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In This Issue:

S. Glinkina: “The ‘developmental stages’ approach in assessing post-communist transformation was dominant not only in Russia, but virtually throughout the world for about a quarter of a century... Within the mainstream, the socialist period was seen as a deviation from the historical course of human development (an experiment, crime, etc.), and the transformational transition, as a return to civilization. In the process of transformational reform, however, much of this became less certain.”

N. Tikhonova: “...the main theoretical problems in the field of income stratification ... are whether a stable model has taken shape in Russia, whether a sustained downward trend of real incomes is changing it, and how that model is perceived by the country’s citizens.”

M. Urnov, V. Kasamara: “The most perilous phenomenon, as we see it, is the combination of relatively weak liberal attitudes and a comparatively small values gap between them and the rest of the country’s population; the phenomenon characteristic of Russian students... the inner potential for change in Russian society will be quite modest in the foreseeable future. This means conservation of the numerous existing negative traits and phenomena and aggravation of the lag behind the world leaders.”

Yu. Latov: “...in the near term (the next year or two) a revolutionary situation for Russia will be merely a distant menace... especially if Russia finally starts to extricate itself from the economic crisis. But the late 2010s may be a dangerous time if the imminent world economic crisis is combined with the pent-up discontent with the performance of the Russian government... Under these conditions the volatility of Russian public consciousness... may turn out to be a highly dangerous factor.”

N. Zarubina: “It seems that the ‘axial problem’ around which Russian civilization is developing is the need to arrive at the best possible balance between various ideas about justice and solidarity. Throughout the dramatic history of Russia this balance has been present in different projects of modernization, state order, ideologies and social theories.”

S. Malkin: “...considering the United Kingdom of Great Britain and Northern Ireland as ‘an empire in miniature’ in the European imperial context gives an insight into the mechanisms of state control by London of its borderlands, their military-political, economic, sociocultural features which are hard to discern if the maritime or continental character of modern European empires is treated as an absolute. The same holds for the Russian Empire. The comparative approach does not merely make it possible to normalize the history of its borderland policy, but helps to

dispel the myths about its exceptional (repressive and expansionist) character, which are still being used for political purposes.”

E. Pain, D. Sharafutdinova: “The accepted world theory of bureaucracy is dominated by the liberal-legal concept of the evolution of the civil service... But we submit that this trend in the evolution of public administration is not universal for the whole world... The trend noted... is characteristic only of a narrow circle of countries defined as ‘rule-of-law states’... With the exception of Estonia, the majority of the post-Soviet states are polities with *hybrid political regimes*—which combine certain features of democracy... and real authoritarian government.”

M. Feldman: “...if it were confined to the ideas and traditions of the 19th-century revolutionary radicals, Bolshevism would have remained a little-known terrorist sect. Even close association with (and certainly manipulation of) the workers’ movement... would not have prevented Bolshevism in a peasant country from remaining a small party known at best in some proletarian centers. It was only anti-war propaganda and brazen poaching of the popular slogans of the Social Revolutionary party on the peasant issue, combined with the use of advanced information technologies... that enabled the Bolsheviks to become the leading political organization in Russia...”

Ye. Balatsky: “...despite all the merits of the new theory not all the explanations and interpretations of its authors are impeccable; many of them portray reality in a skewed and even distorted way. These mistakes often stem from the extremely broad geography of historical events and I have a feeling that at times the authors do not fully understand the specificities of some of the countries they analyze. Therefore, another look at the meaning and details of the new concept and a discussion of some of its disputed points would not come amiss. That is the purpose of this article.”

A. Shastitko: “Experimental economics has revealed numerous deviations of real human behavior (in experimental conditions) from rational behavior. Cognitive psychology may help to explain these deviations by pointing to a number of factors.”

Income Stratification in Russia: Characteristics of a Model and Its Trajectory of Change¹

Nataliya TIKHONOVA

Abstract. This article, based on the findings of a number of nationwide surveys conducted in 1999–2016, provides an analysis of the features and dynamics of a model of income stratification and its perception in Russian society. It is shown that the existing model of income stratification is marked by the dominance of middle strata and is fairly accurately reflected in popular consciousness judging from people's perception of their position in society. The economic crisis that started in 2014 has not so far brought any serious changes to the model of income stratification or the perception by Russians of their place in society. As for the methodological as distinct from substantive conclusions, the article shows that the methods of building income stratification models for Russia should be looked for among relative methods used in developed countries and not absolute methods used in developing countries. Besides, considering regional disparities in terms of progress of modernization, in analyzing the social structure of Russian society it makes sense to use aggregate models of income stratification based on prior stratification of regional communities rather than models based on average nationwide indicators.

