as they are the ones who know about the pre-school children. As the poor families usually do not have their children in child care, the doctor’s assistant becomes especially important.

*House of culture – a place for patriotic activities*

Even in the smallest villages there is a house of culture, which is the local meeting place where there are various kinds of activities for the local population. Outside them you often find a statue of Lenin, reflecting the patriotic spirit. Although ideology has changed from the Soviet time, the houses of culture still exist. It is a place to which ordinary people can go, this is where you gather to plan for celebrations, and this is where you have performances in the form of concerts, dance and theatre.
It is the place where women are in charge, and it is a place for the children. Cultural workers tell about how they try to engage the children from the poorer families.

There is usually a female director of culture and maybe also a vice director. Women’s clubs have meetings here. Elena is the director of the house of culture in the village next door to her own village. She is also a member of the women’s council, while she is also a deputy. In her village they do not have any running water, but a truck comes there three times a week with fresh water.

Since 2014 the children’s cultural centre in a city is engaged in encouraging young peoples’ patriotic upbringing. Lidia, the director for 25 years, connects this task with underprivileged families. The children’s cultural centre has been arranging lessons in manhood for teenagers since three years ago, while at the same time informing about Mothers’ Day. On such occasions mothers with many children are invited, as well as mothers who brought up young heroes who died in more recent wars, such as the war in Afghanistan. Lidia thinks such meetings, while of course are difficult for the mothers of the dead heroes, reached the intended results. In the meeting, everybody put their hand up to show that they were willing to join the army in order to defend their country, including the girls. “This is something we think is important today” (Interview, regional capital, November 2017).

Social entrepreneurs

Zhanna ran sewing activities in connection with her shop in the village. She employed a couple of young women with small children; they were able to work from home, although this meant they could not utilise the modern equipment. Although she had opened a shop in the town she decided to keep on going in the village, where she had her soul, and she wants to provide jobs for local women. The expansion of business was limited by a lack of skilled staff in the local community. Her solution was to educate local women herself (Interview May 2012).

Sonya, a young worker in the restaurant in the hotel, came from the children’s home. At our first visit in the hotel in 2013 it seemed like she had not received any proper training for the job. The following year she had learnt (Interview, hotel worker 2014).

Social service centre

Social service centres are part of state administrations at the local level and are financed by federal money. Nevertheless, they are also short of funding and have to apply for funds from the regional level. Sometimes they get money from firms or charity funds. In this community centre, the social service centre had opened a home for homeless youngsters in 2013. At the visit to the social service centre, the social work expert Larisa recounts how many families are under special control in the community. About a quarter of those who are on the list of families entitled to support are believed to be at high risk. Larisa tells that the rural doctor sometimes calls her in acute situations when parents have been drinking several days in a
row. Then she contacts the tutor, who goes and takes the children. Sometimes, she says, children are returned to the families, but only if parents can show that they are capable, and that they have cleaned the home. When I ask how the social services can help, she answers that they provide families with wallpaper, and they have provided support for summer camps. They try to help with clothes, they buy schoolbooks for the schools who ask social services for help. The social services in turn try to get help from sponsors. They put announcements in the newspaper about special events, with a list of what they need. Firms contribute with either money or products. On the second floor they have a ‘priem’ where people can leave what they want to donate to the needy. People can come there to collect things. But they also drive to the villages to leave collected items for the families there.

She talks about the different problem families, and how she tries to help them. She shares the responsibility with the tutor. Upon recommendation from the medical commission she arranged for two children to be sent to the rehabilitation centre for a couple of weeks, as they were undernourished. She goes to the families, and tries to talk with them. She suggests treatment, summer camp or sanatorium stays, and provides them with tickets. She collects parcels for distribution, she collects documents and helps families to fill them in. She visited the home of a family where both parents were drinking. As she couldn’t note any improvement since the last time she visited them, she had to report it to the tutor. Larisa thinks the situation has become worse as many young parents have fallen into heavy drinking. “They don’t take care of their children, they don’t ensure that their children get proper food,” she says (Interview, community centre, 2013).

Larisa confirms the development towards children from problem families being placed in foster families. She refers to the programme which was launched by Putin in 2008. They have to check these families so that they don’t take the children just to receive money.

**Director of charity fund**

Six years after the first visit in 2011, the fund is still in place in the mono-town in 2017. We meet Alexandra, the leader who is also the same, the former secretary of the communist party in the mono-town. She is well-known and trusted. When somebody comes and ask for help, she calls the director of the factory to ask for help, or she writes a letter. She has a list of potential donators, “they all help, nobody refuses,” she said. She is very proud of having been praised by the governor for her important work. Local firms have financed the visits of unhealthy children at sanatoria. They buy glasses and hearing equipment for such children. Local firms build playgrounds at child care centres, where money can’t be collected from parents. A refrigerator was bought for a family with two small children as well as a lot of small things like New Year’s presents, sweets to give out at celebrations, medicine, transport for a talented child to some competition. On her list now are 70 local people, these are people she knows, most of whom she has found herself. They are former party officials, from the trade union, those in
administrative positions. Some of them have become entrepreneurs. She knows with what each of them can contribute. One can give toilet paper to the children’s home, another contributes with candy to celebrations, some help with building materials or transport children. One of them helped a youth club to write an application.

I asked local entrepreneurs to please make social packages to refugees from the Ukraine, I tell them I will pay for them and that they should just please send me the bill.

(Interview, October 2017)

People come to her with clothes and toys they no longer need. On special occasions she puts an advertisement in the local newspaper, for instance when a family lost its house in a fire. With the money Alexandra collects, she gets what is needed. She decides herself how to use the money. “We buy food for everybody who needs help, shoes we buy in the market.” She collects books for the library.

The library

In a small town we hear about how the library plays a key role in providing information to inhabitants about their rights. This is also through a state programme. Every community library has such a function, but this one is focused on how to increase the social resources of the youth. This library also provides a meeting place for the club for foster families (Interview 2014).

We hear about the librarian from foster families. The librarian at the community centre told about the new possibility to take children from the children’s home. In 2006, there was at first a great interest, there were quite a few families who were queuing to take children. However, later most of them cancelled their applications (Foster family, village, 2013).

The family had some problems with the boy they had taken from the children’s home, they needed advice from a psychologist. From the children’s home they could always get advice on the phone, but they felt the tutor didn’t help them:

They just follow the party line, they are so hierarchical, they have solely a control function.

(Interview, foster father, village, 2013)

Therefore he complained through the library and he got help. The librarian forwarded the complaint, and the tutors were advised to change their way of working with families. The librarian is acting through deputies, but she can also call directly to upper steps of hierarchy, to Moscow.

We also heard about other incidents where the library provides a link between the local population and authorities. They distributed information about social services and maternity capital, how you could claim a right by going to court.
NGO representatives

A group of women are working in a crisis centre in the middle of a small town. They created the family centre with the aim to prevent violations of parent–child relations. A group for pregnant women was started and psychological support was provided to parents with small children, with the aim to help families keep together. Also the homeless can come there. Female migrants without documents are coming to the centre because of violence in the family. The crisis centre aimed to prevent children to be taken from parents. Now this function has been taken over by the state. The crisis centre is constantly looking for financial resources. “You have to look for the reasons why people leave their children, understand mentality and how it is possible to help women. We try to prevent young parents from making serious mistakes” (Interview, women’s crisis centre, regional capital, 2015).

Federal programmes have a declarative nature, it is just words, nevertheless they might lead to a slow change. The attitudes towards foster children have changed, they have become accepted. The process of placing children in foster families has to be slow. There are so many children who return to the children’s home from foster families, it is not good for their health. Further, one should be careful before breaking down a functioning institution like the children’s homes. This is something we should learn from earlier experiences. “Look at Samara, they have closed down all the children’s homes. Now they have the problem of where to place children.”

(Interview, NGO working with families, regional capital, 2015)

They want to help parents who plan to leave their children. “It is truly better to take children to the children’s home and keep them alive, if there is a suspicion of violence.” She receives around 50 telephone calls per day (Interview with NGO representative, fund for motherless children, 2015).

Conclusions

In this chapter we have highlighted how women have taken care of social problems that have not been solved through the state’s social policy. Both women in formal positions in social services or local administration and women on voluntary bases. We have shown how women in different positions try to solve social issues, often outside of their formal tasks in work, using their networks. New ways of organising social welfare can also be detected which are opening up opportunities for empowerment processes. Networks of women working and engaging in the social sphere provide hope for the poor in Russia. But it is still mostly about charity rather than empowerment. Despite all the problems with the functioning of the system there are local tendencies towards collaboration between women in different positions who try to find ways to go forward. It is indicated that women who are responsible for social welfare have to find sponsors by themselves for their
regular activities. Being responsible for organising social welfare, women working in the social sphere have created their own support networks for this. They are combining old networks from the Soviet time and new ones with young women organising non-governmental organisations. Women use contacts to authorities and donors and apply for project funding to try to create resources. This means that the solutions are likely to be more heterogeneous than before.

The state places much reliance on women’s unpaid work. It does not matter how active women are who take responsibility for social welfare, whether they do this formally or informally. In any case, this activity seems not to be enough to solve the basic problems of poverty in Russia. Agency is clearly not enough – stronger support from the government is needed as well, and the causes should be handled, not only the consequences.

Returning to the role of institutions, social work through women’s paid and unpaid work resulted from the non-priority status of social issues in the Soviet system. A combination of different strategies is important to overcome different kinds of deficiencies arising in the processes of transformation and decentralisation in post-Soviet Russia, during which various combinations of women’s formal and informal organisations have survived. Women continue to carry significant responsibilities for organising social welfare within society, as well as for empowering voluntary work, given the gendered nature of the responsibility for social work in both state and non-state contexts.

It is not appropriate to talk about political policies since there are no political programmes as such to fulfil. Politics is more about practical issues, how to proceed and how to solve problems. So it is more about finding ad hoc solutions to urgent demands, and to have patience with regard to the rest. Being responsible for organising social welfare, female politicians described their various strategies. They must now negotiate with local firms and voluntary organisations, or “beg,” or in other ways find solutions. Yet, this chapter also shows that women in charge feel more powerful, with new possibilities to implement measures than before. As it appears, one important explanation to variations within communities is the existence of large local firms.

But informal institutions are also about persisting norms of a moral and practical female responsibility for social welfare. It is about surviving entrepreneurial behaviour necessary to deal with shortcomings resulting from the low-priority status of social issues in the Soviet system, and about education. Also, the division of work derives from the socialist heritage, which leaves non-priority sectors as women’s responsibility. This is about work that is not clearly regulated in the official documents. In this chapter I tried to complement this picture through the help of interviews with those in certain key professions. The pedagogues and rural doctors are those who in their profession have a role that involves working closely with problem families and assisting the poor in other ways. Interviews tell about how social workers, social pedagogues, teachers, doctor’s assistants, deputies of commissions or local village councils, local politicians and others have tried to help people to take part in state programmes and become registered to be entitled to support in one way or the other.
Interviews were conducted with directors of children’s homes, rehabilitation centres, schools etc to get information about policies. Referring to Amartya Sens’s framework of capabilities, I have focused here on the agency of women who are professionally working in the social sphere. This has been helpful as it draws attention to whether they contributed to increasing resources, rights or relations of the poor. It facilitates distinguishing their potential roles of empowering the poor from their controlling roles.

