

2° OIB D.N.L. Geography: Theme 2

Case study of development and inequalities in Russia

PART ONE

Before studying this document make sure you watch the videos and short article below.

Short News report on the wealth gap in Russia (36s):

<https://www.cnbc.com/2016/09/01/russia-is-the-most-unequal-major-country-in-the-world-study.html>

Article from 2019 about inequalities in Russia:

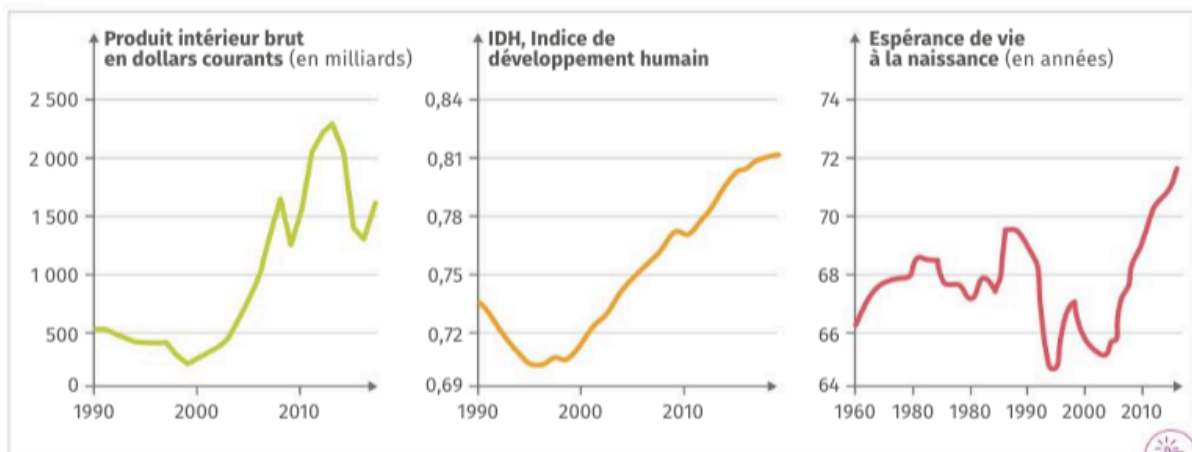
<https://www.themoscowtimes.com/2019/04/12/richest-3-russians-hold-90-of-countrys-financial-assets-study-a65213>

Video (made by Gazprom, so be aware of bias) about Russia's hydrocarbon reserves and shows how gas is transported via pipelines and ships to different countries (3m55):

https://www.youtube.com/watch?v=5FA6X_ZeXQc

Russia, the largest state in the world, experienced significant economic and political changes during the 1990s caused by the transition for a **centrally planned economy** to one that is now market orientated. This shift created substantial inequalities that provide challenges for the government to manage today.

1. Economic transition in Russia.



Gross National Product
(in billions of dollars)

HDI, Human Development
Index

Life expectancy at birth
(in years)

2. New rich and new poor

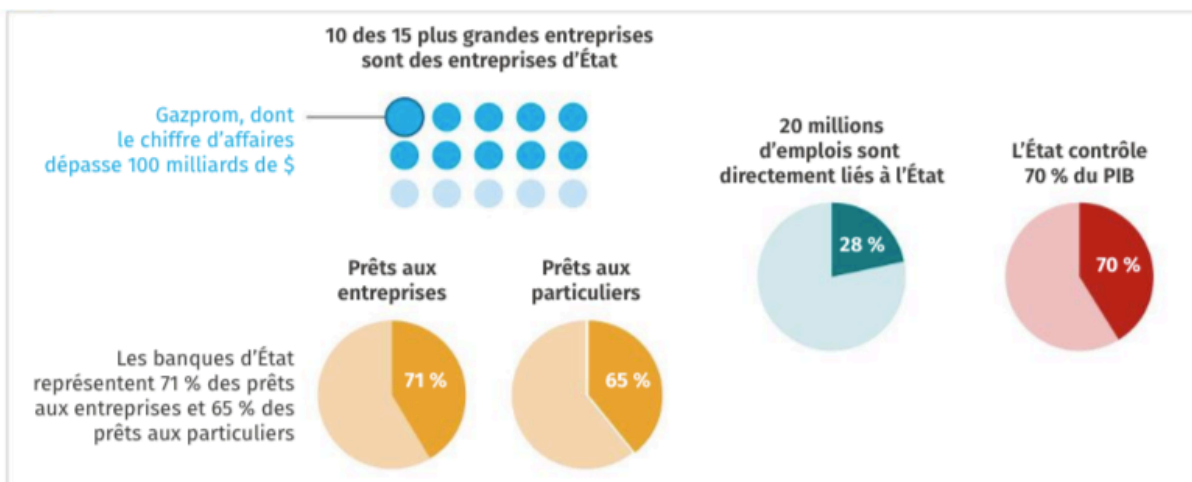
A recent report by Credit Suisse showed that Russia is the most unequal of all the world's major economies. The richest 10% of Russians own 87% of all the country's wealth, according to the report, compared with 76% in the US and 66% in China. According to another measure, by VTB Capital, 1% of the Russian population holds 46% of all the personal bank deposits in the country.

Source: <https://www.theguardian.com/inequality/2017/apr/25/unequal-russia-is-anger-stirring-in-the-global-capital-of-inequality>

3. View of the Kremlin and business district Moscow International Business Centre



4. An economy under the control of the Russia State



Translations

- 10 of the 15 biggest businesses are State owned
- Gazprom's turnover exceeds \$100 billion
- 20 million people are directly employed by the State
- The State control 70% of GNP
- State banks provide 71% of all loans to business and 65% of loans to private individuals

PART ONE: ACTIVITIES

1. After watching the short video about the **wealth gap** in Russia and having read the article about **inequalities** in Russia, write a short summary of 80-100 words about what you have learnt about inequality in Russia today.
2. Describe the economic transition in Russia between 1990 and 2010 (be sure to include an explanation of what HDI measures in your response, cite and explain pertinent figures in your description from document 1).
3. Describe the evolution of life expectancy in Russia between 1960 and 2010 (Doc.1) in between 50 to 80 words.
4. Using documents 3 and 4, explain what can be learnt about the link (or connections) between business and the State in Russia.