Keywords: social structure, stratification, impact of the crisis, incomes, perceived stratification, social status.

Society's social structure can be analyzed from various angles. We can focus on its class structure, analyze its style groups, build income stratification models, consider the occupational breakdown, etc. However, the protracted economic crisis and prolonged period of falling real incomes raise the question of changes in the model of income stratification of Russian society, which I propose to focus on in analyzing the social structure of modern Russia.

N. Tikhonova, D. Sc. (Sociology), senior research fellow at the Center for Stratification Studies, Institute of Social Policy, National Research University—Higher School of Economics; senior research fellow with the RAS Institute of Sociology. E-mail: ntikhonova@hse.ru. This article was first published in Russian in the journal *Obshchestvennye nauki i sovremennost' (ONS)*, No. 2, 2017.

Why is it important to correctly assess the income stratification of our society? First of all, because it helps us to understand which social strata have been the hardest hit by the economic crisis, who needs help most of all and what kind of help, where protest sentiments may arise, etc. But the main theoretical rather than applied problems in the field of income stratification are whether a stable model has taken shape in Russia, whether a sustained downward trend of real incomes is changing it, and how that model is perceived by the country's citizens.

First, though, I would like to note that at first glance income stratification is among the simplest and best studied types of social stratification. Indeed, data on the structure of Russian society in terms of incomes are regularly published by the Federal State Statistical Service (FSSS) of Russia. The best known income stratification data published by the national statistical service include data on middle and median incomes, the size of various income groups, the size of the population with incomes below the living minimum, etc. However, the State Statistical Service in its calculations uses the re-assessment procedure which always raises questions. Many of its published figures on the incomes of Russian citizens appear to be inflated. Thus, according to these figures the average per capita income in 2015 was RUB 30.448.1 per month and median level of income was RUB 22.729.0.² At the same time sociological surveys conducted by various sociological centers in 2015³ put the median incomes at around RUB 14.000 and not at RUB 22.000 and the average incomes at about RUB 16.000—16.500.

In addition to the magnitude of divergences between FSSS data and those of leading sociological centers, some technical issues also cast doubt on the FSSS figures. For example, sociological surveys usually do not cover the top 3-5% of the population, so that the upper income decile is represented in sociological surveys disproportionately to its real size. That should make a noticeable impact on the average per capita income data, but not much of an impact on median-income data: the error margin may be about 3%, i.e., the real median should pass through about 53-55% of the samples. Furthermore, the absence in mass sociological surveys of homeless people, vagrants, convicts, soldiers, etc. implies at least partial compensation for the absence in samples of the top 1-2% and disproportionate representation of the top decile in terms of determining the median income, which brings that indicator down to 50-52%. However, even for 55% of the distribution the level of average per capita monthly incomes in October 2015 was a mere RUB 15.000, according to sociological surveys.

Besides, unlike the sociologists, the FSSS includes all the country's richest people in calculating the average income, which means that average incomes in its calculations should exceed median incomes much more than one could expect in sociological surveys. However, the indicators of average and median incomes for 2015, according to FSSS, differ by 1.34 times and in sociological surveys by 1.15 times (in 2014 the gap was still less, 1.3 and 1.2 times respectively). Such a small gap between these indicators is odd, to say the least, and is most likely due to the fact that the national statistical service overstates median incomes rather than understating average incomes.

Overstatement of median incomes by the FSSS leads to many other oddities in its data pertaining to income stratification, including the paradoxical picture of the shrinking numbers of low-income population at the end of the first and most difficult year of the latest economic crisis (see Table 1).

Table 1

**Share of the Population with Incomes below Certain Limits, Based on Income Statistics
(Average Per Capita and Median) and the Size
of the Living Minimum (2014-2015, %)**

Year	Population with average per capita incomes below certain limits				
	Below average per capita income	Less than:			For information: size of population with incomes below the living minimum
		40% of median	50% of median	60% of median	
2014	65.0	11.8	18.5	25.4	11.2
2015	64.9	11.5	18.2	25.2	13.3

Source: FSSS RF (http://www.gks.ru/free_doc/new_site/population/bednost/tab/tab-bed2-7.htm).⁴

The median income of Russians, according to FSSS RF, increased noticeably (by 10%) between 2014 and 2015. Incidentally, so did the average per capita incomes (see Table 2). However, judging from the data of the Institute of Sociology of RAS and the Russia Longitudinal Monitoring Survey conducted by the Higher School of Economics (RLMS—HSE), in 2015 the income median was at the same level as in 2014 and only increased in 2016 by a thousand rubles from RUB 14.000 to RUB 15.000.