Notes

1 The responsibility for social affairs is, however, since May 2018 taken care of by a male minister who is also responsible for labour; he is the Minister of Labour and Social Affairs. The earlier female minister of Health and Social Development is since May 2018 the Deputy Chairman for Social Affairs.

2 The Zhenotdel, the women’s department of the Secretariat of the Central Committee of the All-Russian Communist Party (Bolsheviks), was the section of the Russian Communist party devoted to women’s affairs in the 1920s. The Zhenotdel was established by two Russian feminist revolutionaries, Alexandra Kollontai and Inessa Armand, in 1919. It was devoted to improving the conditions of women’s lives throughout the Soviet Union, fighting illiteracy, and educating women about the new marriage, education and working laws put in place by the Communist Party of the Soviet Union.

3 Three women’s organisations from the Soviet time; the Women’s Union of Russia (successor to the official Soviet Women’s Committee), the Union of Navy Women and the Association of Women Entrepreneurs (formed in 1990), were united to create a legislative party, Women of Russia (Cook 2007, 110–111).

4 See Cook (2007) for a detailed account on Russian welfare policy in the 1990s and up to 2005.

5 Since May 2018, the Minister of Health and the Minister of Enlightening are women.

6 For example, among the ten deputies in a poor rural community seven are women (Interview local head, rural community, 2016). There is usually a high percentage of women working at the local administrations, especially at the lowest level. For instance, in one suburban poselenie I visited in 2016, all the staff (eleven persons) including the driver were women.

7 See further Adachi (2006) for the importance of informal ways of “getting things done” in the business sector during the transformation of firms in post-Soviet Russia.

8 According to Wengle and Rasell (2008, 741), in 2002–2003 the value of in-kind benefits represented 10–15 per cent of the income of poor households receiving l’goty, while the figure is likely to have been much higher in the 1990s. See Lazareva (2009, 9–32) on the procedures for transferring assets from firms to municipalities, and also on the joint usage and financing of transferred assets.

9 Entrepreneurs may be ordered to build a sidewalk in front of the enterprise building.

10 For more on women’s role in the social economy/voluntary sector, see Sátre (2000).

11 Interviews with one female mayor, November 2003, a female vice-mayor and a female former vice-mayor, October 2008.

12 Interview, rural community 2003. Thirteen years later the director of the cultural club and the vice-mayor were travelling around in the villages to try to activate people (Interview 2016).

13 Interview with the head of the lowest level of political administration, October 2008. This administration, consisting of several villages, used to be denoted a selsoviet. Since the new federal law No 131 came into force in 2006 it is called poselenie (the difference between a selsoviet and a poselenie is that the latter is responsible for its own budget).
14 On the Federal law No 121, see Chapter 2, footnote 3. A key task was to divide administrative and financial responsibility for providing l’goty between the central level and the regions, which means that regions support two-thirds of the recipients, see Wengle and Rasell (2008), 743–744.

15 On the Federal law No 131, see Chapter 2, footnote 19. A key task was the increased responsibility of self-financing of costs along with the introduction of a fourth level of administration (poselenie) within each community.

16 If it is not the vice-mayor, it is usually somebody else from the leadership at the local administration.

17 Territorial’noe Obshchestvennoe Samoupravlenie, small local collaboration projects to make impact with small funding from local authorities, especially popular in the Arkhangelsk region. See Granberg and Sätre (2017) Chapters 1 and 6.
Poverty and civil society

Russia has its own history of civil society, which in the present form dates back to the reforms of the Soviet system after Stalinism. In the 1960s, associations such as women’s councils, writers’ and artists’ associations, war veterans’ associations, and nature protection associations were established. They were centrally steered and controlled. After the fall of the Soviet Union, new civic organisations have emerged, experiencing both ups and downs. In the first decade of post-Soviet Russia, Russia’s civic sector grew to more than 450,000 formally registered organisations in 2001. Around 70 per cent of NGOs were involved in some type of social service provision. Many of the organisations had originated in the Soviet era as state-supported groups representing disabled people, pensioners and veterans. One example was the women’s councils. They were now continuing their work as legally independent entities. Leaders of organisations framed their work as protecting social rights. There were big differences in the levels of NGO development between and within Russia’s regions (Henderson 2011). However, Russian citizens were ambivalent about joining organisations. Most citizens lacked the time, the money and the inclination to devote to civic organisations, either as workers, volunteers or donors. Many viewed NGOs with hostility, mistrust or indifference.

When examining civil society in Russia, one has to keep in mind the huge challenges that Russian citizens have met since the beginning of the 1990s and how they have been compelled, often with some success, to find practical solutions to their needs. Such results were not possible without, as a minimum, working social relations between a limited set of people, and such relations cannot be cut off just by governmental decisions.

Although civil society was growing in the 1990s, since Vladimir Putin’s rise to power many commentators have noted that the doors have been closing again. A transformation in the understanding of civil society in Russia has been noted since the 1990s, from viewing civil society as a counterforce to the state to viewing it as a collaborator with the state (Chebankova 2012). The more recent developments, especially after the annexation of the Crimea in 2014, strengthen such arguments. Indeed, we meet a “dual reality” (Salamon et al. 2015): the
government has increased its efforts to control civic associations while simultaneously still explicitly trying to activate citizens and support local initiatives. Starting from 2006, the state started to distribute grants to civic projects. Some foundations were selected to distribute grants for health care initiatives, education, youth initiatives, human rights movements and civil society development programmes. For example, the National Charity Foundation was entrusted with allocating money to support smaller associations tasked with poverty relief (Chebánkova 2013, 108).

On the other hand, in case authorities consider civic activities to be politically oriented rather than fulfilling social aims, initiatives taken by active citizens might be punished, for example by labelling them as political agents. The dividing line between negative and positive civil activity sits somewhere between politicised actions and constructive social and cultural initiatives.

Statistics show the weak situation of civic organisations. The SDMR 2015 survey indicates that membership in civic organisations among the Russian population is generally low. Similarly, the figures for participation in public activities are low. An exception is the Victory Day celebration. In general, however, efforts to increase voluntary work and to popularise the civic sector seem to have increased knowledge about NGOs, about self-help groups and groups helping socially vulnerable people (Obshchestvennaya Palata 2012).

Our research identified several initiatives taken by individuals (for instance a former workplace leader; an entrepreneur; a local politician) and provided evidence of the initial stages of empowering processes. However, the development and outcomes of such initiatives depended on the contexts in which they were undertaken. Furthermore, even when implemented, such initiatives might be successful single innovations, which are not disseminated to other places because of the lack of mechanisms to support such initiatives and a lack of dialogue.

There are various theories about the civic sector, including suggestions that its development is related to the size of the state sector. Salamon and Anheier (1998) review and analyse five economic theories aimed at explaining patterns of non-profit development with the help of empirical data from eight different countries. The five theories are (i) government failure/market failure theory; (ii) trust theories; (iii) welfare state theory; (iv) supply-side theory and (v) interdependence theory. An attempt is made here to highlight ways in which these theories help explain the development of civic organisations in Russia. The focus in Salamon and Anheier (1998) is on the non-profit sector, and the definition of this concept resembles the criteria used in Vivet and Thiry (2000) to describe the social economy. One important difference, however, is that the user perspective is lacking in the definition of the non-profit sector. While the non-profit concept is widely used in the Anglo-Saxon context, the social economy concept has gained recognition in France and the European Union, reflecting the principle that decisions should be taken at grass roots level (‘bottom-up’). In the Russian context both top-down and bottom-up initiatives are evident. For instance, registered NGOs (e.g. many women’s councils) and non-governmental actors (e.g. mothers with many children) may collaborate for a common aim without being registered.
Welfare state theory assumes that the market and the state develop hand in hand. In this line of thinking the expansion of the state is a by-product of economic development. Accordingly, there may be a relationship between weak economic development in Russia along with limited resources for social welfare provided by the state in the 1990s, and the growing number of civic organisations that emerged during the same period. As the economy weakens and as the public sector provision is also cut back for economic reasons, the civic sector expands to compensate for this. The civic sector would thus have a stabilising function, reducing (through various activities) the effects of downward trends in the economy.

Interviews give an indication of what the population lack the most and what people come to ask the services from NGOs for:

We had a survey which we offer those who apply for our services asking about their main concerns. . . . The first reason is housing, this is the main problem. Why is it the main problem? Because no matter how active we are, we cannot resolve this problem by our own means. The pricing of housing makes housing unaffordable, and housing is the main problem.

(Interview with NGO representative, regional capital, September 2010)

The second rated problem is education and development of children, as the system of clubs and other additional recreation and developmental centres are being dismantled.

Unfortunately none of it is any longer provided for free. It could make a great difference for families as far as their expenses are concerned if they had to pay for one child’s attendance to a club or for three or four children. The question is not even about money, the question is about the accessibility to the organisation. For example there isn’t anything in the area where I live. There was one club but unfortunately it was closed down. There used to be a sports complex. The third and the fourth rated problems among people are the financial situation and material problems. These issues concern money, of course. Not even money as it is. . . . We swap clothes and shoes. But it is important to be able to spend money on leisure and entertainment.

(NGO representative, regional capital, August 2010)

The government failure/market failure theory sees civic organisations as a substitute for the state and the private sector. As a starting point is the inherent limitation in the market’s ability to supply public goods. Possibly, this theory could explain the decrease in NGOs in 2005–2009 reported by Goskomstat as an effect of the launching of Russia’s National Programmes for social welfare at this time.

Trust theories find the source of non-governmental activities in the failure of contracts. According to this theory, the scale of the civic sector varies inversely with the level of trust in the state as well as in the business sector. Actors carry out
activities filling up an empty space that is caused by the lack of a viable supply by the state and private sectors. The aim would thus be to collaborate to secure the supply of social services that would not be provided otherwise. The cost is kept down by unpaid work. Trust theories could explain a high participation in informally arranged activities in Russia: it is reported that 67 per cent of Russians participate in informal voluntary activities (Obshchestvennaya Palata 2012). In terms of this research, however, interviewees gave the impression that benefit recipients do not think about the possibility of going to an NGO, with some expressing a lack of trust in NGOs. One example is an aid-seeking woman who says that she would rather go to ‘United Russia’ (the governing party) for help than to an NGO.

According to the 2015 SDMR survey the trust in the president is very high: 70 per cent stated they fully trust or mainly trust the president. Trust theories would connect a high number of civic organisations in the 1990s with a relatively low trust in President Boris Yeltsin, and the lower number of civic organisations since 2005 with the high trust in President Vladimir Putin. However, it appears that low trust in the government, courts and other state authorities including regional and local administrations along with low trust in the private sector, entrepreneurs and banks has not been enough to promote civil society development. One reason could be that the trust in civic organisations is just as low, or even lower.

