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A SOCIETY OF UNSTABLE WELL-BEING: INCOME MOBILITY AND IMMOBILITY IN RUSSIA

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The article focuses on individual income mobility among Russians in the years 2009–2017, as measured objectively and subjectively. As in previous periods of post-Soviet development, income mobility in Russia remains high. In comparison to member countries of the Organisation for Economic Co-operation and Development (OECD), income mobility in Russia is higher, while the level of persistent well-being is lower. Subjective assessments of one’s income situation are even more volatile than objective positions on an income scale, with persistent subjective well-being almost non-existent. Furthermore, subjective mobility does not correlate closely with its objective counterpart. Persistent well-being in terms of objective and subjective income is determined by a combination of class and non-class factors, including, above all, labor market position, dependency burden, and health status.

Keywords: Russia, income mobility, subjective mobility, immobility, sticky floor, sticky ceiling, income, social inequality, social disadvantage.

JEL Codes: Z
Introduction

Socioeconomic mobility has been one of the traditional fields of study with regard to social structures and their functioning for almost a century (see, for instance, Sorokin 1992). In recent years, however, it has become the focus of increasing attention among both researchers and practitioners. Sociologists concentrate mostly on class mobility as well as professional and educational aspects of mobility (Aldridge 2001; Goldthorpe & Mills 2008; Payne 2017; Paterson & Lanelly 2007), while economic research focuses mostly on income mobility (Fields & Ok 1999; Jäntti & Jenkins 2015). These two mobility types are examined both from an intergenerational perspective, in terms of how children’s positions change relative to their parents’ (Behrman & Taubman 1990; Blanden et al. 2004; Cardak et al. 2013; Corak & Heisz 1999; Nicoletti & Ermisch 2007; Piketty 2000; Palomino et al. 2018; Solon 1999), and from an intragenerational one, with a focus on how individuals’ own positions change over their lifetime (Atkinson et al. 1992; Burkhauser & Couch 2009; Jenkins 2011; Fields & Ok 1999). Russian scholars are also exploring the issue of mobility, although they are more interested in professional, interclass, and intergenerational aspects of mobility than income mobility (Chernysh 2005; Gerber & Hout 2004; Gugushvili 2017; Sabirianova 2002; Semenova et al. 2017, 2019; Shkaratan & Yastrebov, 2011; Yastrebov 2014).

Amid growing inequality of opportunities and outcomes on a global scale (EBRD, 2017), socioeconomic mobility has become an increasingly important aspect of social structure. Indicators that are traditionally used for measuring inequality (e.g., the Gini coefficient) provide a static picture of the income distribution across various structural positions, disregarding the fact that specific individuals who hold these positions can move upwards or downwards, replacing each other. High mobility between social positions can partially compensate for the inequality that exists between them (Shorrocks 1978). In addition, high chances of upward mobility and a large “turnover” in the most well-off groups can contribute to a lower demand for redistribution (Ravallion & Lokshin 2000) and a more tolerant attitude toward inequality, as they demonstrate that it is possible for everyone to move to a high-income group during some stage of their life cycle, according to the “tunnel effect” concept proposed by Hirschman (Hirschman & Rothschild 1973).

This is particularly important considering the current situation in Russia, where objective income inequality is rather high by European standards. According to Russia’s Federal State Statistics Service (Rosstat), in 2019 the Gini coefficient was 0.411. Based on World Bank estimates\(^4\), this coefficient was 0.375 for Russia in 2018, which is higher than in most European

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\(^4\) The discrepancy in the estimates of the Russian Federal State Statistics Service and the World Bank is due to methodological differences – Rosstat does additional calculations based on income distribution approximation.
countries, bringing Russia closer to India (0.378), China (0.385), and Israel (0.39). Furthermore, subjective perception of inequality by the population has become a more pressing problem in recent years: inequality is seen as illegitimate and unfair by representatives of all social groups, irrespective of their own position, and fighting inequality is viewed by Russians as a more important task than reducing poverty (Mareeva 2018). It should be noted that the emphasis in the political agenda is usually put on the second problem – for instance, president Vladimir Putin’s “May Decrees”, which were issued in 2018 and outlined the country’s development until 2024, set the goal of cutting poverty in half. However, the issue of mobility has to do with poverty as well. Minimizing the size of the group that persistently occupies the lowest positions in the income hierarchy and is unable to overcome this situation means reducing the incidence of chronic poverty (Braithwaite & Ivanova 1998; Lezhnina 2014; Slobodenyuk 2014; Tikhonova & Slobodenyuk 2015), something that is not easily alleviated by socioeconomic policies (Yaroshenko 2010).