Table 2

Income Indicators (2014-2015)

Year	Average per capita income of the entire population (rubles per month)	Median per capita income (rubles per month)	For information: ratio to average per capita income		For information:	
			Median, %	Modal, %	Size of living minimum (rubles per month)	Ratio of living minimum to average income (in %)
2015	30,448.1	22,729.0	74.6	41.6	9,701	31.9

Source: FSSS RF (http://www.gks.ru/free_doc/new_site/population/bednost/tab/tab-bed1-2-6.htm).⁵

There are further reasons for analyzing the income stratification not only on the basis of FSSS RF data, but also on the basis of sociological surveys: first, Russian Statistical Service data on income distribution are published with a big time lag, and second, at least in the form in which they are published, they cannot

form the basis of graphic models of income stratification, and yet visualization of stratification models is a highly effective method of analyzing them. Thus, the interval scale of incomes used by the FSSS RF model is not related in any way to the median incomes or the country's living minimum (see Table 3) and prompts several questions. It is unclear, for example, why the size of the group with average per capita incomes upward of RUB 60.000 per month increased so sharply (more than 20% in relative terms) during the first year of the crisis. Judging from sociological data, the size of that group, at best, did not diminish because the crisis hit hardest precisely the rank-and-file citizens with relatively high incomes in nominal terms [8].

Table 3

Population Distribution by Size of Average Income (%)

Monthly income (rubles)	2009	2010	2011	2012	2013	2014	2015 ¹⁾
under 5,000.0	12.2	9.4	7.3	5.7	4.2	3.3	2.4
from 5,000.1 to 7,000.0	10.9	9.4	8.1	6.8	5.6	4.8	3.8
from 7,000.1 to 9,000.0	10.8	9.8	8.9	7.9	6.8	6.1	5.1
from 9,000.1 to 12,000.0	14.2	13.6	12.9	12.0	10.8	10.0	8.9
from 12,000.1 to 15,000.0	11.3	11.3	11.3	10.8	10.3	9.9	9.2
from 15,000.1 to 20,000.0	13.4	14.1	14.6	14.6	14.5	14.4	14.0
from 20,000.1 to 25,000.0	8.6	9.5	10.2	10.7	11.2	11.4	11.6
from 25,000.1 to 30,000.0	5.6	6.4	7.1	7.8	8.4	8.8	9.2
From 30,000.1 to 35,000.0	3.7	4.4	5.0	5.7	6.3	6.7	7.2
from 35,000.1 to 40,000.0	2.5	3.1	3.6	4.1	4.7	5.1	5.6
from 40,000.1 to 50,000.0	6.8	3.8	4.5	5.4	6.3	7.0	7.9
from 50,000.1 to 60,000.0	...	5.2	6.5	3.1	3.8	4.2	4.9
over 60,000.0	5.4	7.1	8.3	10.2

¹⁾ Preliminary data, less data for Crimea and Sebastopol.
Source: FSSS RF (http://www.gks.ru/free_doc/new_site/population/bednost/tab1/tab-bed1-2-6.htm).

Considering all the above, it is not surprising that in my work I have used mainly the data of sociological surveys.⁶

As for the methods used to build a model of income stratification of Russian society I could choose between two main groups: absolute and relative. Absolute methods of income stratification assume as *a priori* boundaries between income groups as a certain sum of rubles, dollars, Euros, etc. These methods, pioneered

by the study of poverty in absolute terms,⁷ are commonly used to analyze the social structure of developing countries when drawing international comparisons of these countries.

Relative methods, which also go back to the study of poverty, proceed on the assumption that the basis for income stratification should be the median distribution of incomes reflecting the “average” living standard in society. This approach is commonly used in developed countries where there is no need to speak about the poverty line as the physical survival threshold and the living minimum is a level of income that makes it possible to maintain the established life style in the given society thus remaining in the mainstream and not swelling the ranks of the socially excluded. The poverty line used in developed countries is usually 50% of the income distribution median (although other versions—40%, 60% and even 79%—are sometimes used).

Verification of the effectiveness of the most common methods used abroad based on the absolute approach, on two sets of sociological data⁸ has shown that *absolute methods routinely used to analyze the social structure of developing countries are not very effective from the heuristic point of view in Russia*. The Russian living minimum calculated according to purchasing power parity (PPP)⁹ is higher than the boundary of the middle class in developed countries determined in accordance with the World Bank methods (USD 10) [11, p. 32]. The share of poor people in Russia as determined by the World Bank even a year after the start of the crisis was infinitesimal and the majority of the population, according to its methodology, belonged to the middle class (see Table 4).