According to the 2015 survey, 34 per cent distrust NGOs. This means that trust in NGOs in Russia is lower than trust in TV, the police, trade unions and courts, while at the same time quite a lot, 24 per cent, state “it is hard to say,” also indicating some lack of trust.

In principle the head of the children’s home is open to collaboration with NGOs. But after the major effort on the part of the ministry to make voluntary organisations register as NGOs, she became more sceptical:

I ask those who call whether they are indeed registered. Then they hang up. We are very cautious, orphans are like open throats who could go anywhere.

(Interview with professional at a children’s home, small town, 2015)

A woman working with poor families expresses the view that their situation has become more fragile because NGOs are facing increasing difficulties. Earlier they have had important functions in the form of preventive programmes with families and the like.

However, as the climate for NGOs appears to have become considerably harsher in the last couple of years, the risk that they disappear has increased, which means you can’t trust the continuation of their activities. Therefore we have entered a vicious circle; neither can authorities count on their contribution in the social sphere, nor can ordinary people trust them.

(Interview, NGO with children’s projects, 2015)

In Russia, low faith in formal NGOs might also, however, indicate a low level of trust in formal organisations in general, regardless of whether they
are governmental, non-governmental or private. This suggestion is supported by research results from two small Russian towns in the Nizhny Novgorod region, which indicated a low level of faith in the state’s ability to solve social problems – but also a lack of trust in NGOs and private organisations (Ivashinenko 2014).

As a summary, the development of NGOs was a way to fill an empty space in Russia in the 1990s following the breakdown of the Soviet welfare system. These theories could also shed some light on initiatives to set up NGOs by ordinary people a decade later (Sätre 2014a).

Who wants to start an NGO?

Supply-side theories focus on the necessary presence of social actors (Salamon and Anheier 1998). It is not enough that the private and state sectors are weak: someone else has to do something. The theory highlights the actor’s importance, both with respect to what the actor does and in what environment actions are best undertaken. It seems reasonable to assume that Soviet-type systems were not conducive to the development of bottom-up initiatives (Rose 1996) and even if civic organising is no more illegal, similar features are still apparent in today’s Russian society, especially with the adoption of gradually stricter rules towards NGOs since 2006. NGOs aimed at assisting poor people are often formed through top-down rather than bottom-up initiatives, and reflect a charitable rather than an empowering philosophy (Crotty 2009). This tendency is illustrated in an interview:

NGOs are dealing with emergency help rather than empowering self-help strategies and the creation of networks.

(Interview with the chairperson of an association for mothers with many children, regional capital, September 2010)

It has become legal to register NGOs, but difficult and expensive. Therefore, many have chosen informal clubs. The larger challenge facing Russian NGOs is the low interest among people rather than an all-powerful state (Henderson 2011).

In the survey from two Russian mono-towns in 2011, only 2 per cent of ordinary citizens said they might consider taking the initiative to start some common activity, although a substantially larger proportion was prepared to engage in charity. Even the poorest people would give what they could in emergency situations without becoming involved, rather than take part in cooperative ventures. The SDMR 2015 survey gives similar results. In a poll referred to by Chebankova (2013, 149), respondents claimed that while they could not afford to donate monetary resources, they would be willing to offer non-monetary assistance. Fifty-two per cent stated they could be willing to get involved in some charitable activities such as collecting goods and clothes or organising hot lunches for disadvantaged groups of citizens.
Some respondents gave examples of how NGOs serve as network centres:

This elementary swapping of kids’ clothes for example . . . this is the simplest example. Then if somebody has an appointment with social services or has to queue somewhere else, they don’t have anybody with whom they can leave their children. So who will help? For example, relatives won’t help all the time as they work. So their acquaintances who are also mothers with many children help – a couple more kids won’t make a difference.

(Interview with mother with many children, regional capital, September 2010)

In one region, both a mother with many children and an NGO representative mention the NGO “House of Friendship” in the neighbourhood where families come to exchange clothes and toys. They give material help as well as advice and they provide a building, situated close to the hospital, where people can meet.

The benefit recipients interviewed in Arkhangelsk had never heard of any NGOs (Interviews with single mothers, May 2011 and October 2012), but, in general, efforts to increase voluntary work (popularise the civic sector) seem to have increased knowledge about NGOs in Russia. The number of people who had never heard about NGOs decreased from 54 per cent in 2004 to 44 per cent in 2012 (Obshchestvennaya Palata 2012).

**Collaboration between individuals**

Strengthening civil society should be an increasing openness towards cooperating not only with relatives and close friends but also with others to fulfil a common need. This attitude was strongly expressed by one interviewee from an urban area, who told us that there was a collective attitude among the neighbours, and “everybody helping each other mentality”; another person told us that some came to the NGO to ask for help on behalf of a neighbour (Interview with an NGO representative of mothers’ network centre, September 2010). According to Tikhonova (2011), however, in Russia local initiatives of cooperation with others in a similar life situation are more about coping than actually about realising agency for changing a particular situation.

Civic organisation leaders are themselves examples of mothers who are capable of helping themselves and others out of poverty. Some of them have experiences of working in civic organisations or in the social sphere. Among these there are examples of how individuals teach each other methods of coping with poverty, such as sewing (Ivashinenko 2014). Another observation is that those who collaborate with each other are not necessarily the most vulnerable but are more likely to be those who are marginally above the poverty line.

There are many forms of civic organisations in contemporary Russia, e.g. TOSs and local funds. TOS is a project model, which is mentioned in Russian legislation and is in some regions and places a channel to fund local projects. It is less organised than NGOs, working without independent budgets and being only
periodical. It has a leader, a project plan and members who implement the project, for example building a playground for children, organising an event or building a new bridge over a river.

Another organised solution is a local fund. An open issue is where the limits go between accepted cooperation and non-accepted cooperation, according to the stand of the federal state’s and regions’ power-holders (see the following).

**Interest groups**

Two types of interest groups are identified: those intending to improve life circumstances for members (foster family clubs) and local development groups (TOS). TOSs and clubs can be described as elements of an early phase of civil society. The TOS system is an official form of support for local informal groups to implement small-scale initiatives (Granberg and Sätre 2017). They are such forms of civic activity which have more space to develop in Russian circumstances than Western type NGOs. This is simply because they are rather practical in nature, dealing with concrete local problems, often in close cooperation with local administrations which also contribute to their funding. Most of these groups are not directly focused on the poor and the members of such groups do not usually belong to the poorest part of the population.

**The foster family club in a small town**

A regional network of foster families in the region was set up in 2013, consisting of about 200 families. Larissa has been the chairperson for the local group of five families. They have meetings, they organise activities for families and try to help those in need, among others by keeping contact with sponsors and channelling their donations in cash or as presents to the families in need. The foster family club is independent from any state structure, but collaborates with the local social protection department, both formally and informally, when organising events for foster children. The club has access to a room in the library, as has another organisation. They did think about registering, but as they started to collaborate with the railway employee organisation, they no longer felt the need. Besides it is complicated, and Larissa does not have the time for it. Some people in the club think they should express their needs with a higher voice to politicians, but Larissa did not seem to agree (Interview 2014). They get some support from the social services, but only small things such as tea and biscuits. The social services have also been hit by the crisis. The social services have so little money, but through the social services they get some sponsoring, like transport, for instance to the rehabilitation centre which welcomes families with many children, with disabled children, foster families, and poor families (maloimushchie). They organise events together with the railway employee organisation, social services and the library. Primarily all kinds of celebrations are organised in the library building, for instance ‘Health day,’ New Year celebrations and the 8th of March. Together with social services they organised the ‘active family day’ at the sports centre (FOK). They organise
meetings with veterans’. Social services also organised a ‘rest day’ for parents. But the foster family club also organises some trips around in the neighbourhood by themselves (Interview 2017).

It appears that the foster family club makes a difference for the foster parents. They get access to some services that individual foster families who needed support did not get. They were invited to come one day to use the recreation facilities that were created through the social services for pensioners. After that the foster family club was able to use this facility on a regular basis. Larissa has been able to arrange with the centre that foster parents also get to meet with a psychologist there. Cooperation with the other civic organisation has resulted in the foster children getting drawing lessons from a teacher for free once a week. The experience of the foster club also provides an example of fruitful cooperation between a civic organisation and the state as well as between two different civic organisations. Experiences from other places confirm the importance of both the house of culture and the library for civic engagement with social aims in the sense that they provide meeting places for civic organisations, thus facilitating their development.

It is possible that fundraising for an unregistered independent civic organisation is complicated. As in other examples, much depends on the personal connections of a leader since such an organisation does not have administrative/state resources to rely on. In our example, sponsors’ attitude towards foster families is important, whether they are ‘deserving’ to be supported. So, the problem of fundraising for civic organisations is not only a question of the level of social trust in society or the level of public trust towards civic organisations, but the public perception of the social group the civic organisation represents.

Associations with social aims

In one region there is an NGO that works as a kind of ‘helper’ and support for other smaller NGOs within this region. Interviewees have mentioned how they received help from this particular NGO situated in the regional capital. The help might concern how to set up and run an NGO, education for NGO members, advice about how to find grants etc. One project of this regional NGO was devoted to finding people who were not registered in a flat (place of residence). Some of them could be those who moved into the city from other parts of the region. People simply do not know that registration is needed in order not to lose some benefit they are entitled to. You need a stamp in the passport, otherwise you have to pay more at the health care centre. NGO leaders write supporting letters, that somebody is sick, has no money, that they do not receive the benefits they are entitled to as well as statements from the committee. They try to advertise and distribute leaflets in the street. Still, the NGO is not well-known among ordinary people.

The money from the federal or regional level is not enough to cover benefits and support that people are entitled to and they are not enough to live on.

(Interview, NGO worker, regional capital, May 2011)
The role of civil society organisations

Charity funds

The Russian state enacted a political doctrine “On the Support of Charitable Activity” in 2009. This declared the state’s intentions to create a supportive socio-political environment for conducting charitable activity, to promote the formation of charity associations, to assist with enhancing the professional level of such associations, and to deploy their potential in various state initiatives related to health care, education, poverty relief and municipal services (Avrorina 2014). In 2009, in a survey referred to by Chebankova (2013, 106–107), 10 per cent of Russians participated in charitable organisations, while over 40 per cent were involved in personal acts of charity. In this survey a majority (72 per cent of respondents) of the population agreed with the statement that the state should somehow supervise and control the activity of such organisations.13

State charitable activity includes foundations which collect money in cooperation with the state-dominated bank Sberbank and regional governments to help children across Russia to pay for life-saving operations (see further Granberg and Sätre 2017, 139–142). The state co-operates with charity organisations that are involved in poverty relief among war veterans. Regional governments, in association with local Afghan war veteran movements, allocate annual grants to veterans and to families of those killed in action.

We have identified two different kinds of charity funds – those with ‘their own money’ and those who collect money, often for the purpose of helping poor people. The first type could be conducted by a rich individual or a company, who can decide by themselves what to support. Charity activity by big businesses has been conducted with the direct participation, approval, or even request by the state. In some cases, big business uses charitable acts to demonstrate loyalty to the state and to consolidate their political apposition. Leading companies with close links to the Kremlin often donate money to charitable projects. Top executives have established charitable foundations in the areas of sports, culture, arts and scientific research (Chebankova 2013, 107–108).