On the other hand, high relative mobility also means higher income instability. This can lead to vulnerability and cause social tension as well as prevent the spread of rational behavioral strategies that require mid- or long-term planning (Shorrocks 1978; Jäntti & Jenkins 2015). In any case, patterns of income mobility highlight certain aspects in the way societies function, which can be important for the development of socioeconomic policies aimed at ensuring social stability. Furthermore, the factors that impact mobility are just as important as its scale and direction, for they determine subjective attitudes towards mobility.

In this paper, we examine several aspects related to the problem of individual income mobility in contemporary Russian society in its relative (positional) interpretation. We assess the extent and direction of the Russian population’s mobility between income quintiles over the spans of four and nine years, draw a comparison between Russia and OECD countries, and estimate the size and characteristics of groups that consistently occupy the lowest and highest positions in the income hierarchy. Next, we analyze subjective assessments of income mobility, which do not in fact correlate directly with objective income mobility. An assessment of one’s own position according to a subjective income status scale largely depends on the level of needs and desires, comparisons of one’s own position with those of others or the one that was typical in the past (Bottero 2004), the norms and perceptions of social justice (Mareeva 2018), and the standard of living, which is determined not only by income but also by expenses and, in a more general sense, by the available non-monetary resources. People can be wrong in their evaluation of existing income inequalities and their own position on the income scale (Gimpelson & Treisman 2018). This, however, does not diminish the importance of subjective assessments, as they shape potential zones of social tension and determine the demand for state support and attitudes towards already

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5 Absolute income mobility implies an increase or decrease in income in absolute terms, while relative (positional) mobility refers to an individual’s or group’s position on the general income distribution scale, that is, relative to others – e.g. belonging to a certain income quintile, the top or bottom 10%, etc.
existing measures. Furthermore, the ongoing discussion on the necessity of taking into account subjective assessments when evaluating social prosperity (Stiglitz et al. 2016) makes the correlation between the objective situation and its subjective perception an even more critical issue. Therefore, by analogy with objective income mobility, we proceed to evaluate the extent and direction of subjective income mobility, as well as the risks and chances of belonging to disadvantaged or well-off social groups in this respect.

We use data obtained before the current epidemic and the ensuing economic crisis which, as expected, will only exacerbate income instability among Russians. So far, there are no data to measure this effect, so it is even more important to assess the situation at the beginning of this turbulent period. This will allow to predict subsequent changes and identify the most pressing problems.

**Methodology of the Study**

The empirical data for the research are drawn from a widely known, all-Russian survey, the Russia Longitudinal Monitoring Survey conducted by the Higher School of Economics (RLMS-HSE). The RLMS-HSE is a series of nationally representative, household-based surveys designed to monitor the effects of Russian reforms on the economic welfare of households and individuals in the Russian Federation. It is conducted by the National Research University "Higher School of Economics" and OOO “Demoscope” together with the Carolina Population Center, University of North Carolina at Chapel Hill and the Institute of Sociology of the Federal Center of Theoretical and Applied Sociology of the Russian Academy of Sciences. The RLMS-HSE employs a multi-stage stratified probability sample. This study uses waves from 2009–2017. The four-year panel includes 13,093 individuals, and the nine-year panel comprises 5,995.

As for the methods of evaluating individual mobility, several conceptual points should be mentioned. Our analysis draws strongly on the logic of the recent report *A Broken Social Elevator? How to Promote Social Mobility* (OECD 2018). To analyze individual income mobility, OECD experts examined four- and nine-year time spans, looking into how many individuals remained in the same income quintiles from the beginning to the end of the observation. The analysis is based on the relative approach to income stratification: each quintile accounts for 20% of the population, and moving between them reflects changes in the position on the “low income – high income” scale, compared to the rest of the population. With this approach, an increase in the absolute level of income does not necessarily mean moving to a higher quintile and can even result in going down – for example, when other groups experience higher growth rates.

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We also consider movements between income quintiles over four- and nine-year spans (2009–2017 and 2014–2017). Average monthly per capita income in an individual’s household is used as the main indicator for identifying quintiles and analyzing mobility between them – this is a calculated variable designed by the RLMS-HSE analysts. We do understand the problem of possible income understatement in social surveys; however, considering the relative (positional) approach to income mobility that we imply, we expect that this bias will not have a significant effect on the results.

Quintiles are identified using a representative sample of individuals from the RLMS-HSE database. Those individuals who are not included in the representative sample are distributed across the quintiles based on the obtained thresholds. This can lead to changes in the number of people in quintiles from the initial 20%. In practice, though, the extent of such changes is insignificant and does not exceed 2%.

We deliberately decided not to use the equivalence scale. Our analysis shows that the scale based on the square root of the household size that is applied in the OECD study to account for the economies of scale is too rigid for Russia’s case, which is in line with the results of previous studies (Korchagina 2007). This is explained by the fact that, given the predominantly modest standard of living among the population, grocery spending accounts for a large share of expenses, and economy of scale is insignificant in this regard. Foregoing the scale of equivalence for determining income quintile thresholds limits the possibilities of comparing the levels of mobility in Russia and OECD countries. However, our analysis demonstrates that these changes in methodology primarily affect the profiles of the most well-off (persistently high-income) and least well-off (persistently low-income) groups but not the extent and direction of income mobility.

