

Human Development Index in the Regions of Russia

Estimates of the Human Development Index for 2003 and 2004 are given in Tables 9.1 and 9.2. The Index rose over this period in the vast majority of subjects of the Russian Federation, but dynamics varied considerably from region to region. The fastest HDI growth was in regions with large resources of raw materials and export-oriented economies, where the HDI was pushed higher by growth of per capita GRP (this is especially true in oil-producing regions). A slight drop in the Index in several depopulating regions of the Central Federal District is related to reduction in the number school pupils due to small size of the generation reaching school age. Another reason for HDI volatility is peculiarities of tax treatment and transfer of legal addresses of large companies, which have major impact on per capita GRP indicators in certain regions. This explains the short-term growth and subsequent drop in the indicators for Chukotka Autonomous District and Magadan Region (the same occurred earlier in the Republic of Kalmykia). In 2004 Omsk Region and Republic of Mordovia also enjoyed short-term GRP growth due to the same causes.

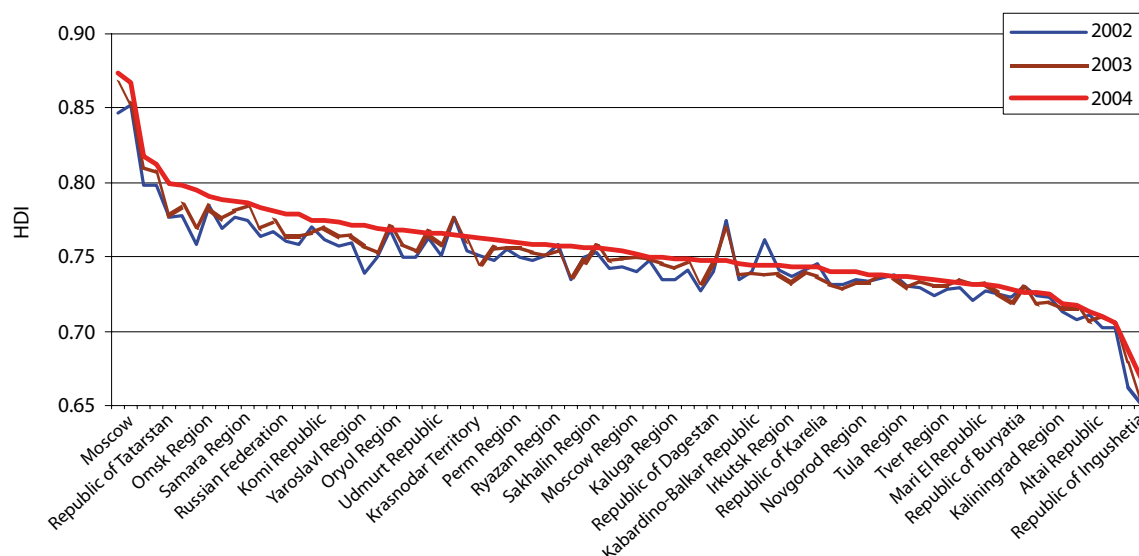
Comparison of this indicator in different regions and countries is highly conditional but very indicative in the case of Russia. Moscow is in this respect comparable to Czech Republic and Malta, Tyumen region – to Hungary and Poland, St Petersburg and Tatarstan – to Bulgaria, although the "second capital" of Russia is lagging significantly behind the Baltic states. The weakest regions

of Russia – Ingushetia and Tyva – are comparable to Mongolia, Guatemala and Tajikistan. The immense gap between the regions of Russia with regard to the level of human development are slowing down the pace of development of the country as a whole.

Analysis of regional HDI dynamics in 2002–2004 shows that distinctions between regions are increasing. The pace of Index growth in regions with higher indicators was notably faster than in regions with lower indicators, with the exception of the 2 or 3 weakest regions, which received the largest amounts of federal support (Figure 9.1). Calculations by the Independent Institute for Social Policy show that increase in regional distinctions during the period of economic growth has been most marked with respects to precisely those HDI components, in which Russia is lagging behind developed countries – per capita GRP and life expectancy. The gaps between economic and social development levels of subjects of the Russian Federation are widening despite increased redistribution of budgetary resources. The conclusion must be that efficiency of the redistribution policy is diminishing while slow rates of improvement of social indicators in most regions point to low quality of economic growth.