In a mono-town dominated by one big company, this company built up its own charity fund which financed, for example, a sports centre (FOK) and a sanatorium (Interview local administration, mono-town, October 2016). Oligarchs often have their own funds (Interview leader of a local charity fund, July 2017). But there are also funds including representatives from the local people.

Then there are charity funds that do not have their own money, but who have to collect it for particular purposes. The research provided examples of individual entrepreneurs setting up charitable funds themselves, as well as examples of individuals mobilising private entrepreneurs to provide support to NGOs. One example from a mono-town concerns an elderly woman (Interview, November 2011) who “didn’t want to crawl to the social services when she became disabled as a result of polio”. Based on donations from three important local entrepreneurs the charity fund was set up in 2004, and the woman who took the initiative was employed and put in charge. In 2011 there were two more employees. While some permanent funding was granted, the woman
in charge reported that she had a list of local entrepreneurs whom she contacts when she needs support for particular projects. She took the decisions on her own about what projects to run, and how she got funding from the entrepreneurs. On some occasions support was even given by the local administration, as well as from ordinary citizens. This particular example highlights how trust might be connected to a particular person in charge rather than to the organisation as such.

The social activity of this particular fund is clearly dependent on its leader’s activity and personal position, implying that the continuation of activities appears to be rather vulnerable. What happens with the fund if the leader disappears? Six years later the charity fund’s head still keeps the full responsibility for budget expenditures; she said, “it is a matter of trust, that I do it myself, they know I do my best and will never betray their trust.”

A new fund was established in a rural district centre. It collected donations to respond to local needs and organised activities to help people with disabilities. The aim was to help those in need, on the one hand, and to give impulses for local development, on the other. As noted by the leader of this fund (Interview, April 2015), the fund was supported by “political power” (vlast’). However, the fund needed to make some arrangements, keeping an eye on “possible misuse,” and therefore a board of local trusted persons was nominated.

**Local fund in a small town**

In a small town one person, the head of the charity fund, is getting a salary. They do not collaborate with other local/regional NGOs, according to the head they “prefer to organise their own activity.” They are providing help and support to those who apply for support, for the people/families in need. There is a procedure to identify whether a person deserves help or not. An individual decision is made in each case, on the basis of the information from different sources on e.g. income, job status, benefits, well-being, whether or not the applicant is registered as a problem family etc. In this particular town, decisions are, as it came up in the interview with the head, also related to the general attitude of the local population towards the applicant (Interview, July 2017).

This charity fund was created on the initiative of the administration in 2014, which is also involved in the distribution of the money. It is officially registered as an NGO, and there is a commission of seven people who decide about the distribution of the money upon application. These are the ones who decide whom to support, and by how much. They have been chosen by the two individuals who were the founders of this particular fund.

The money is collected by means of letter writing, mostly to local companies, but also by means of notices in the local newspaper. Sometimes, as for example when refugees were coming from the Ukraine because of the war, workplaces collected money from employees. The administration helps to mobilise sponsors, and also provides a building for free along with the salary for the leader of the fund. All other work connected to the running of this fund is based on voluntary work. For instance, there is a youth project for restoring a church.
In 2017 this local fund has four different programmes; earlier they had a fifth one devoted to helping refugees from the Ukraine, but that one is now closed. The ongoing four programmes support people in difficult life situations, sports, talented children, and strengthen the spirit of patriotism. One aim is to promote the willingness among young people and children to help those in need.

When it comes to helping the poor, the commission checks that the particular person in need of support “does not have a bad life-style,” but they did for instance finance the treatment of a mother for drug addiction. They supported the treatment of a child in hospital, somebody with cerebral palsy in need of an operation. A child’s summer camp was covered by the fund. The fund was also giving support to sports, for instance to the children’s local hockey team’s participation in some competition. Support was given to a child who obtained the highest results among school children of her age in the Latin language. She was supported to go to some distant town to represent her quarter of the town (okrug) in a competition.

This fund supports only local people, inhabitants of the particular community:

In a local place like this where everybody knows each other and what needs there are, what is lacking in the schools, it is not difficult to make firms and individuals contribute.

(Interview, head of fund, small town, 2017)

The head of the fund tells about how they try to get support from the local businesses and that she receives help from the mayor:

Every local businessman has attended a school here and is aware of the situation. We are used to helping each other, no cry for help goes by without notice.

The aim is to help many with small sums rather than giving more support just to a few. Another principle is that the support should be restricted to a one-time support, to just one occasion. But in the case of the child with cerebral palsy, they provided support more than once as the parents had collected some part of the money themselves, but still needed more for the son’s operation.

It appears that the patriotic aim was only recently added. According to the head of the fund, the board simply decided to expand their scope and not just help those in need but to also develop the patriotic spirit of the young and the children. To this aim a patriotic club was given support to make a programme which included teaching activities by the monastery. The subsidy to a group of young people to renovate a church was also considered part of the programme for promoting patriotism. According to the head, the patriotic aim was included as a response to requests from letters, which probably meant the administration was supporting the development of the patriotic spirit.

But they have to work actively to obtain sponsors, by writing letters. Usually they write individual letters to potential sponsors with clear information to what the contribution is needed. It is not easy to get funding, it is a small fund. All in
all for the year 2016 they were able to collect 200,000 roubles (which is equal to about 10 months of salary at an average wage in this place).

I heard about similar examples elsewhere. What is striking is that this is part of the ‘social welfare model’ – how to keep people in difficult life situations above the threshold, and sometimes to help those below to get out of a problematic situation. But also to help a talented child with travelling money to go to some other place to take part in a competition, and to the local hockey team. It appears rather fragile, however. And as started by the initiative of the administration, they also keep control over this NGO.

**NGO for drug addicts – reopened with support from the church**

During the last years collaboration has taken place between different types of civic organisations and church institutions. They have together organised events and social activities, aiming at e.g. restoration of places, which are important both for local people and the church. Also, in some examples a church institution could set up a rehabilitation centre for former drug addicts in a small town.

In a particular mono-town an individual started up an NGO for helping drug addicts in 2007. It was organised, headed and financed by one former drug dependent with the aim to support social rehabilitation of drug addicts. The individual in charge was financing all the activities by himself (Interviews November 2011, September 2017). This organisation was fully independent from the state. The organisational structure was simple and clear: the head (who was the initiator and sponsor) and a vice head (Ekaterina, psychologist, who was the main worker, and actual leader).

This organisation provided services, but welcomed participation of clients as volunteers as well. The organisation however closed, because its financing stopped. The reason was said to be, at least partly, the continuous monitoring and checking of its activity: “we actually thought that the state would help us, but they hampered/interfered by extra checks” (Interview July 2017). Ekaterina went to work for another NGO, which had been set up in another region (in 2007), and which (blessed by the church in 2008) was increasingly influenced by the church. In 2013 it was reorganised into an inter-regional organisation across two regions. Some part of the funding comes from the regions, but funding is also expected to be collected through cultural events and some business activities as well as directly from individuals. Three rehabilitation centres were set up. The mission of this particular NGO was changed as the church became involved in its activities. It was clearly stated that the aim of the organisation was not only prevention of alcoholism and drug addiction. The aim of the NGO is also stated to be to promote a healthy and sober life style, improve the moral psychological conditions of citizens, enlightening and spiritual development, and promoting family values in society. They aim to encourage problem families to participate in church activities. The takeover seemed to imply a patriotic turn of the activity. It provides an example of how the state in collaboration with the church took over a civic organisation created through a private initiative.
The role of civil society organisations

Through the help of the church an NGO for drug addicts was opened again in the mono-town in 2015. It might become financially more sustainable than an independent civil society organisation, because receiving regular funding from the church, although small, makes a difference. Besides, church authority gives sponsors more confidence. The sponsors are often clients or relatives of clients of the former rehabilitation centre. The same people at times become volunteers at the centre.

There is now a kind of network consisting of the centres for rehabilitation of alcoholics and drug addicts in the oblast. Ekaterina is since 2013 working as a psychologist for one of the three centres. They aim to be taken up on the list for carrying out social services on behalf of the state, which has been enabled by the new legislation from 2015. There is a procedure to go through, some documents have to be approved before this can happen. If they succeed to enter the list, they will be able to provide services in the form of rehabilitation and preventive programmes for alcoholics and drug addicts with subventions from the state. To the date of the interview they had not received any kind of support from the state. Ekaterina does not know for sure, but it appears that the church influences the content of the rehabilitation programme for drug addicts they had worked out inspired by Americans within the framework of the NGO that was closed. The church also holds seminars and a Sunday school for parents whose children ‘are in danger.’

NGO for parents with disabled children

Two women with severely neurologically disabled children were trying to improve life for those in similar situations. In 2011 they were in the process of starting a school for such children. They were then satisfied with the new centre for disabled children along with all the equipment that had been set up with the help of foreign funding. They were also satisfied with the support they felt they had received from the major disability organisation in the region. On the other hand, they complained about how they had been met by authorities. Some progress could be noted six years later when we met again. One of them had just become the leader of a new NGO which had been registered in 2016. They get support from the two rather big NGOs in the city, from them they also get help in finding and applying for grants. In addition one of the organisations offers a course on how to run an NGO. The other is an umbrella organisation for the disabled which covers 23 organisations. “Probably we get more support here than in other places” (Interview with leader of parents’ organisation, Natalia, regional capital, December 2016). They had been part of another NGO for disabled children, but felt they had special interests given the severity of the handicap of their children and their special needs. So they decided to start their own NGO. They have not found any permanent sponsors yet, but at least Natalia feels that they have received some attention. Their aim is that attention will also reach this category of handicapped with neurological damages and that they are not forgotten.
but become visible. They had had a good start to achieve this, seven mothers were writing letters to the governor, and they were able to have a round table with the governor where each mother was given the opportunity to talk about their own situation. Also, some representatives from regional ministries attended this round table. “Now they must know who we are, what problems we have and that we exist” (Interview with leader of parents’ organisation, regional capital, December 2016).

They almost received a promise that a rehabilitation centre would be created, but now there is a new minister in charge, and everything is unclear again. But there are a few achievements. Somebody has been included in a queue for an examination by a specialist in Moscow. Mothers who take care of their disabled children themselves at home are assured a small benefit. Also, in some, cases a mother’s right to work part time was ensured. There are also three volunteers almost always available.

They have access to a lawyer who helps them to claim rights of their disabled children. We met this lawyer. She describes how complicated the federal law regulating NGOs has become during the last ten years. According to her, it is used like a pressure to keep NGOs less public:

> There is a group of organisations called ‘socially oriented’. But who and how receives the status, it can be questioned. If you analyse the language of some political documents from the upper authorities, you will see that not every NGO could receive this status. Not every NGO will be included in the list. For me it is not quite open.