One of the distinctive features of our method is that we evaluate the extent and direction of income mobility not only by comparing positions in an income quintile at the start and end of the observation period, but also by taking into consideration changes that occur during that time span. This allows us to design a more detailed classification of mobility that reflects multidirectional movement between income groups.

We also modify the definition of persistently low- and high-income groups (“sticky floor” and “sticky ceiling”), taking into account changes that occurred during the entire time span. In the OECD report, these groups are defined as belonging to the first and fifth quintiles respectively at two points in time – the beginning and the end of the observation period. Our modified definition is based on being predominantly in the highest or lowest position during the entire period. As for the four-year period, the sticky floor category, according to our approach, includes those who were in the bottom quintile for at least three years out of four and never moved higher than the second quintile. For the nine-year period, it is those who were in the bottom quintile for at least seven

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7 Panel sampling is based on comprehensive datasets that include information about respondents’ change of address.
years out of nine and never moved higher than the second quintile in other years. Similarly, the sticky ceiling category comprises those Russians who stayed in the fifth quintile for at least three years out of four and seven years out of nine, never falling below the fourth quintile in other years. Owing to this approach, situational changes in income are considered, and analysis results are less dependent on the choice of the start and end points of the observation period.

Finally, not to overlook the pressing problems of children’s and pensioners’ ill-being in Russia, we do not restrict our analysis to the working-age population. However, when drawing comparisons with OECD countries, we single out the working-age population using relevant retirement ages\(^8\) (55 years for women and 60 years for men).

The RLMS-HSE data allow us to apply a similar method of relative mobility evaluation to the data on subjective assessments of position on the poverty-wealth scale (which has 9 levels, where 1 corresponds to “extremely poor” and 9 stands for “rich”). The distribution of responses demonstrates that in all four years under examination, quintiles are identified in the following way: those who choose options 1–2 are in the bottom quintile, the second quintile corresponds to option 3, the third and fourth quintiles correspond to options 4 and 5 respectively, and the fifth quintile comprises options 6–9\(^9\). After this, panel data are processed in a similar way: we identify respondents who, according to their self-assessment on the poverty-wealth scale, were in the bottom and top quintiles throughout four years, possibly staying in adjacent groups for less than a year (i.e. subjective sticky floors and sticky ceilings, according to the modified definition).

**Individual Income Mobility: General Evaluation of Extent and Direction**

Before proceeding to analyze the patterns of income mobility, we should briefly describe the situation with income, poverty, and inequality in Russia in 2009–2017 – the time period used in our analysis (see Table 1). The level of poverty during this period was fairly stable, at approximately 13% (with the biggest drop in 2012–2013). Inequality metrics – the Gini coefficient and R/P 10% ratio – were declining during this period but, overall, remained rather high. The income share in the bottom quintile stayed practically the same, while the one in the top quintile reduced, although insignificantly.

As for real income trends, there was growth in 2009–2013, according to the official data; however, after the Russian financial crisis in 2014, the trend reversed and real income kept

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8 A threshold of 65 years is used in the OECD report.
9 Due to a limited number of responses, the bottom and top quintiles accounted for less than 20%; however, such a combination of responses made the distribution of respondents across groups in each year as even as possible.

Tab. 1. Poverty and inequality indicators in Russia, 2009–2017

<table>
<thead>
<tr>
<th>Year</th>
<th>Poor population</th>
<th>Gini coefficient</th>
<th>R/P 10% ratio, times</th>
<th>Distribution of total income, bottom quintile share</th>
<th>Distribution of total income, top quintile share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>13.0</td>
<td>0.421</td>
<td>16.6</td>
<td>5.2</td>
<td>47.7</td>
</tr>
<tr>
<td>2010</td>
<td>12.5</td>
<td>0.421</td>
<td>16.6</td>
<td>5.2</td>
<td>47.7</td>
</tr>
<tr>
<td>2011</td>
<td>12.7</td>
<td>0.417</td>
<td>16.2</td>
<td>5.2</td>
<td>47.4</td>
</tr>
<tr>
<td>2012</td>
<td>10.7</td>
<td>0.420</td>
<td>16.4</td>
<td>5.2</td>
<td>47.6</td>
</tr>
<tr>
<td>2013</td>
<td>10.8</td>
<td>0.417</td>
<td>16.1</td>
<td>5.2</td>
<td>47.4</td>
</tr>
<tr>
<td>2014</td>
<td>11.3</td>
<td>0.415</td>
<td>15.8</td>
<td>5.3</td>
<td>47.2</td>
</tr>
<tr>
<td>2015</td>
<td>13.4</td>
<td>0.412</td>
<td>15.5</td>
<td>5.3</td>
<td>47.0</td>
</tr>
<tr>
<td>2016</td>
<td>13.2</td>
<td>0.412</td>
<td>15.5</td>
<td>5.3</td>
<td>47.0</td>
</tr>
<tr>
<td>2017</td>
<td>12.9</td>
<td>0.411</td>
<td>15.4</td>
<td>5.3</td>
<td>46.9</td>
</tr>
</tbody>
</table>