Table 4

Main Strata of Russian Society Identified by the World Bank¹⁰ (fall of 2015)

Income groups	Average daily per capita income (USD)	Monthly average per capita income according to PPP, ¹¹ 2015, RUB	Size of RLMS—HSE group (%)	Size of group, RAS IS (%)
Poor	Less than 5	Less than 3.596	1.5	1.4
Vulnerable ¹²	from 5 to 10	3.596-7.191	9.9	9.5
Middle class	10 plus	Over 7.191	88.6	89.1

The situation when an overwhelming majority of the Russian population belongs to the middle class and the share of poor people is one-tenth of that determined by FSSS RF during the same period is so absurd that it is clear that at present the methods of stratification of the population for our country should be different from the absolute methods used for developing countries.¹³ The only alternative is to use the relative methods of income stratification used in developed countries and based on the ratio of the incomes of various groups to median income distribution.

The key issue in using relative methods of income stratification is what percent of the median should be set as the threshold separating different income groups. Proceeding from the Western methodologies of identifying boundaries between social strata with different levels of income [9; 3; 5; 6; 2; 4] and from the data of our own studies,¹⁴ we have identified six such thresholds and accordingly seven main income groups in modern Russian society (see Table 5).

Table 5

Main Strata of Russian Society Based on Incomes
(March 2016, in %)¹⁵

Strata	Incomes relative to median
Rich	4 medians and more
Well-to-do	From 2 to 4 medians inclusive
Average income	From 1.25 median to 2 median inclusive
Median group	From 0.75 to 1.25 median inclusive
Vulnerable	From 0.5 to 0.75 median inclusive
Poor	From 0.25 to 0.5 median inclusive
Deep poverty	Up to 0.25 median inclusive
<i>Median (rubles)</i>	<i>15.000</i>

The use of the chosen model of income stratification based on data for 2016 made it possible to build a visual model of the structure of Russian society (see Fig. 1).

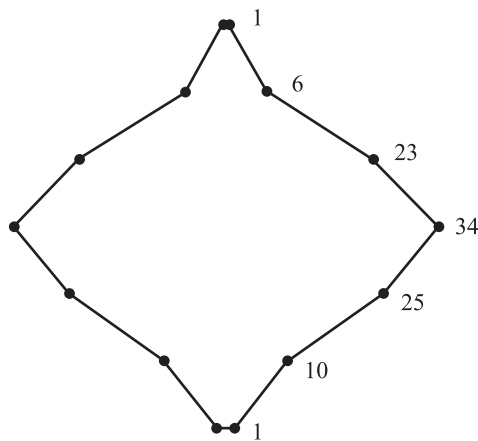


Fig. 1. Model of income stratification of Russian society based on **national** median (in %)

Fig. 1 reveals the following features of the model of income stratification of Russian society:

1) almost total absence of deep poverty which corresponds to incomes under 25% of the median incomes (which, according to PPP, stood at USD 4.87 in 2015);

2) model tapers sharply towards the bottom, which attests that poverty, especially deep poverty, is a deviation from the norm in Russia;

3) a very large number of representatives of vulnerable strata for which the probability of sinking into poverty if the situation in the economy or in the family worsens is very high;

4) the “bulge” in the middle (the median group) comprising the largest group of the population;

5) relatively high (about 7%) level of the number of well-to-do and rich strata (that excludes the top 3-5% of the population not covered by mass surveys).

On the whole the model suggests that *Russian society today looks relatively comfortable if not quite as a “mass middle class society.”* At the same time the degree of the well-being of Russians should not be exaggerated considering that in Q1 2016 the level of median incomes (RUB 15.000) was only one and a half times more than the living minimum of RUB 9.776 (http://www.gks.ru/bgd/free/B04_03/IssWWW.exe/Stg/d06/116.htm).

However, the level and living standards, like the purchasing power of the rouble or the size of the living minimum, vary widely from region to region. In this context it is important to understand the impact of the differences between regional median incomes on the overall picture of income stratification. The issue has not only theoretical, but also practical relevance. A person determining his/her place in the social structure usually looks at the local community and not at what is happening several thousand kilometers away, and the level of disgruntlement with one's place in society is directly linked with the structure of regional communities. Hence in order to better understand the structure of Russian society in terms of incomes, along with analysis of stratification based on the national median, it is necessary to analyze its regional substructures based on regional median incomes before considering to what extent aggregation of these structures bears out the conclusions made at the national level.

The scale of regional disparities in the incomes of the broad masses is shown in Table 6, which suggests that even in economically well-off regions the picture of the main characteristics of income stratification of the mass strata differs considerably. Some regions (for example, the Sverdlovsk Oblast, including Yekaterinburg) reveal deeper income inequalities of the rank-and-file population than others (as the Nizhny Novgorod Oblast, including the city of Nizhny Novgorod). In some regions the income distribution median is practically the same as the national median, and in others (like in Moscow and Rostov Oblast) it diverges from it quite substantially. The share of the poor even in well-to-do regions is several times bigger in some regions than in others, and so on. Although the data of nationwide sociological surveys are not representative of individual regions, still in each case mentioned in Table 6 we are talking about a sample of several hundred

people, so these data do give a general idea of the scale and character of the differences between the regions represented in it.