(Interview with lawyer, regional capital, December 2016)

**How to run an NGO and strategies of survival in a harsher political climate**

According to the lawyer, for a big organisation with more than 800 members it is possible to receive the status of a social NGO. But for a parental organisation, which has, for example, 25 members, it will be much more complicated. To receive this status, to find clients, and to provide professional services for them is difficult. Providing social services requires a lot of resources of the organisation.

> It is of course a positive idea that NGOs should be included in the system of social services provision, but it takes a lot of resources from other activities, for example, in the field of human rights. We are busy more now with social services, but not with the provision of human rights.

(Interview with Olga, lawyer, regional capital, December 2016)

The state would simply prefer the bigger ones. It is easier to control a few bigger NGOs which have been set up or are working together with the state or even set
up on the initiative of the state than to have to deal with a large amount of smaller NGOs created by people at the grass-root level.

The state can more or less easily stop us. It is extremely difficult. Everything is complicated. You have to be such a high-level expert, if you want to survive as an NGO or receive much legal support.

(Interview lawyer, regional capital, December 2016)

At one of the larger NGOs in the city they said that the new NGO law had meant a lot of problems for them in the beginning, but it was also a matter of understanding how it was actually working. In 2011 both the leader of the women’s council at the community level and a representative of NGOs in the city expressed the view that it had become easier. A deputy from the community had created a charity fund, it appeared that it had become easier than before to receive funding from national sources, while funding from international donors had decreased (Interview with leader of women’s council, May 2011). The same year another NGO leader told about how they continued working on projects with homeless, street children and criminals which I had heard about on a visit there five years earlier. She did not know about any grass-root activities.

**Entering the list of ‘social’ NGOs**

Law 40-FZ 2010 formalised the amendments and defined a spectrum of activities that could be considered as ‘socially oriented’. It also clarified those areas in which the state was in a position to grant such organisations financial support. This involved placing orders for certain goods and services with these organisations and providing tax relief to firms granting financial assistance to such associations (Chebankova 2013, 106). In 2015, a new law, FZ-422 expanded their possible role in providing state-mandated social services to eligible citizens through contracts with the government.\(^\text{14}\)

To enter the list of ‘social’ NGOs is what a civic organisation could strive for in order to get state-funding, to be accepted and not to be harassed by the authorities.

(Interview with a lawyer, regional capital, December 2016)

What NGO leaders do if they are not on the right list (that of socially oriented NGOs) is to simply re-register. This may decrease control or provide better chances of receiving funding.

Oxana is the vice chairperson for an NGO for families of war veterans from Afghanistan, an organisation which has existed since 1986. She told about a family of five persons living in a small flat with one single room. They have been in the queue for a bigger flat, but when it was their turn they were side-stepped. The NGO for which Oxana is working tries to help people in such situations by engaging a lawyer. She uses her personal network to find a grant for paying the lawyer.
She is doing this without getting paid, but feels her work is important. She is using her personal network only, as it has to be persons she can trust, those who want to help. Oxana hopes to receive some grant from the regional ministry of domestic affairs, although she knows the competition is hard. It is really important to be included in the list of ‘social NGOs’ which is providing social services. But Oxana is sceptical.

What can we do to enter this list? How will we be able to go forward when there are no rules? The administration ‘is milking’ the bigger firms, while NGOs can get small sums of money only from the smaller firms, based on personal contacts.

(Interview with NGO representative, regional capital, June 2016)

Oxana sends letters to each of them, asking for a small sum of money, a little more from those she knows better.

**Being careful**

Another way of coping is to be careful, to simply follow the rules and not complain about them.

I still think that according to the foreign agents law we have to be very careful with foreign money. And always check ourselves not to use it for political purposes. Any political claims. Social policy is still ok.

(Interview with lawyer, regional capital, December 2016)

The term ‘political activity’ is so wide. If something is changed . . . it is so unpredictable. Up to now, it was ok. “Rights of a person with disability” is ok. It is included in our constitution, we are a social state, and therefore we can speak. We didn’t face up to now any trouble, but still I speak accurately. Because I’m not sure, it is unpredictable.

(Interview with lawyer, regional capital, December 2016)

**Including patriotism on the agenda**

Charity funds usually have a few different programmes on their agenda, and to include patriotism on the agenda is clearly advisable. NGOs for Afghanistan veterans provide one example. Youth organisations where young people work as voluntary workers, are for example helping the elderly with shopping or organising competitions for children. The community invites boys and girls to take part in voluntary work when they are 14 years old. For instance, students are expected to work in summer camps for children without pay, getting room and board, and perhaps some small pocket money. Ivan, who is a member of the youth council in a mono-town wants to contribute to improving life conditions in his home-town. He describes how difficult it is, that a young family cannot afford to pay the rent
for the flat they just received, as the rent is higher than their salaries. “They have
two children and would not manage without the help from their grandparents.”
A charity fund leader explains their new engagement in patriotism since the previ-
ous year:

The local leadership wanted to enlarge the network, and patriotism is quite
popular at the moment, it is easy to get support for this from entrepreneurs
and the local population. It is necessary to strengthen the patriotic spirit
among youth and children. To this aim, the charity fund provided support to
patriotic clubs to organise activities together with the monastery.

(Interview with leader of charity fund, small town, 2017)

Patriotism is clearly a driving force for many TOSs as well. “We were almost the
only village without a memorial devoted to those villagers who died in the war”
(Interview with employee at the administration in the main village and also young
mother in a village, April 2016). In this particular village, in 2016, they had three
recently finished TOS projects that had been carried out with support from local
authorities: a war memorial, a church renovation and a playground for children.

To merge with the state

Going through a rather fresh list of registered NGOs in two communities gave
the result that many of them did not exist any longer. There are a few different
explanations. One forwarded by a university teacher was that they are criminal,
reflecting the low trust in NGOs (Interview, April 2017). “You just register in
order to get some grant, but when the money comes you close it.” Problems faced
by NGOs because of the foreign agent law provides another explanation.

But then there is also yet another explanation. Some of those who appear to
have been working quite well have simply been co-opted by the state. One exam-
ple is the crisis centre in a small town. The family centre has taken over both staff
and activities from the crisis centre, which does not exist anymore.

Originally an NGO, the women’s crisis centre existed in the same building as
the state organisation, providing social services. Some personnel were occupied
in both organisations in parallel. After the merging of the two organisations the
‘upgraded’ state institution appeared. The financial situation of the new family
centre became more stable, because the new centre got regional financing. This
type of organisation seems to be rather active in applying for grants for their
activities: they do not have the same need to find money to survive like independ-
ent civic organisations, so they try to make grant applications for further develop-
ment and expanding the range of provided services for children and families. The
centre continues to find sponsors among local entrepreneurs for some events or
urgent needs.

The family centre for social support works in close collaboration with the wom-
en’s council. This has even become more important as difficulties have hit the
population of the mono-town quite hard. The big dominating firm let employees
go on ‘non-paid vacation’ in 2017. The most important aim in this cooperation is social help to women and poor families. To this aim the women’s council is now also trying to cooperate with the church. At the time of the interview with the vice chairperson in July 2017 there was an ongoing action of distributing food products among poor families. With the help of a big company in the region, sugar, groats, canned food, pasta, children’s food, juice and chocolate and even toys are distributed to poor households. The agreement with the sponsor is informal, but at the same time the families receive an official letter from the administration. Announcements have been made and two rooms were filled by clothes and toys collected from the population. The aim is also to show families that they are not alone with their problems but that they can go somewhere to receive help. The action was taken by means of collaboration with the administration.

The Council for Crime Prevention among the Young, with which the women’s council often works, and the youth council also took part. Chosen to be the target for this particular action were 50–60 families, meaning that not only the 20 or so families who for the moment are on the list of “the commission for the under-aged” but also others known to be in a difficult situation. This particular women’s council won an award for being the best in the region in helping families with many children and poor families in 2016 (Interview with vice chairperson of women’s council, July 2017). As usual the women’s council is organising various family celebrations over the year, they collaborate with social services and the family centre. One of their tasks is to encourage the preservation of family values, their traditions and history.

The same women are actors everywhere, they are working at the local administration, social services, the women’s council, and the commission which collaborate in this crisis, mobilising sponsors. While there are few signs of responses from the state, some active women within or outside the state structures sit on more than one chair.

Parallel hierarchies versus personal networks

The survival of hierarchical structures however indicates that, rather than cooperating, social welfare institutions and civic organisations seem to function as two parallel hierarchies of support. Interviews from four Russian regions provided evidence of support that does not necessarily reach people most in need. It appears that state policies promote hierarchical top-down models, steering both social welfare offices and NGOs to provide charity rather than empowerment. There are no formal structures for collaboration, and therefore no regular means of cooperation. On the contrary, cooperation between NGOs and social services administration appears to be based on personal contacts or ad hoc agreements. When something happens, resources are mobilised to meet the particular emergency situation.

There is thus a risk that those starting NGOs themselves become leaders of hierarchical organisations and that they are the only ones who feel empowered (Phillips 2005). This also means that the ones who distribute social welfare at
the local level are individual NGO leaders, rather than local female politicians responsible for social affairs. Although this study provided only limited evidence of their collaboration, some forms of cooperation between NGOs and social welfare offices were also mentioned. The fact that social workers and NGOs collaborate around traditional tasks such as festivals, celebrations and charity might indicate that they are open to collaboration in a broader sense as well.

Although interviews with staff in NGOs often present views in line with a top-down perspective, they also express a number of views which are compatible with bottom-up initiatives. These employees show an interest in listening directly to the views of poor people; a preparedness for actions for change, and an interest in cooperation (see also Sätre 2014a). Furthermore, there is evidence of how NGO representatives try to change the rules. Interviews revealed actions of lobbying upwards in the hierarchy as well as attempts to influence legislative rules. Learning from their experiences, processes of cooperation and empowering could be promoted. The research however provided little knowledge about the actual processes of empowerment of poor people.

Women who were used to finding informal solutions to problems during the Soviet period have transferred Soviet hierarchical practices to women in contemporary Russia. Also, today, women try to find ways to secure survival through their unpaid voluntary work (in addition to paid work). Local authorities are intertwined with traditional organisations, such as women’s councils and veterans’ councils, which are officially registered as NGOs (Kulmala 2013; Sätre 2012). Charity organisations are engaged in helping homeless children and young criminals, and also, to some extent in “bottom-up projects,” such as helping individuals or groups with funds to start up various activities (Sätre 2007).

Recent pressure from the state to engage socially oriented NGOs is compatible with developments at the local level. There are networks between women leaders, across state organisations and NGOs, as well as between leaders of informal clubs. Foster family clubs and networks of mothers with many children or single mothers are examples of the latter. A woman in charge at the administration of a small town tells that she as a member of the regional women’s council, is a mentor to a child in a poor family (Interview, April 2016).