Thus, the time period under consideration did not show any drastic qualitative changes in the income or inequality situation, which allows us to use it for identifying the general characteristics of income mobility in today’s Russia.

Previous studies on relative income mobility in Russia mostly covered time spans in the 1990s and early 2000s. According to them, society in Russia was consistently characterized by high income mobility in the post-Soviet period. For instance, Jovanovic demonstrated that the overall income distribution in 1994–1998 remained stable, although households’ spending notably varied considerably: over 60% of households saw their expenses at least double or halve (Jovanovic 2003). As for income, according to Bogomolova’s and Tapilina’s estimates, only 40% of households in Russia stayed in the same quintile every year during 1994–1996 (Bogomolova & Tapilina 1999). Lukiyanova & Oshchepkov demonstrated that during the economic recovery in 2000–2005, mobility remained high: over 80% of Russians experienced changes in their relative position on the income scale, measured in deciles (given that deciles are used instead of quintiles, their mobility metrics turn out to be higher than in the previous study) (Lukiyanova & Oshchepkov 2012).

High income mobility is more typical of countries undergoing transformation. Has income mobility changed in Russia in recent years, indicating the end of transformational processes in

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10 An absolute approach to poverty is used in Russia. The term “poor” refers to individuals with income below the subsistence level established separately for each region.

11 The recent study by Dang et al. explores mobility in Russia in the period 1994–2015 as broken down into short-, mid-, and long-term intervals. However, the researchers’ main focus is on the link between mobility and inequality as well as the relation between the components of growth and redistribution in income mobility which is viewed as movements between the tertiles of income distribution (Dang et al. 2019).
Russia and the establishment of a stable social structure? Our analysis shows that there have been no significant changes in this regard – the level of individual income mobility remains high in both the short- and mid-term periods.

In particular, the direction of income mobility among the working-age population in 2014–2017 was as follows: 41.8% of the population remained in the same quintile, 29.4% moved up, while 28.8% moved down. For the population as a whole, including children and non-working age individuals, the respective shares were 42.6%, 29.2%, and 28.2%. Compared to global trends, the levels of upward and downward mobility in Russia are rather high, while the share of those who remain in the same position is smaller. On average across OECD countries, half of the employable population stayed in the same quintile, nearly a quarter moved one quintile or more up, and another quarter moved one quintile or more down (OECD 2018). As for the share of those who stayed at the same quintile, Russia is similar to countries such as the UK, Korea, Turkey, and Greece, where only 40–44% remained in the same quintile, based on four years of observation.

The situation in Russian society, as in OECD countries, is characterized by the lowest short-term mobility in polar income groups. The biggest shares of those who retained their positions at the start and end points of observation over a four-year span are typical of the first and fifth quintiles. For instance, among Russians of employable age who belonged to the first quintile in 2014, 58.9% remained there in 2017. For the fifth quintile, this share was 54.3%. Thus, individuals occupying the lowest ranks in the income hierarchy are characterized by the most stable position and were least involved in income mobility processes during the four-year period.

From an international perspective, the situation in Russia is comparable to OECD countries in terms of persistently low income, although the scale of persistently high income is much smaller in the short-term. As for the immobility of the well-off population, Russia is on a par with countries such as Turkey, Greece, Korea, and Chile. In these countries, typically 55–60% keep their position in the top quintile over a four-year period, although it should be noted that the proportion of sticky floors is lower in all of them – between 33.9% and 50.0% retain their position in the first quintile over four years. Thus, in comparison with other countries, the ”stickiness” of the floor in Russia is higher while that of the ceiling is lower, and the extent of persistent high income is smaller overall.

Regarding mobility in the middle-income distribution, or the three quintiles that are sometimes considered to be the economic middle class (Barro 1999; Dallinger 2013; Easterly 2001), the proportion of those who belonged to the same quintile both in 2014 and 2017 was a little over 30% for the working-age population. In OECD countries, this indicator is higher, at around 40%. Countries that have similar mobility patterns in the middle quintiles include the UK, Greece, and Chile – their populations with near-median incomes have high chances of both upward and downward mobility. Higher mobility between the middle quintiles is explained by a higher
concentration of incomes in the middle of the distribution and smaller gaps between the thresholds, as a result of which even insignificant income changes in absolute terms can cause movement to another quintile.