Levels of differentiation can also be evaluated by considering shares of the Russian population who live in regions with various HDI levels (Figure 9.2). Such comparison is notional due to income inequality inside

Figure 9.1. Human Development Index in subjects of the Russian Federation in 2002-2004

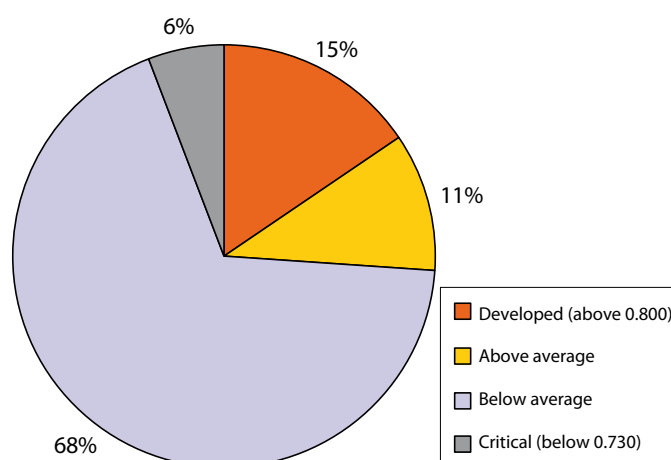


the regions, but it gives a general picture of the percentage of people in Russia who enjoy or lack necessary regional conditions for development of human potential. Over a quarter of Russia's population lives in regions where the HDI is above the national average, and 15% of the population live in the most affluent subjects of the Russian Federation (Moscow, Tyumen region with its autonomous districts, St. Petersburg and Tatarstan), whose human development indices are comparable to those of developed countries. Such regions have sufficient means and resources to develop their human potential alone. Meanwhile, 6% of the Russian population live in regions with the worst indicators (below 0.730). These are regions, which cannot develop without large-scale and long-term federal support.

Calculation of the numbers of Russians living in regions with various HDI levels shows that the key requirement for sustainable growth of human potential in Russia is improvement in the group of regions with indicators below the Russian average but above the critical level. Two thirds of the country's people live in these regions, where economic resources are still insufficient for social development, but federal aid could not suffice to support the majority of the population in conditions of a market economy. These regions need to stimulate growth of their own economic resources and more energetic social development policy by their administrations, supported by federal assistance in key areas of social development and improvement of institutional structures. Such

a distribution of roles and responsibilities requires revision of the redistributive mechanisms of social policy financing and, most of all, creation of mechanisms for real reforms in regional and local labour markets, for economic restructuring and diversification, for social innovation, and for modernisation of both public administration and self-governance. Federal government policies in this direction still lack consistency. Mechanisms for stimulating reform must start to play a larger role in regional development policy in the near future, ending over-dependence on accumulation of resources in the federal budget and their redistribution.