It has to be noted in this connection that when it comes to understanding the income stratification of Russian society, analysis based on regional medians is more informative than the analysis of the ratio of the incomes of residents of certain regions to their statutory living minimum used by the national statistical service. The reason for this is that although there exists a single methodology of calculating this indicator recommended by the FSSS RF (which allows for some variations) the level of the living minimum in the regions is more often than not set depending on the financial potential of the local authorities than on the real cost of living there. Thus, the living minimum in Moscow and Petersburg (which have similar cost of living indicators) differed by 1.33 times in 2015 (http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/ru/statistics/population/poverty/#). In addition, there are regions where median incomes practically coincide with the living minimum or are even below that minimum, and there are regions where median incomes far exceed the minimum. As a result there are poor people¹⁶ even in the group with incomes of 0.75-1.25 of the median (in general the share of poor people whose incomes were above one median of incomes in the regions where they live was 5.1% of all the poor in October 2015).

Let us now look at the visualization of the general model of income stratification of Russian society built with due account of the regional median. Data attest that *if the*

Table 6

Characteristics of Income Distribution in Some Russian Regions
(RAS IS, October 2015, rubles)

Indicator	Moscow	Republic of Tatarstan	Nizhny Novgorod Oblast	Sverdlovsk Oblast	Rostov Oblast
Average monthly household per capita income	24,209.8	17,655.9	16,267	18,921.7	12,123.6
Median monthly household income	20,000	15,000	15,000	15,000	10,000
Ratio of median income to average income	0,826	0,850	0.92	0.79	0.82
Ratio of regional median to average Russian income median	1,429	1.07	1.07	1.07	0.71
<i>Reference: living minimum according to FSSS RF data</i>	<i>12,790</i>	<i>7,695</i>	<i>8,822</i>	<i>9,602</i>	<i>9,386</i>
<i>Share of people with incomes below the living minimum according to FSSS RF (in %)</i>	<i>9.2</i>	<i>7.6</i>	<i>9.6</i>	<i>9.7</i>	<i>14.1</i>

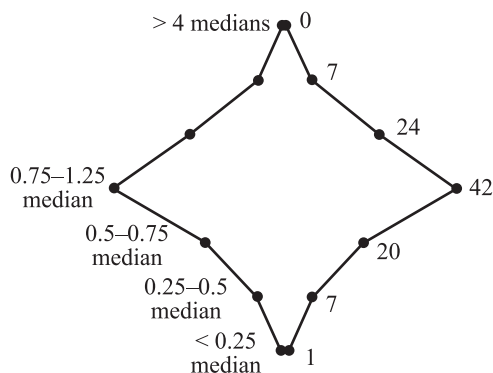


Fig. 2. Model of income stratification of Russian society built by aggregating the stratification models of regional communities (RAS IS, March 2016, in %)

income stratification model is built by aggregating regional stratification models the characteristic features of the Russian model even increase. Besides, the share of poor people shrinks and that of strata with middle incomes grows (see Fig. 2). In this case Russian society becomes indisputably a society of the mass middle class if by that we mean strata with medium incomes. The living standard of this class is not high but neither is it too low by world standards. For example, judging from an ISSP study,¹⁷ in 2012 the income median in Russia in USD according to PPP was 17% higher than in Hungary and 68% higher than in Venezuela where the situation at the time was still quite good.

The results of the analysis of the aggregated model of income stratification show that Russia's population today is divided into three approximately equal groups. One, consisting of poor and vulnerable Russians, accounted for slightly more than a quarter (27.3%) of the population covered by samples of mass surveys in the fall 2016 and could be described as a bad-off part of the population. The second (median) group is very large, accounting for 42.1% of all the citizens. This group represents the average living standard of Russian society. As seen from Table 6, the standard is generally not high because in the fall of 2015 only a little more than a quarter of that group said their diet was good and 15.7% had incomes below the living minimum in their region. Nevertheless the living standard of that group is higher than the standard of mere physical survival because if one looks at consumer durables in their households, the immovable property or cars, the median income group cannot be generally seen as poor even according to the criteria of developed countries because 76.3% of them own either a car or property in addition to the apartment where the family lives. Finally, about a third of the country's population are relatively well-off, with incomes at least 25% higher than the income distribution median. The material possessions of their household attest that in spite of the traditional Russian skepticism in assessing aspects of their material status, in reality they form a fairly well-off part of society.