Individual income mobility over a nine-year period, as expected, is even higher – only one-third of the employable Russian population kept their initial positions, another third moved to a higher quintile at the end point of observation, and the remaining third moved down. The extent of immobility in Russia in the nine-year period also proved to be lower than in OECD countries on average. Individuals with the lowest income demonstrated the highest level of stability.

Table 2 contains the essential characteristics of mobility and immobility over four and nine years and quintile affiliation for the start and end points of observation.

### Tab. 2. Individual income mobility in Russia over four and nine years, compared to OECD countries, working-age population, %

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Direction of mobility (based on the comparison of individuals’ positions in quintiles at the start and end points of observation)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upward</td>
<td>29.4</td>
<td>34.1</td>
<td>26</td>
<td>32</td>
</tr>
<tr>
<td>Downward</td>
<td>28.8</td>
<td>32.8</td>
<td>24</td>
<td>30</td>
</tr>
<tr>
<td>Lack of mobility</td>
<td>41.8</td>
<td>33.1</td>
<td>50</td>
<td>38</td>
</tr>
<tr>
<td>Immobility – sticky floor and ceiling (changes within the time period not taken into account)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share of those who remained in the first quintile at start and end points</td>
<td>58.9</td>
<td>46.1</td>
<td>56.6</td>
<td>36.1</td>
</tr>
<tr>
<td>Share of those who remained in the fifth quintile at start and end points</td>
<td>54.3</td>
<td>38.9</td>
<td>67.9</td>
<td>57.5</td>
</tr>
</tbody>
</table>

For a more detailed analysis of the mobility structure, we also considered changes in income quintiles not only at the start and end points but throughout all the years of observation. Among the overall population, including children and non-working-age adults, the majority demonstrated multidirectional mobility over the four-year span – almost half (45.7%) moved both upward or downward. This fact supports the logic of position stability (referring to an individual’s predominant quintile position over a certain time period) being more effective for the analysis of income mobility in contemporary Russia than a simple comparison of positions at the start and end of a time period, in which the choice of the start and end points may noticeably affect the results.

The levels of consistent upward or downward mobility were practically the same, at 16.7% and 15.4% respectively, while 22.2% of the population were characterized by a lack of mobility. Over a nine-year span, the overwhelming majority of the population – 87.9% – showed
multidirectional mobility. The respective shares for upward and downward mobility as well as a lack of mobility were 3.4%, 3.5%, and 5.2% (see Table 3).

**Tab. 3. Individual income mobility in Russia over four and nine years, total population, %**

<table>
<thead>
<tr>
<th>Mobility, with changes that occurred during the period considered</th>
<th>four-year span (2014–2017)</th>
<th>nine-year span (2009–2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direction of mobility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Persistently upward</td>
<td>16.7</td>
<td>3.4</td>
</tr>
<tr>
<td>Multidirectional</td>
<td>45.7</td>
<td>87.9</td>
</tr>
<tr>
<td>Persistently downward</td>
<td>15.4</td>
<td>3.5</td>
</tr>
<tr>
<td>Lack of mobility</td>
<td>22.2</td>
<td>5.2</td>
</tr>
<tr>
<td>Direction and extent of mobility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moved 2 positions or more down</td>
<td>10.7</td>
<td>14.3</td>
</tr>
<tr>
<td>Moved 1 position down</td>
<td>17.6</td>
<td>18.4</td>
</tr>
<tr>
<td>Returned to the initial quintile</td>
<td>42.6</td>
<td>33.7</td>
</tr>
<tr>
<td>Moved 1 position up</td>
<td>19.0</td>
<td>17.4</td>
</tr>
<tr>
<td>Moved 2 positions or more up</td>
<td>10.2</td>
<td>16.1</td>
</tr>
<tr>
<td>Immobile groups, with changes that occurred during the period considered</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sticky floor</td>
<td>12.8</td>
<td>5.1</td>
</tr>
<tr>
<td>Sticky ceiling</td>
<td>10.4</td>
<td>3.7</td>
</tr>
</tbody>
</table>

These data demonstrate that relative ill-being, and especially well-being, in contemporary Russian society (as expressed through relative positions in the distribution of income) are fairly unstable. Although it is established that over 40% and 30% of the population return over the span of four and nine years respectively to their initial quintile after moving in different directions, the overall level of income instability in today’s Russia is rather high. Even over the course of four years, about 10% of the population move two or more quintiles up, while another 10% move two or more quintiles down.