‘Ad hoc’ cooperation between NGOs and the state

Salamon and Anheier (1998) suggest that the non-profit sector and the state are dependent on each other. They argue that non-profit organisations are often active in a field before government can be mobilised to respond. NGOs are, therefore, likely to develop expertise, structures and experience that governments can make use of. Interviews did provide examples of such interrelationships, among others of the role of some of the larger NGOs with roots from the Soviet period, such as the non-governmental organisations ‘for Deaf and Blind’ and ‘for the Disabled,’ provides an example (Interviews, regional capital, October 2012; December 2016). Social workers told that they are dependent on NGOs in different ways, on voluntary work or facilitating support from donors.
For instance, there are examples of how NGOs keep storage facilities where sponsors come with sugar, rice and flour. Voluntary workers collect the donated goods and make parcels which are then delivered to single mothers who have children with disabilities (Obshchestvennaya Palata 2012). There are also social shops (run with the help of voluntary workers) where prices are lower than in commercial shops.

Some forms of cooperation between NGOs and social welfare offices were mentioned in interviews. For example, when a mother was admitted to hospital for an operation, her children were taken care of by the authorities, but an NGO representative helped to find relatives who could take the children (Interview, regional capital, September 2010). In other situations, if a philanthropist makes a donation of money or an investment, the donor simply decides what the money should be used for, such as building a church or a children’s home.

Some NGOs felt that the social welfare department supported their efforts. Such support could mean getting an office or assistance with electricity and a telephone. Earlier reported interviews however indicated difficulties due to the stricter policies towards NGOs. In some cases, such stricter policies towards NGOs seem to prevent cooperation with the local administration. According to the new leader of the women’s council, those working at the local administration do not want to collaborate with the women’s council, simply because they are afraid it might have a negative effect on their positions at the administration (Interview, small town, April 2017). On the other hand, a woman working at a social shelter describes how they collaborate with all hospitals, the tutor (opěki), the pension fund as well as cultural organisations, but not with any NGOs, as the latter do not want to have any contact with either the children’s home or the shelter (Interview, suburb of city, 2015).

Others emphasised how they performed the job that the social office staff have been unable to do. There were for instance examples of how parents had mobilised other parents to undertake voluntary work after social services had failed to do this. Some respondents also spoke about unpaid work carried out by pensioners, helping to make parcels to distribute to poor people for New Year’s celebrations. However, one social worker mentioned that the pensioners are paid for their efforts if the organisation can get a grant for this work, indicating that she thinks this is the way it should be.

An independent NGO is working to prevent violations of child-parent relations. The problem is that they are dependent on grants, which means that they have to formulate projects and try to take part in regional programmes. They are always looking for resources, it is important to be able to pay wages regularly. It is very bad if they have to work alone with such difficulties, therefore they try to collaborate with others, “but everything depends on leaders! If it is possible to survive systematic difficulties, someone else will also survive.” They planned to arrange courses for foster parents but were refused. As a way to get some stable financing, in effect also implying more stability for clients and staff, civic organisations might try to get the status required to provide services and become a social NGO (Interview with NGO worker, regional capital, 2015).
Can NGOs contribute to processes of empowerment and poverty reduction?

Social NGOs have been formed primarily to address social rights (Cook and Vinogradova 2006; Hemment 2007; Henderson 2011; Kay 2000; Sperling 1999; White 1993). Some of these addressed problems of poverty, for example, through distribution of food in rural areas (Sätre 2000).

It has been argued that civic organisations adapt to changes and try to solve problems as they appear rather than trying to change something through open protests in society (Mendelson and Gerber 2007). As argued in Chapter 5, women keep up Soviet practices to find ways to secure survival in post-Soviet Russia through their non-paid voluntary work as well as through paid work. One aspect is also the continued reliance on help from voluntary organisations in one way or another (Kay 2011; Salmenniemi 2008). As already argued above, Soviet legacies fill a function also in today’s Russian society, since NGOs assisting the poor often are formed top-down rather than bottom-up, and rather than working for empowerment stand for charity. This is illustrated by an NGO representative (chairman of an association for mothers with many children): “NGOs are dealing with emergency help rather than empowering self-help strategies and the creation of networks” (Interview, September 2010).

Then there are these traditional organisations of celebration activities for Mother’s Day, the Family Day, New Year’s etc. (September 2010). Interviewees give the impression that benefit recipients looking to the department for payment of subsidies do not think about the possibility of going to an NGO instead. If they did, this would have been perceived of as begging. Some express a lack of trust in NGOs:

What is the social service? Does it have demand? What is the reaction of NGOs to this demand from people in need?

(Interview, aid-seeking woman, regional capital, July 2010)

For some benefit recipients their understanding of being active means going begging to additional organisations, apart from the obvious ones. Some of these had problems that appear difficult to deal with in terms of them taking actions to get themselves out of their precarious situation. The woman with the son who needs an operation and a former fireman who needs some special treatment provide two examples. A single act of support in the form of charity might well be what is needed to help them over the threshold.

Interviews with NGOs also provide examples of how they start from benefit recipients’ own ideas about what they need, reflecting an ambition to base activities on a bottom-up perspective. An NGO representative stated:

We had a questionnaire, which we give to those who apply for our services asking about their main concerns. . . . The first reason is housing, this is the main problem. Why is it the main problem? Because no matter how active we
are, we cannot resolve this problem by our own means. The pricing of housing makes housing unaffordable, and housing is the main problem.

(Interview with NGO representative, regional capital, September 2010)

As noted above, there are networks and cooperation between poor families. For example, mothers with many children cooperate with each other. If the size of such networks becomes large enough, activities are coordinated through the internet. This is also the way to establish contacts with similar groups. Interviews reveal examples of how NGOs may serve as network centres:

Mothers with many children socialise together, they help each other with clothing, exchanging it. One of them created a website for the exchange of clothing.

(Interview with NGO representative, regional capital, September 2010)

Some interviews indicate an ambition of NGOs to actively contribute to changing existing rules. One example is an NGO leader who is lobbying for policy changes. The chairman of the association for mothers with many children describes how she struggles for better child care benefits and that mothers with many children should have a work book and thus be regarded as employees with a guaranteed wage for taking care of children in parity with teachers and psychologists. Another example is the leader of a public organisation for helping families who works for stronger legislation against violence within families. She emphasises the interrelation between violence and poverty: “empowering women could reduce poverty” (Interview regional capital, August 2010).

This NGO leader further mentions how she engaged in “helping a mother to get the state subsidy called mother’s capital which she should have been entitled to” (regional capital, September 2010). Interviews also reveal other experiences that might have more empowering characteristics.

Some NGO representatives talk about the advantages relative to working in social services: they are not regulated, there is no certain order of how to manage things, they do not have to follow instructions and directives from above and they are, to an extent, exempt from some of the heavy administrative work that the social assistance centre has to take care of. This means they can make decisions faster, one NGO representative argues, perhaps reinforcing their roles as helpers in emergency situations. On the other hand, they are reliant on voluntary work, which means that they cannot order people to take part in subotniki (voluntary community cleaning). NGO leaders are themselves examples of mothers who are capable of helping themselves and others out of poverty. Some of the benefit recipients have experiences of working in NGOs or in the social sphere. One form of cooperation between an NGO and social security is also mentioned: the NGO giving children a sack with the things they need to start school.

To sum up, although interviews with NGOs reveal some statements pointing to views in line with a top-down perspective, they also reveal a number of views which are compatible with empowering the poor. They show an interest
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in listening directly to the views of poor people, they show a preparedness for agency for change, and an interest in cooperation. Inadequate resources however pose clear limits as to what kind of help they can provide.

Although it has become more difficult to start or run an NGO in Russia due to stricter conditions regulating their activities (such as the foreign agent law), there are new NGOs developing.

Although there are some indications of increased cooperation between the NGOs and the state which could be taken as a sign of improved partnerships (Salmenniemi 2008), decreased Western funding and increased control from above (as manifested in new legislation in 2006 and again in 2012 and in 2014/121-FZ), suggest ‘everything is complicated’ as the lawyer said; it has become more complicated for bottom-up initiatives to provide social services, given that they are not likely to get support from the state. The autonomy of civic organisations is restricted and there is an imbalance of power in the partnership relations between civic organisations and administrations.

Conclusions

Russian power hierarchy cannot solve societal problems within hierarchic decision-making but needs wider participation by local people. Russian leaders have expressed the needs for collaboration, not only between administration and firms but also with the local population. At the same time, Russian leaders have difficulties to trust Russian citizens, and therefore citizens’ activity is controlled. Promoting social NGOs while at the same time increasing control towards NGOs and other civic organisations causes a rather complicated dilemma for Russian leaders. To support active participation while constructing increasing control will naturally have negative effects on local initiatives and innovations. For local citizens it means the dilemma of needing to find their way in this landscape of support and punishment.

There is a spectrum of opinion with respect to poor people, based on experiences from bottom-up versus top-down agency. Experiences from some places show that sometimes small things can help individuals over the threshold and become capable of taking their own lives in their own hands. Agency may mean getting or at least looking for a job, or trying to set up a business, creating a network to secure certain services or just cutting back on expenses. If agency is not connected to empowerment, however, there is a risk that individuals find solutions that have negative effects from a societal point of view. One example, as described in Chapter 3, includes those educated in certain low-paid professions such as doctors, teachers or police, who choose to change professions “to make ends meet,” where their qualifications are not needed. Others take on a second or third job at the expense of time with their families.

In most cases it is not the poor who start up things themselves, but those who are “above the surface” with personal engagement, for example someone employed in the social sector or at the local administration. If there is no common interest to cooperate in a locality, the risk increases of ending up with scattered measures
that are hardly coordinated, and for instance rich entrepreneurs deciding how to distribute social welfare through their own measures possibly as well as through their contributions to some NGOs.

Although there are obstacles to empowering the poor, this chapter has also identified processes that might indicate that such a development is possible and actual in the Russian context. A tendency that individuals are aware of their rights and ready to claim them by approaching social services offices has been noted. Also, increasing openness is recorded towards collaborating with others – not only with relatives and close friends in similar situations, but also with others in order to fulfil a common need. And furthermore, benefit recipients show trust in social service centres and NGOs by actually going there to seek solutions to their problems. The chapter has also provided evidence of how social work specialists as well as NGO workers really try to enforce citizens’ rights, and to ensure that people get the support they are entitled to.

Is the civic sector able to contribute to decreasing poverty in Russia? How, given the stricter rules towards NGOs and given the policy to promote social NGOs? Difficulties include that the hierarchical structures of organisations might prevent cooperation between civic organisations and the state. Stricter rules towards NGOs have decreased trust in NGOs and willingness to engage with them. People are unwilling to start NGOs and they are reluctant to become members. Ordinary people are reluctant to participate in activities which are not promoted or guaranteed by the state. On the other hand they participate in voluntary activities including charity. On an ad hoc basis people are prepared to take part in helping in emergency situations as well as contribute when money is being collected for somebody in acute need. People are willing to provide non-financial support. The state has promoted engagement in social affairs by using patriotic reasons. The state promotes large NGOs rather than small ones in order to make governing easier and to facilitate control. One effect is that smaller ones face difficulties to find financial support for their activities. Many are left to the time-consuming tradition of letter writing. It is also indicated that getting support has become more difficult for those who are not registered. Also women’s groups are facing increasing difficulties as reflected in a decreasing number of registered women’s councils. It is a matter of private contacts and using channels, especially inside the administration. There are nevertheless new initiatives in the form of new civic organisations being started. One of the major challenges clearly is to meet the two-fold scepticism that the stricter rules towards NGOs have created. If you are not registered, this implies that you are not subject to needed control from state organs. On the other hand, you are not reliable as a helper in the sense that you might not be able to fulfil obligations.