So far we have been looking at the model of income stratification in Russia and some features of the life style of representatives of various strata in the fall of 2015—spring of

Table 7

Selected Features of the Life of the Main Social Strata in Russia
(RAS IS, October 2015,¹⁸ in %)

Disposable assets and perception of some aspects of life	Poor and vulnerable	Median group	Medium- and high-income strata
Own property (land, <i>dacha</i> , garage, etc. in addition to the apartment where they live)	50.1	51.6	53.4
Have savings	19.8	33.5	46.7
Own car	50.2	59.4	73.5
Own tablet, iPad, etc.	31.3	36.8	53.8
Own iPhone, smartphone	33.9	41.2	58.6
<i>Assess</i>			
<i>Their diet as*:</i>			
Good	17.7	26.6	50.4
Bad	16.7	7.2	3.1
<i>Ability to buy clothes and footwear as*:</i>			
Good	12.1	19.0	39.2
Poor	22.1	11.4	3.5
<i>Holiday opportunities as*:</i>			
Good	10.0	14.7	30.7
Bad	36.7	29.4	20.3
* The question also offered the answer “satisfactory” (middling) which is not represented in the table.			

2016. However, considering the protracted economic crisis which is still affecting Russia the question suggests itself, what was the income stratification like before stagnation set in 2014? How has it changed under the impact of the crisis and how stable is it?

In answering these questions it has to be said right off that the model of income stratification in the country has proved to be highly resistant to the situation of economic crisis. Its general outlines before the start of the crisis and at the end of its most acute phase hardly differ (see Fig. 3). The level of real incomes of various social strata dropped, of course, but the decline in the mass of the population has been even and has not changed the model of income stratification in Russia.

Such dynamics of income stratification go a long way to explain the calm reaction of Russians to the crisis as most people have no sense that their own position in society has substantially changed (see Fig. 4).¹⁹ This is important because the

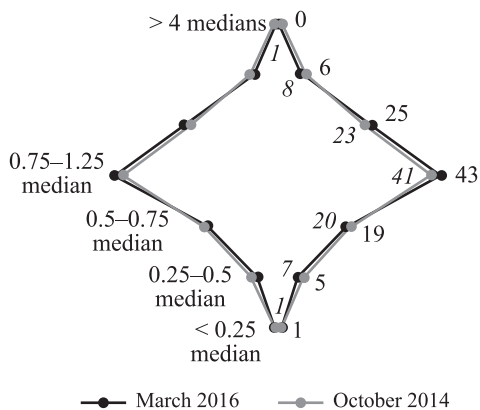
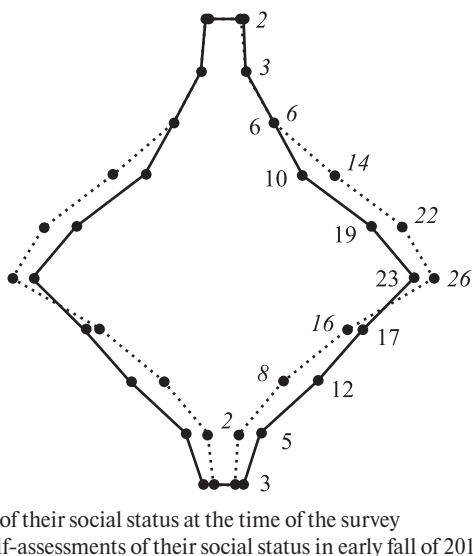


Fig. 3. Dynamics of the model of income stratification of Russian society built on the basis of aggregating the stratification models of regional communities (RAS IS, October 2014—March 2016, in %)

link between income stratification and perception of one’s status is traditionally very strong in Russia both as indicated by the statistics of these variables (Spearman rank correlation coefficient is 0.282) and the population’s perception of the factors that determine their own status [10, p. 65].



-- Self-assessment of their social status at the time of the survey
 Retrospective self-assessments of their social status in early fall of 2014

Fig. 4. Dynamics of the model of subjective structure of Russian society based on perception by the Russians themselves of their social status (RAS IS, October 2015, in %)

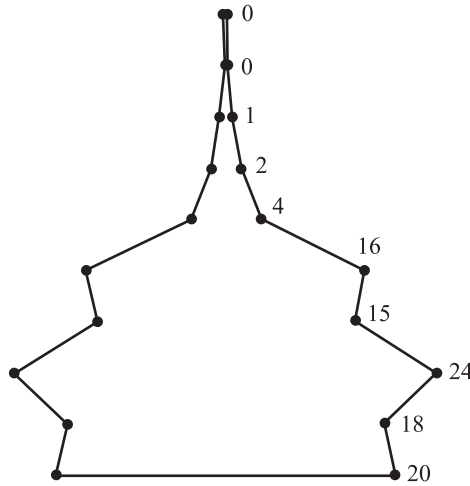


Fig. 5. Model of **subjective** structure of Russian society based on **self-assessment** by Russians of their place in society (RAS IS, March 2000, in %)²⁰

The Russian population has not always been so relaxed in assessing its own status. Fig. 5 shows, for example, the self-assessments after the 1998-1999 crisis. At the time the bulk of the population, in spite of the economic recovery that was already under way, considered themselves to be in the lower social strata and not in the middle strata as in 2016.