We should specifically focus on the sticky floor and sticky ceiling phenomena. According to our methodology, sticky floors and ceilings are comprised of those Russians who moved to an adjacent quintile for no longer that one year (in the short term) or two years (in the medium term) and stayed in the first or fifth quintiles respectively during the remaining years. These criteria allow us to establish the following quantitative estimates for floors and ceilings: 12.8% and 10.4% for four years or 5.1% and 3.7% for nine years respectively. Sociodemographic characteristics of these groups are shown in Fig. 1.
Fig. 1. Sociodemographic and socio-professional characteristics of immobile groups over different periods of time (with changes that occurred during the periods considered), %
As figure 1 shows, the problem of being completely “stuck to the floor” primarily affects families with children (four out of five “floor representatives” are Russians living in such families, including children themselves). Due to unearned income – i.e. pensions that reach the official subsistence level – pensioners living in families without children almost never fall into the floor category. There are also few working-age individuals without children. In half of the cases, the floor includes unemployed Russians. Pensioners in a sticky floor situation essentially do not work. In the past, three quarters of them were involved in physical labor (retail (17.5%), skilled manual (20.1%) or unskilled manual (33.8%) labor). Once they reach retirement age, they stop working earlier than pensioners from the sticky ceiling.

The profile of the sticky floor can be best illustrated by comparing the risks of hitting it for various groups of individuals. For Russians living without children, the risk is 5.2%, while for those with large families (having three or more children), it is 41.1%. No other sociodemographic or socioeconomic characteristic accounts for such a divergence. Next, there are factors related to social class – education and employment. The risk is 23.1% for working-age Russians with incomplete secondary education and only 5.6% for those with higher education. For the unskilled working-age population and for professionals, it is 20.8% and 6.1% respectively. Thus, class-related causes of inequality that have to do with the labor market position also contribute to the emergence of sticky floors. This is in line with the conclusions of a recent study by Dang et al. (2019) that demonstrates how getting a permanent job or a job requiring a higher qualification reduces the risks of downward mobility, as well as other studies on poverty factors (see, e.g., Szelényi 2013).

Moving on from the short-term to medium-term analysis, practically nothing changes in the portrait of the group, except for the fact that its composition demonstrates even greater risks of being stuck in a disadvantaged situation for households with children, particularly those living in rural areas and small towns, compared to households in cities.

The sticky ceiling, in contrast, predominantly comprises Russians from households without children, in most cases working ones. Families with children are seen there less often – it is more difficult for them to stay well-off for a long period of time. Ceilings apply only to families with one or two children, whereas large families practically never experience this situation.

The chances of reaching a sticky ceiling also have a lot do to with age, profession, and employment. A ceiling situation is more often experienced by working pensioners (33.7%). Staying employed after retirement is an effective strategy of retaining a steady income. This is partially explained by their professional positions: over half of the people in a ceiling (56.1%) are executives, high- and mid-level specialists; that is, white-collar workers.
In general, mental labor implies greater chances of prosperity for Russians; however, among the overall population, these chances are less differentiated than among pensioners – 26.3% for top executives vs. 6.1% for unskilled workers.

Thus, it is large families that are least advantaged in terms of income immobility. This fact is a matter of concern not only because it lowers the social status of a multi-child family (which, in turn, discourages demographic growth), but also because it cements the inequality of starting conditions intergenerationally. The chances of getting to an advantaged immobility position – staying in the top quintile – are higher for working Russians, including working pensioners, who do not have dependents and are employed as highly skilled specialists.

However, the results obtained regarding persistently disadvantaged or advantaged social groups in terms of their income should not be absolutized. The problem of child poverty in Russia and the failure to offset it with demographic policies is well-known and widely studied (Aleksandrova et al. 2003; Birykova et al. 2019; Grishina 2017; Karabchuk et al. 2013; Pishnyak & Popova 2011). Our work only highlights this problem once again, bringing into focus its persistence, which makes finding a solution even more difficult. On the other hand, higher chances of persistent well-being for pensioners revealed in the course of the analysis are, apparently, brought about by their stable income (the state pension, especially in combination with additional earnings from employment) amid overall instability and a fairly low income level among the population in Russia. In other words, in order to attain stable relative prosperity in relation to the mass population in contemporary Russia, it is sufficient to have incomes that are not too high but that are steady – Russians who have such incomes are already in a more advantaged position, compared to the rest of the population.

Besides, this solely economic approach does not reflect the specific nature of expenses across various social groups (for instance, medication and health services account for a large share of expenses among pensioners) as well as opportunities and deprivation in general (Pishnyak, Popova 2015). Furthermore, due to the fact that income groups are identified statistically, based on their size, differentiation in the top quintile proves to be considerable. This quintile comprises both representatives of the mass population, with their modest and unstable prosperity, and representatives of the “top”, whose lifestyle is completely out of reach for the rest of the population (it is appropriate to mention here that Russia is one of the world leaders in terms of income and wealth concentration (Novokmet et al. 2017)). Only the first group gets into the sociological survey samples, so all our conclusions regarding well-being instability refer to the mass population.