The state has supported initiatives to create charity funds, and has also promoted entrepreneurs, workplaces and local people to contribute. Social policy aims have been connected to the weak financial situation of the local state. The state places much reliance on the regional and local levels as well as on women’s unpaid work. It is left to the local level to solve problems. This is likely to increase differences between places. It becomes a matter of whether there are local people
able to create local funds and whether there are local people who can contribute to financing activities. And even if in some places there are volunteers, entrepreneurs and women who take on responsibility for social welfare, formally or informally, in any case this activity will not be enough to solve the basic problems of poverty in Russia. Furthermore, stricter attitudes to NGOs are hindering initiatives and agency and communication about practices and new initiatives.

Notes

1 Women’s councils were launched as separate but party-related bodies in the Soviet Union in 1961 (Saarinen et al. 2013). These top-down organisations created on territorial and industrial principles, were, according to Zdravomyslova (2013), designed as “power transmission belts” of Gorbachev’s new politics. By 1989, there were 240,000 women’s councils in the Russian republic. Several women’s councils transferred into feminist groups. Others transformed into independently registered organisations and are active in social welfare (Kulmala 2013).

2 According to the SDMR 2015 survey, 1 to 2 per cent of the Russian population stated that they are members of political parties, environmental organisations, youth organisations, women’s organisations, veterans’ organisations, volunteer organisations, consumer organisations, or ethnic or nationalist movement organisations. Between 3 and 5 per cent stated they are members of sports clubs, charity organisations, church organisations, organisations for culture and arts, interest groups (such as fishermen). Between 6 and 10 per cent stated that they are members of trade unions or dweller gatherings. In the SDMR 2015 survey almost 40 per cent of respondents stated that they participated in a Victory Day celebration in 2013–2014.

3 In the SDMR 2015 survey less than 1 per cent of the Russian population stated that they participated in strikes in 2013–2014. Two per cent said they wrote a letter to a newspaper in the same period. A little more than 2 per cent stated that they participated in protests, while the figure for participation in rallies was higher; 6.4 per cent in the same year. Six per cent stated they signed a petition in 2013–2014. A total of 44.5 per cent voted in local elections, while 5.3 per cent participated in election campaigns. According to another study 18 per cent participated in societal organisations such as trade unions, gardening clubs and housing organisations (Obshchestvennaya Palata 2012).

4 There are many slightly similar concepts for denoting activities outside the state and private sectors; third sector, voluntary sector, non-profit sector, the social economy. In the following we use the concept ‘civic sector’ which is compatible with the ‘civic organisation,’ corresponding to the Russian term ‘Obshchestvennaya organizatsiya.’ The term ‘non-governmental organisation’ (NGO) is used for registered civic organisations.

5 According to Vivet and Thiry (2000), the generally accepted criteria for describing the social economy are (a) the object of providing a service to members (common or mutual interest) or the community (general interest), (b) the primacy of people over capital, (c) democratic functioning and (d) a management system which is independent of public authorities (Vivet and Thiry 2000, 11).

6 In 2017, there are 56 registered women’s councils in Russia, but 33 have been closed (although perhaps they have continued without being registered). In 2018 there is only one ‘women’s parliament’ in Russia, earlier there were three, but two of them have closed (www.min.ru).

8 See further Granberg and Sätre (2017), 145–149 on TOSs in the Arkhangelsk region. See Chebankova (2013), 106 for practical results of the TOS activity in the cities of Novosibirsk, Ulianovsk, Sochi and Yaroslav, and in the Volgograd region.

9 After increasing in numbers through the 1990s, from the beginning of the 21st century the number of NGOs supported by the West started to decline in the face of decreasing Western funding and increased state control (as manifested in new legislation in 2006, in 2012 and in 2014, respectively).

10 In 2017, Larissa and her husband had eleven foster children and one biological daughter. See Granberg and Sätre (2017), 114–115 for their story based on interviews and visits to the family and their village in 2013 and 2014.

11 Those on social services’ list, entitled to support.

12 FOK is a shortening for ‘Fizikulturno-Ozdrovitelnii Kompleks,’ which could be translated into ‘Sports-Wellness Centre.’

13 In 2009, 22 per cent of charity work in Russia was conducted by state-dominated organisations, 19 per cent by independent charity organisations, 10 per cent by business structures, 27 per cent by rich people and 19 per cent by ordinary Russians (Chebankova 2013, 107).

14 The regional social sector authorities take care of the implementation of the law. Divergence among regions depending on the political leadership has however been noted (Tarasenko 2018).

15 See further Crotty (2009), who argues that social NGOs are hierarchical and they do not promote the development of civil society, but rather focus on one question.
7 The politics of poverty in contemporary Russia

On poverty, circles of poverty and their causes

Trends are clear. After increasing all through the 1990s, poverty fell in the early 2000s, and then increased again in 2014–2017. While according to official statistics poverty is around 13–14 per cent, large population groups are near the poverty line. Surveys indicate that as many as two-thirds of the population may be considered poor if we count those who say they have problems to afford durables. In 2015, the most vulnerable were found in the age group 30 to 39 and among those in their sixties. In the period 2010 to 2015, the same age groups show on average a more substantial downturn in their life situation than others. In the first case the probably best explanation is that these are usually the ones who have children. In fact, there is a strong connection between poverty and families with children. The younger and the more numerous the children, the more likely a household is to be poor or very poor. Maybe one reason is that people in the 30–39 group were children or youngsters during the most difficult years of the 1990s when the number of orphans was particularly high.

Poverty levels are generally higher in villages than in other kinds of settlements, but comparing the worsened life situation from 2010 to 2015, we cannot really see big differences between different kinds of settlements. Medium-sized cities, those below half a million inhabitants show a somewhat better result than other kinds of settlements. Gender differences are on average quite small, with a slightly worse situation for women than for men. Old age does not appear to be a causal factor for poverty in Russia as it was in the Soviet Union.

However, one should bear in mind that the poorest were probably not reached through the surveys nor the qualitative interviews. The interviewees included those seeking assistance from social services, who are registered as poor, but we did not really get in contact with the poorest more than on a few occasions over the years. A picture of the situation has been obtained by talking to the women who deal with poor people, either because they are confronting poverty through their regular workplaces i.e. in schools, internats, children’s homes, libraries or houses of culture, or because they have a responsibility to deal with social problems in their jobs at social services or local administrations. Interviews with them gave information about what kind of poverty they meet and how they actually

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handle the problems. Small things can sometimes make a difference. Just talking to somebody may lead a mother to take some small treatment to be able to stop drinking. In other cases, visits to the problem families may result in children being taken from their parents.

The high number of working people with low wages is clearly one important characteristic of Russian ordinary life. Income inequality has increased, but wealth inequality has increased even more. While wage differentiation has increased, major departures from pre-transition structures of wage relativities have been limited. Low wages in non-priority sectors in the Soviet economy is a feature that has survived to present-day Russia along with the continued heavy reliance on natural resources. This situation is caused by a failure of the economic system inasmuch as the system has been unable to promote the development of the non-oil economic branches, where a large part of the Russian population is working, and thus to increase the capacity of those branches to pay decent wages. Continued low wages and loss of social services has meant that it is common that expenses are higher than incomes for ordinary people, launching processes leading to people being caught in vicious circles of poverty.

This book has tried to capture the essence of poverty circles, and why it is difficult to get out of vicious circles of poverty. In effect, some features of the Soviet system have survived the reform measures of the 1990s, which also explain the small progress that has been made in non-oil sectors. Two different kinds of explanations have to be identified, those that are connected to state policies and the working of society on the one hand, and those that are related to attitudes and behavioural patterns on the other. According to the first explanation, the prevalence of soft budget constraints has meant that there are fewer lay-offs than there would otherwise have been. This has saved jobs at the expense of wages and explains why a large part of the Russian workforce is still employed in unprofitable large-scale enterprises. Over-employment has survived, while a large part of Russians live with wages that are barely enough to cover basic expenditures. Low salaries in certain professions, such as teachers and doctors who are employed in non-commercial organisations, seem also to have survived.

People concerned only with survival can hardly think about development. Survival and coping rather than development dominate Russian families. Such families cannot afford to pay extra for additional education or medical services of good quality, nor can they buy a house or have a decent vacation.

Even if the state and politics are to blame, this does not mean that individuals cannot do anything to change their situation. But some resources are needed. We tried to go deeper in this book by combining research results (data from surveys and interviews) to find out what kind of attitudes exist, what strategies active people have and what the links are between them. There is strong support for the view that inequality is too high. Do people want to hide, do they protest or do they try to change their own behaviour. People have stated the view that both the state and the individual are to blame for poverty.

According to the other explanation, if you blame individuals, this is usually connected with the idea of people being passive, not trying to do anything to
change their life. They just continue to live in poverty without trying to change their situation. To answer the question whether they are able to get out of poverty or not, we have looked into what kind of actions they have chosen, are they coping to survive or using strategies to actually change their situation? What have they done concretely? The lowest income groups have tried to meet hardship by working more, producing more food for their family by themselves on a dacha or farmland, and cutting down on expenditures for food, clothing and footwear. There are quite many who got another job, which could mean that they work more and more, entering an ever-worsening situation. Working more to cover expenses provides no sustainable strategy for those living on the edge, because if something happens they face a big risk of falling down. Nevertheless, quite many and some of the poorest families invest in education of their children.

The book highlights the process explaining why people are not able to get out of poverty no matter how active they are. There is a large share of wage earners whose wages are below subsistence level, providing a significant indicator of hardship. The situation some people end up with is chronic poverty where expenses are constantly higher than income. In order to handle the gap, people have used whatever they have. Loss of wealth among the poorest shows that many of them have sold whatever resources they might have had to cover the gap between expenses and incomes. What is left is one’s own labour power, and a tendency to work more and more in order to cope with a difficult situation. What is even more worrisome is that reaching this point makes people highly vulnerable.

Some achievements of state social policies

As mentioned we find that the families with children belong to the ‘poorer’ segments of Russian society. As a general rule, the more children, the more difficulties. State social policies are directed towards them. Official statements about priority in state policies have not been implemented by the federal state, they are instead formed as directives towards the regional level. This provides a sign of a weak state not able to implement its policies. Or it is simply an indication of the difficulty of prioritising several tasks, a balanced budget has been more important than social policy.