Russians’ perception of their place in the social hierarchy at the height of the crisis looked satisfactory in individual social strata as well. Although the answers of representatives of medium- and high-income strata show that they are more often satisfied with their status than the poor and vulnerable strata, even among the poor a year into the crisis those who were content with their place in society outnumbered those who were not (see Fig. 6). This means that the model

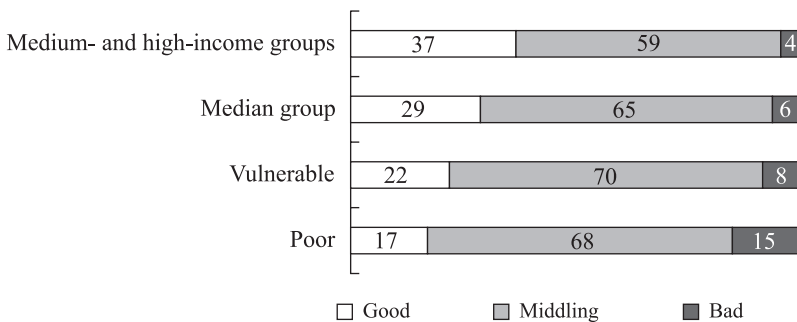


Fig. 6. Perception by various social strata of their place in society (RAS IS, October 2015, in %)

of income stratification of Russia which goes a long way to determining its social structure and people's sentiment is not just established and stable, but is perceived as acceptable by the country's population (meaning citizens' real expectations for themselves personally). Barring dramatic changes in the position of individual groups in the near future, Russians will take in their stride the "fluctuations" of their incomes, because for them the size of income often means less than the feeling that they "live no worse than others."

* * *

Summing up, I would like to recap the main points:

1. Analysis of income stratification is no less informative and important for understanding the structure of society than analysis of the versions of social structure models (class, occupational, etc.). Such analysis of Russia shows that, first, our country has left far behind the state when poverty is seen as a threat to physical survival. With respect to Russian society, the poor tend to be those who are unable to sustain a certain living standard accepted in the community. Although this standard, highlighted by the median group, is relatively low and differs considerably from region to region, it is far above the survival standard. This means that contrary to the widely current myths about poverty being the norm in Russia, the country's social structure as seen through the prism of income stratification is quite normal, with the majority of society belonging to the group with median incomes more than one and a half times higher than the living minimum, the number of poor people shrinking as poverty deepens and a fairly large group of people in the middle and high income bracket.

2. Methodologically, this means that optimum methods of building stratification models are to be found among relative methods used in developed countries, and not absolute methods used in analyzing the situation in developing countries. Speaking about a more profound analysis of the income stratification of Russian society, we should bear in mind its regional diversity; consequently, it is more correct to use aggregated models of stratification on the basis of prior stratification of regional communities than models based on the country median. As for the data bases for such analysis, in spite of the large volume of statistics in this field they should be supplemented by data of sociological surveys, which throw a sidelight on the picture of income stratification.

3. The developmental pattern of the model of income stratification in Russia warrants the conclusion that this model has been established and is highly stable. The last economic crisis which began in 2014 hardly made any difference to the parameters of this model as the ratios of various groups and strata have remained unchanged. Moreover, because for the Russians it is very important "to live like everybody else" and the crisis has affected about equally all the social strata, Russians' perception of their place in society has not been seriously changed by the crisis. The model of perceived subjective structure of society is very similar, when visualized, to the model of its income stratification, and Russians were fairly content with their position in society even at the peak of the crisis. This means that

neither status frustration, nor the concomitant discontent with life, barring global cataclysms, are likely to manifest themselves in society—even among the poor and vulnerable strata—any time soon.

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Notes

- ¹ This article is part of project No. 16-23-21001 “Comparative Analysis of Middle-Income Groups in Russia and China” carried out with the support from the Russian Foundation for Fundamental Research.
- ² See tables “Average, Median and Modal Level of Incomes in Russia as a Whole and by Regions. 2014” and “Average, Median and Modal Level of Incomes in Russia as a Whole and by Regions. 2015.”