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See also the report of the European Bank for Reconstruction and Development on the importance of ascriptive characteristics in Russia (EBRD, 2017).
The results obtained also have to do with the decision not to use the equivalence scale. The application of the square root scale makes group descriptions noticeably different: the percentage of singles and, in particular, pensioners, increases in sticky floors, whereas families with children, in contrast, turn out to be in a better position, presumably due to high economy of scale.

Subjective Income Mobility

Applying a similar method to subjective assessments of one’s position on the poverty-wealth scale over a four-year period demonstrates that those assessments are even more volatile. Thus, 68.6% of the overall population have never been in the bottom quintile, according to their self-assessment on the poverty-wealth scale, and 66.4% have never been in the top quintile, which means that about one-third of the population saw their position as the least advantaged at least once over a four-year period, and the same percentage at least once evaluated their position as the most well-off\(^\text{13}\). Furthermore, subjective mobility proves to be higher than objective mobility: only 35.3% of the overall population had not moved to a different group at the end of the four-year span, and the scale of downward mobility was larger than upward mobility (26.3% and 38.4% respectively). For the working-age population, these percentages were 35.3%, 26.4%, and 38.3% respectively.

Taking into account changes that occurred over a span of time, only 10.3% stayed in the same group during a four-year period, according to their subjective assessment. Just like in the case of objective mobility, multidirectional subjective mobility is prevalent. At the same time, downward mobility (20.4%) is higher than upward (11.9%), which is another difference between subjective and objective mobility (see Table 4).

Subjective mobility is characterized by an even smaller scale of immobile groups (sticky floor and especially sticky ceiling). It also should be noted that objective and subjective floors and ceilings mostly do not overlap.

<table>
<thead>
<tr>
<th>Mobility, with changes that occurred during the period considered</th>
<th>four-year period (2014-2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobility direction</td>
<td></td>
</tr>
<tr>
<td>Persistently upward</td>
<td>11.9</td>
</tr>
<tr>
<td>Mixed</td>
<td>57.3</td>
</tr>
<tr>
<td>Persistently downward</td>
<td>20.4</td>
</tr>
<tr>
<td>Lack of mobility</td>
<td>10.3</td>
</tr>
<tr>
<td>Direction and extent of mobility</td>
<td></td>
</tr>
<tr>
<td>Moved 2 quintiles or more down</td>
<td>15.1</td>
</tr>
</tbody>
</table>

\(^{13}\) Here and elsewhere, “overall population” means Russians who were 21 or older in 2017, as respondents are asked for a self-assessment from the age of 16, and the minimum age threshold in the final year of observation in a four-year period is 21.
Moved 1 quintile down 23.3
Returned to the initial quintile 35.3
Moved 1 quintile or more up 17.9
Moved 2 quintiles or more up 8.4

<table>
<thead>
<tr>
<th>Immobile groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sticky floor</td>
</tr>
<tr>
<td>Sticky ceiling</td>
</tr>
</tbody>
</table>

Although Russians primarily assess their social position through the level of income (Tikhonova 2019), the directions of objective and subjective income mobility matched only partially and often differed. For instance, among those who experienced downward objective mobility, only 25% were characterized by downward objective mobility as well, whereas 8.8% even went up one quintile on the subjective income scale. In the group with upward social mobility, only 14.8% subjectively moved to a higher quintile as well, while 17.1% experienced downward subjective mobility.

As for immobile groups, the subjective sticky floor is represented by three mass categories: pensioners (43.9%), the employable and working (31.0%), and the unemployed (25.1%). What distinguishes this floor from ceiling groups and the rest of the population is that its pensioners are more likely to be in poor health (on average, they have four chronic conditions each, and 50% of individuals in this group assess their health as bad/very bad), while the employed hold the least attractive jobs (three-quarters of them are blue-collar workers, retail and service-sector workers, or unskilled laborers doing non-physical work). Moreover, to a greater degree than others they are not employed officially, that is in compliance with the Russian Labor Code (one in ten people).

As for the subjective ceiling, people of retirement age account for only one-fifth of the group, while working and unemployed but employable individuals have equal shares (39.3% and 39.9%). Pensioners from this group are in the best physical shape (on average, they have just one chronic condition, which is why almost no-one assesses their health as poor), whereas working representatives are predominantly professionals, technicians and associate professionals or managers (in two-thirds of cases) and are less often engaged in unofficial employment. Another distinctive characteristic of the ceiling is that every third individual here is younger than 35 (33.6%, which is also the highest level across the population), and, unlike the floor, these young individuals are employed more often.

