

## **DIRECTIONS IN DEVELOPMENT**

## Reducing Poverty through Growth and Social Policy Reform in Russia

## Poverty Reduction and Economic Management Unit Europe and Central Asia Region

Radwan Shaban

Hiromi Asaoka • Bob Barnes • Vladimir Drebentsov John Langenbrunner • Zurab Sajaia • James Stevens • David Tarr Emit Tesliuc • Olga Shabalina • Ruslan Yemtsov



## Contents

Abbrevia	ationsxv	
Acknowl	ledgmentsxvii	
Executive Summary		
Part I	The Nature of Poverty in the Russian Federation 1	
1	Improving the Methodology for Measuring Poverty	
	in Russia	
2	The Profile of the Poor	
3	The Regional Dimension of Poverty	
Part II	Economic Recovery and Poverty Reduction 67	
4	The Post-1998 Economic Recovery	
5	The Effect of Economic Recovery on Labor Earnings	
6	Poverty, Growth, and Inequality in Russia	
7	The Impact of Accession to the World Trade Organization	
	on Living Standards and Poverty	
Part III	Reforming Sectoral Policies for Alleviating Poverty 127	
8	Improving the Targeting of Social Transfers	
9	Reforming Housing and Utility Services and Protecting the Poor	

vi CONTENTS

10	Improving the Poor's Access to Good-Quality Education 16	5	
11	Restructuring Health Care to Decrease the Vulnerability		
	of the Poor	1	
Part IV	Poverty Monitoring 20	1	
12	Using the Household Budget Survey to Monitor Poverty 20	2	
Appendixes			
A	Price Indexes, Poverty Lines, and Incidence of Poverty,		
	by Region and Territory	3	
В	Inequality Measures	22	
C	A Tale of Two Regions 22	24	
D	Trends in Real Wages	35	
Е	The Poverty Growth Curve and Poverty Equivalent		
F	Growth Rates	;7	
G	in the Russian Federation	13	
	and Making Welfare Inferences	15	
Reference	pes	54	
Index		55	