- ³ The empirical basis of the study whose results are presented in this article comprised two sets of data. First, several waves of the Russia Longitudinal Monitoring Survey by HSE (RLMS—HSE) and second, data of some studies by the working group of the RAS Institute of Sociology carried out in various years under the supervision of Mikhail Gorshkov.
- ⁴ FSSS RF. 2016. See tables “Share of Population with Average Per Capita Incomes below the Limits Set on the Basis of Actual Level of Incomes (Average Per Capita, Median and Modal for Russia as a Whole and by Regions. 2014 (percent of total)” and “Share of the Population with Average Per Capita Incomes below the Limits Set on the Basis of the Actual Level of Incomes (Average Per Capita, Median and Modal for Russia as a Whole and by Regions. 2015 (percent of total).”
- ⁵ FSSS RF. 2016. See tables “Average, Median and Modal Incomes in Russia as Whole and by Regions in 2014” and “Average, Median and Modal Incomes in Russia as a Whole and by Regions in 2015.”
- ⁶ For greater reliability, I have double-checked my conclusions against the data sets collected during surveys by various research centers, although not all this work is reflected in this article.
- ⁷ This approach is called absolute because it is based on an absolute value set by experts, for example, the size of the living minimum or a certain sum in dollars according to purchasing power parity considered to be the poverty line.
- ⁸ Verification was carried out by Svetlana Mareyeva, head of the Stratification Studies Center, Social Policy Institute, Higher School of Economics, on the data bases of Russia Longitudinal Monitoring Survey (RLMS—HSE) and a number of studies by the RAS Institute of Sociology working group led by M. Gorshkov.
- ⁹ According to the World Bank, in 2015 one US dollar in Russia was equal to RUB 23.97 (<http://data.worldbank.org/indicator/PA.NUS.PRVT.PP?end=2015&locations=RU&start=2014>).
- ¹⁰ Based on the data of the First Wave of the RAS Institute of Sociology Monitoring “Dynamics of Social Transformation of Modern Russia in the Socioeconomic, Political, Sociocultural and Ethnoreligious Contexts” carried out with the support from the Russian Science Foundation (Project No. 14-28-00218). Surveys of 4,000 individuals conducted as part of that study represent the country’s population by territorial-economic regions in accordance with FSSS RF zoning and inside them according to types of communities, gender, age and occupational status (the first wave of the monitoring took place in October 2014) and the data of the 24th wave of the Russia Longitudinal Monitoring Survey conducted by NRU—HSE in September–December 2015 with a sample of 12, 667 persons (more on the sample and features of that study at <http://www.cpc.unc.edu/projects/rlms> and <http://www.hse.ru/rlms>).
- ¹¹ PPP version according to World Bank.
- ¹² That group, according to the World Bank, is at high risk of sliding into poverty, or is vulnerable to poverty.
- ¹³ Other versions of the absolute approach set the limit of poverty at 1.25 and 2 dollars for various types of developing countries and 5 dollars for transition economies [7], and so on, but all these versions set the poverty line at not higher than 5 dollars, the figure used in Table 4. On the reasons why Russia does not have deep poverty compared with other countries see [1].
- ¹⁴ The working group included Vasily Anikin, Anastasiya Karavay, Juliya Leshnina, Svetlana Mareyeva, Yekaterina Slobodenyuk (headed by Natalya Tikhonova).
- ¹⁵ Data from the 3d wave of RAS IS monitoring.
- ¹⁶ To achieve maximum comparability of the assessments with statistical data we used a method approximating that used by the FSSS RF: “the poverty line” was calculated individually for each household by summing up the normative living minimums for Q2 2015 depending on the region and composition of the household (number of children,

retirees and able-bodied members). The resulting value was compared to the total household income indicated by the individual after summing up all the family sources of income (wages, subsidies, help from other households, etc. received in the month preceding the survey). As a result all the households whose total income turned out to be less than the poverty line (the total living minimum calculated individually for each of them) ended up in the poor category.

- ¹⁷ International Social Survey Programme (ISSP) is an international study involving 50 countries. Russia has been a participant in the programme since 1991 (for more detail see <http://www.issp.org>, and <http://www.gesis.org/en/issp/home>).
- ¹⁸ Based on data of the 3d wave of the RAS Institute of Sociology Monitoring.
- ¹⁹ The place in society at the time of the survey and before the start of the economic crisis was assessed on graphic 10-point scales widely used to build models of subjective stratification in and outside Russia.
- ²⁰ Data of the study “Russians on the Destinies of Russia in the 20th Century and Their Hopes for the 21st Century” ($n = 1.750$) conducted by the working group headed by M. Gorshkov on the same sample model as the IS RAS Monitoring of 2014–2016.

Translated by Yevgeny Filippov