Thus, the chances of being in a subjective ceiling are determined by individuals’ positions on different inequality axes, depending on the stage of the life cycle (young age, stable employment for working population, good health in retirement age). The risks of hitting the floor, on the contrary, occurs due to serious health conditions (and not only among pensioners – this factor is even more significant for the employable population) and a weak labor market position.
Results and Discussion

Previous studies have demonstrated that the income stratification model in Russia has already been developed and is rather stable. According to this model, the country is closer to developed countries than developing ones, being characterized by a high percentage of groups with median and mean incomes (Mareeva & Lezhnina 2019). However, if we consider income mobility models, Russia proves to be closer to developing countries, with relatively high income mobility and a smaller extent of sticky ceilings (persistent well-being) and sticky floors. The income distribution has undergone considerable transformation over the past 30 years, although in recent years, its model has become fully developed. Simultaneously, occupation of social positions by different individuals is still volatile, and the overall extent of social mobility in Russia remains high, just like in the early stages of post-Soviet development.

The characteristics of immobile groups demonstrate that the position of those individuals is determined both by class and non-class factors, and identifying the recipients of relevant socioeconomic assistance is, in this light, a challenging task.

At the same time, income inequality in Russia is rather high by European standards, as shown, for example, by the Gini coefficient, while inequality is even higher in terms of income concentration at the top, which is never included in mass surveys. Furthermore, high income mobility does not lead to a higher tolerance towards inequalities among the population – on the contrary, according to various data, tolerance towards inequalities has been in decline in recent years (Mareeva 2020). There are several reasons for that. Firstly, Russians view the foundations for those inequalities as illegitimate (in the results of our study, this manifests itself in the significant role of non-class factors in the development of floors and ceilings). Secondly, the gap between the elite and the rest of the population is growing and even well-off social groups consider themselves to be rather in the middle of the income distribution. High mobility does not help to ameliorate this situation, as it is more a sign of instability and the lack of an even modest steady income among the majority of the population rather than of equal opportunities to achieve persistent well-being. It is for this reason that even pensioners technically find themselves in a sticky ceiling situation. However, this approach does not reflect the specific characteristics of expenses, as a result of which the standards of living formally supported by the same income level vary greatly in different groups.

The top quintile also has the most disparities between its representatives. It comprises both individuals with modest and unstable prosperity, compared with the overall population, and elites who have left the rest of the population far behind (and this gap keeps growing). This also explains
the fact that, from an international perspective, Russia is different in terms of mass well-being that is even less stable than ill-being, whereas the reverse is typical in other countries.

In this regard, it is not surprising that data demonstrate a significant discrepancy between subjective and objective income mobility as well as between persistently advantaged and disadvantaged groups. Subjective self-assessments on the poverty-wealth scale prove to be even more volatile than objective income quintile positions, and the sticky ceiling phenomenon here is almost non-existent. One can say that stable subjective well-being is not typical of the population in Russia. Moreover, amid the current negative processes in healthcare and the economy, this situation will continue to worsen. The divergence between objective and subjective income mobility highlights the fact that, in the analysis of prosperity as a complex phenomenon, focusing solely on the monetary aspect is not enough.

Reasons for the discrepancies between objective and subjective assessments of income mobility can vary. They may be due to the time lag between changes in the objective income position and a subjective response to them. Individuals can also evaluate their position on the poverty-wealth scale judging by their reference groups and not the population on the whole, in which case a comparison of changes in the position of various groups will be of greater importance than general shifts on the relative income scale. Assessment of a subjective position on the poverty-wealth scale can also be influenced not only by the relative income level compared to the rest of the population, but also by the associated spending freedom that is determined by a household’s position, the availability of other resources and the necessity of offsetting certain risks, as well as by values and norms, including needs and ambitions, ideas of social justice, etc.

Finally, it should be noted that the time span we examined in our analysis was characterized by an economic recession and the ensuing “negative stabilization” (Maleva 2016; Tikhonova 2019) – the stabilization of income and the standard of living in Russia, although at a level lower than before the crisis. Considering the difficulty of predicting the further development of economic processes in the country (no relevant data are available at the moment), especially amid the coronavirus pandemic that has caused an economic slump, the analysis of income mobility in these turbulent times is a pressing and important task. This analysis allows us to identify a number of worrisome trends that will most likely be reinforced following the events of 2020. The first one is the high importance of ascriptive characteristics in the development and perpetuation of existing mobility inequalities. In this respect, children and large families are, objectively, in a particularly difficult situation. The second problem is the social and psychological vulnerability of Russian pensioners who have serious health conditions (which is actually true for all employable Russians as well). This vulnerability, once again highlighting Russians’ sensitivity to inequalities in healthcare access (which has already been well documented in studies), remains hidden from social
policy makers because of the relative stability of pensioners’ income. The third issue is that persistent subjective ill-being is more large-scale than persistent subjective well-being, and subjective assessments of the material position in general remain volatile, even during periods of relatively stable economic development.
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