Russia has gone through some changes in social policy since the 1990s. First social work was established as a separate policy area. Secondly, the state tries to induce entrepreneurs to take a moral responsibility for their local environment. Thirdly, the foster family reform was made as a part of the child and a family policy programme. An increased priority to families with children based on the need to increase the birth rate and solve the problems of social orphans can be noted. Achievements of the pronatalist policy can be seen, although still most families do only have one child. Policies have been implemented with at least some success, for instance the foster family reform and the national programmes improving child welfare. A patriotic policy has helped vulnerable groups to benefit from charity. A few experiments in redirecting responsibilities to civil society
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There might be an alternative policy based on attempts to get out of chronic poverty. Focusing on filling at least some of the gap between incomes and expenses with subsidies rather than on empowering people to actively change their situation, the present social policy in itself leads us to the conclusion that it would be really difficult for poor people themselves to take actions to get out of chronic poverty. There is very little empowerment thinking in the Russian political system. Even if there were, it would not be enough to solve the poverty problems in the society. An alternative approach to poverty would look for solutions related to changes in the politicised economic system that lead to decreasing poverty through rising wages and which includes the possibility for people to articulate their economic and social interests through labour unions, NGOs or other organisations.

Although it is difficult to estimate to what extent the National programmes focused on health care, housing, education and agriculture have actually been implemented, interviews with local authorities and low-income families reveal that they have benefitted from participating in the programmes. These had impact at least from 2007 to 2014; then, after 2014, inflation and budget cuts have increased. Nevertheless, the government has kept social programmes running. It appears, however, that these programmes have most effectively helped those who are already above the threshold and not primarily the poorest groups. On the other hand, the foster care reform and other reforms indicate a change in child policy, both in terms of increasing efforts to decrease child poverty and in terms of upbringing policies. Such changes at least open a chance to get out of the vicious circle where poverty feeds poverty.

In the middle of all the problems with the functioning of the system there are local tendencies towards collaboration between women in different positions who try to solve the most acute poverty-related problems. It is indicated in interviews that women who are responsible for social welfare have to find sponsors by themselves for their regular activities. Being responsible for organising social welfare, women working in the social sphere have created their own support networks for this. They are combining old networks from the Soviet time and new ones with young, educated women leading non-governmental organisations. Women use contacts to local authorities and donors and apply for project funding to try to create resources. Networks of women working and engaging in the social sphere provide hope for the poor in Russia. But it is still mostly about charity rather than empowerment.

It is more about finding ad hoc solutions to urgent demands, and having patience with regard to the rest. But it is also about persisting norms of a moral and practical female responsibility for social welfare. It is about surviving entrepreneurial behaviour necessary to deal with shortcomings resulting from the low-priority status of social issues inherited from the Soviet system, and about education.

A patriotic aspect in Russian policy involves a few different elements that may contribute to poverty relief. The young are encouraged to help others, i.e. participating in voluntary work in their community can be integrated in students’ duties.
Under the unfortunate circumstances of their country, Russian women feel extra responsibility for taking care of social tasks. Pensions are in a way functioning as ‘citizen salaries.’ You get it, and then use your time to work voluntarily for common aims. Patriotism is connected to moral values, including the church or the monastery to motivate people, both to work for free for charity purposes and to accept a difficult life situation and not claim a higher standard of living.

**Lifting oneself and others out of poverty?**

In local places, poverty relief is often a matter of whether there are reliable entrepreneurs and at least some rich person who can contribute. Funded activities may concern the quality of local schools, sports or church renovations, depending on their will and attitudes. Voices of entrepreneurs have been relevant both because they provide examples of lifting themselves from poorer circumstances to better ones, but also because their stories reveal the difficulties and hindrances they have passed on the way and why arbitrary rules may be harmful. It appears that the option to set up a business to get out of poverty is not available to everybody. You need resources and luck. The stories of entrepreneurs also tell something about the general opportunities in a locality, the conditions for their employees as well as how they feel about the pressure on them to contribute to local welfare.

Experiences from some places show that sometimes small things can help individuals over the threshold and become capable of taking their lives in their own hands. Agency may mean getting or at least looking for a job, or trying to set up a business, creating a network to secure certain services or just cutting back on expenses. If agency is not connected to empowerment, however, there is a risk that individuals find solutions that have negative effects from a societal point of view. One example, as described in Chapter 3, includes those educated in certain low-paid professions such as doctors, teachers or police, who choose to change professions “to make ends meet,” where their qualifications are not needed. Others take on a second or third job at the expense of time with their families.

In most cases it is not the poor who start up things themselves, but those who are “above the surface” with personal engagement, for example someone employed in the social sector or at the local administration. If there is no common interest to cooperate in a locality, the risk increases of ending up with scattered measures, and that for instance rich entrepreneurs decide how to distribute social welfare through their own measures or through their contributions to some charity organisation.

A tendency that individuals are aware of their rights and ready to claim them by approaching social services’ offices has been noted. Also, some increasing openness is recorded towards collaborating with others with similar needs, that is, some people are prepared to cooperate not only with relatives and close friends but also with others to fulfil a common need. Although our study records views that poor people have themselves to blame, we also find support for the opposite views, including clear criticism against the functioning of the present system.
What can civic organisations do?

Rather than increasing tax payments to finance social policy, citizens are ‘encouraged’ to contribute to the fulfilment of social aims in various ways. First, there are general measures to redirect NGO activities from politics or human rights to social welfare: through new laws regulating the activities of NGOs; tax relief measures; fewer audits and less control. NGOs should contribute to ‘social help,’ emphasising the importance of being an active citizen in the social sphere. Secondly, there are expectations of voluntary work, mainly by women engaged in the social sphere. Thirdly, voluntary contributions to charity by businesses are encouraged on the basis of ethics and moral values, rather than through the use of monetary incentives.

Russia is a hierarchical society. The government’s dilemma is that the state cannot solve societal problems within hierarchic decision-making but needs wider participation by local people. Russian leaders have expressed the needs for collaboration, not only between administration and firms but also with the local population. This is conditional collaboration, however. Russian leaders have difficulties to trust Russian citizens, and therefore citizens’ activity is controlled. Promoting social NGOs while at the same time increasing control towards NGOs and other civic organisations causes a rather complicated situation. To support active participation while constructing increasing control will naturally have negative effects on the willingness of citizens to take initiative.

Is the civic sector able to contribute to decreasing poverty in Russia? How, given the stricter rules towards NGOs and given the policy to promote social NGOs? Although there are some indications of increased cooperation between the NGOs and the state which could be taken as a sign of improved partnerships, the autonomy of civic organisations is restricted and there is an imbalance of power in such partnership relations. Furthermore, difficulties include that the hierarchical structures of organisations might prevent cooperation between civic organisations and the state. Stricter rules towards NGOs have decreased the trust of ordinary people in NGOs and the willingness to engage with them. People are reluctant to participate in activities which are not promoted or guaranteed by the state. On the other hand, they do take part in voluntary activities including charity, being also willing to provide non-financial support.

One feature of this imbalance is that the state prefers to promote large NGOs rather than small ones in order to make governing easier and to facilitate control. The smaller or unregistered ones face difficulties to find financial support for their activities. Many are left to the time-consuming tradition of letter writing. Also, women’s groups are facing increasing difficulties as reflected in a decreasing number of registered women’s councils. Fundraising is a matter of private contacts and using personal channels, especially inside the local administrations. There are nevertheless new initiatives in the form of new civic organisations being started. One of the major challenges clearly is to meet the two-fold scepticism that the stricter rules towards NGOs have created. If you are not registered,
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this implies the positive side that you are not subject to the control from state organs. On the other hand, you are neither reliable from authorities’ point of view.

The state has supported initiatives to create charity funds, and has also promoted entrepreneurs, workplaces and local people to contribute. This has been connected to the weak financial situation of the local state. The state places much reliance on the regional and local levels as well as on women’s unpaid work. It becomes a matter of whether there are local people able to create local funds and whether there are local people who can contribute to financing activities. However, stricter attitudes towards NGOs are hindering initiatives, agency and communication about good practices and new initiatives. And even if in many places there are volunteers, entrepreneurs and women who take on responsibility for social welfare, formally and informally, this activity seems not to be enough to solve the basic problems of poverty in Russia.

The causes of Russian poverty are not in the willingness to help or social policy funding but deeper in the systemic features of the country’s economy.

Concluding remarks

Working people have rights to obtain some minimum wages, some small benefits; those reaching the rather low pension age are entitled to a pension and the unemployed have some rights to obtain unemployment benefits. Parts of the population are entitled to some, in most cases rather small, social benefits. Maternity capital and opportunities for entering various forms of state programmes, reforms directed at children and families with children, including the foster family reform have made a difference. However, it is also clear that the breakdown of the Soviet system meant losses in social services that have never been fully compensated for. There is no tax-financed welfare system in Russia. A consequence of low wages is that ordinary people cannot afford extra expenses. One option is to apply to a local charity fund, but one needs to have a good reason such as a sick child in need of a special operation or perhaps some smaller contribution for a talented boy or girl to represent the home-town in a competition in another place. Or perhaps a patriotic activity would fit well with the stated aim of the charity fund.

In his speech to the nation before the presidential election in the spring of 2018 Vladimir Putin stated that poverty would be halved in the next six years. No real explanation in terms of policy programmes was provided. It was expressed in the form of a directive to the regional level that they have to secure results leading to this. One component was that it would be forbidden to pay wages lower than the minimum wage. But we have seen before how difficult it has been for the regions to implement reforms taken at the federal level without resources allocated from above. Most likely regions will pass on the difficult implementation to the local level. Hence, in this book, in order to understand how poverty issues are dealt with in Russia, we have focused on the local level.

We have recognised women’s important role in this. Women are working in social services, which is part of the state, and part of a strong hierarchical system which is steered from the federal or regional levels. There are centres for social
services in every community and the head is most often a woman. At the local administrations there is usually a woman who is responsible for social welfare questions. We have accounted for how the networks of women have been important for poor people. Networks are important both because they help coping and survival, but also because they provide information. But we have also seen that their efforts are not enough. Resources are simply lacking.

Looking at the role of civic organisations, it is often women who are active as well. It appears to be a common policy to set up local charity funds, collecting money through letter writing for different projects. But often very small amounts of money can be raised in this manner. We have also noted informal groups helping each other to cope in difficult life situations. We can see how NGOs have adjusted in order to be able to receive acceptance and support from the Russian state and how this has limited their activities and work methods. They are among those who are not able to pay employees their agreed salaries. In the harshening climate towards NGOs, many of them have troubles while others find ways to cope with the difficulties. You can see that the focus on social issues has increased at the expense of the articulation of interests by professionals and other interest organisations. With respect to women’s organisations, it is indicated that the women’s councils face similar problems and that they experience difficulties in obtaining support from companies, support that they were able to receive earlier. Stricter policies towards NGOs has also implied that people do not dare to trust them. Perhaps they will close. Donors have come to prefer situations where the local administration is involved, as this makes them feel more secure. In 2011, local administrations tried to mobilise NGOs, including the women’s councils for their own purposes. In 2017 it is instead the women’s councils which try to work through the administration to accomplish deals with entrepreneurs.

The social problems in Russia will not be solved by subsidies from the state of one kind or another, neither will they be solved by women’s formal and informal work, nor by means of socially oriented NGOs, local charity funds or patriotic messages. Such measures and efforts will contribute to keeping people above the threshold, helping people to cope with difficult situations. But they do not address the key problems, that of achieving changes enabling the Russian population to earn wages they can live on. And that calls for changes in the mechanisms which steer the economic system itself, including the social and political environment.


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