Figure 9.2. Share of people living in Russian regions with various HDI levels, %



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Table 9.1

Human potential development index in 2004

	GDP per capita, US \$	Income Index	Life expectancy at birth, years	Life Expectancy Index	Literacy, %	Enrolment in Education, age 7–24, %	Education Index	HDI	Ranking
Russian Federation	9922	0.767	65.3	0.671	99.0	73.7	0.906	0.781	
Moscow	17091	0.858	70.8	0.763	99.8	100.0	0.999	0.873	1
Tyumen Region	44775	1.000	66.6	0.694	99.2	73.5	0.906	0.867	2
St.-Petersburg	10133	0.771	67.3	0.706	99.8	93.1	0.976	0.817	3
Republic of Tatarstan	12325	0.804	67.7	0.711	99.0	78.5	0.922	0.812	4
Tomsk Region	12512	0.806	65.4	0.673	98.9	77.7	0.918	0.799	5
Lipetsk Region	13732	0.822	65.7	0.678	98.4	71.4	0.894	0.798	6
Omsk Region	11945	0.798	65.7	0.678	98.7	74.5	0.906	0.794	7
Republic of Sakha (Yakutia)	11680	0.795	64.2	0.654	99.0	78.4	0.921	0.790	8
Belgorod Region	8464	0.741	68.2	0.720	98.6	74.1	0.904	0.788	9
Samara Region	9795	0.765	65.7	0.678	99.2	77.2	0.919	0.787	10
Republic of Bashkortostan	9664	0.763	66.3	0.688	98.8	74.3	0.906	0.786	11
Vologda Region	13864	0.823	62.8	0.630	98.8	70.8	0.895	0.783	12
Krasnoyarsk Territory	11466	0.791	63.6	0.643	99.0	72.4	0.901	0.779	13
Orenburg Region	9445	0.759	65.4	0.673	98.9	72.7	0.902	0.778	14
Komi Republic	11723	0.795	62.2	0.620	99.2	73.2	0.905	0.774	15
Novosibirsk Region	7519	0.721	65.6	0.676	98.8	79.3	0.923	0.773	16
Chelyabinsk Region	9131	0.753	64.6	0.661	99.1	73.4	0.905	0.773	17
Yaroslavl Region	9857	0.766	63.8	0.646	99.2	71.5	0.900	0.771	18
Republic of Mordovia	6555	0.698	66.6	0.693	97.9	80.2	0.920	0.770	19

	GDP per capita, US \$	Income Index	Life expectancy at birth, years	Life Expectancy Index	Literacy, %	Enrolment in Education, age 7–24, %	Education Index	HDI	Ranking
Arkhangelsk Region	10870	0.783	62.3	0.622	99.2	71.4	0.899	0.768	20
Oryol Region	7144	0.713	65.0	0.667	98.9	79.4	0.924	0.768	21
Sverdlovsk Region	8369	0.739	64.4	0.657	99.2	73.3	0.906	0.767	22
Kursk Region	7047	0.710	65.0	0.666	98.5	80.0	0.923	0.766	23
Udmurt Republic	7793	0.727	64.2	0.653	99.0	77.1	0.917	0.766	24
Volgograd Region	6864	0.706	66.9	0.699	98.9	69.1	0.890	0.765	25
Magadan Region	9384	0.758	62.4	0.624	99.6	74.5	0.912	0.765	26
Krasnodar Territory	6469	0.696	67.5	0.709	99.0	67.0	0.883	0.763	27
Murmansk Region	9573	0.761	63.6	0.643	99.6	65.4	0.882	0.762	28
Chuvash Republic	5577	0.671	66.3	0.689	99.0	78.9	0.923	0.761	29
Perm Territory	9282	0.756	62.5	0.625	98.9	71.5	0.898	0.760	30
Saratov Region	6288	0.691	65.6	0.677	99.2	74.5	0.910	0.759	31
Astrakhan Region	7078	0.711	65.3	0.672	98.6	70.2	0.891	0.758	32
Ryazan Region	7190	0.714	64.1	0.652	98.7	74.7	0.907	0.758	33
Nizhny Novgorod Region	7664	0.724	63.8	0.646	98.9	72.7	0.902	0.757	34
Kemerovo Region	9400	0.758	62.2	0.621	98.9	69.2	0.890	0.756	35
Sakhalin Region	10357	0.774	61.5	0.608	99.4	66.3	0.884	0.755	36
Voronezh Region	5454	0.667	66.1	0.686	98.3	77.1	0.912	0.755	37
Rostov Region	5505	0.669	66.7	0.696	99.1	71.4	0.899	0.754	38
Moscow Region	7670	0.724	65.6	0.676	99.6	59.1	0.861	0.754	39
Tambov Region	5977	0.683	65.6	0.676	98.1	72.6	0.896	0.752	40

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	GDP per capita, US \$	Income Index	Life expectancy at birth, years	Life Expectancy Index	Literacy, %	Enrolment in Education, age 7–24, %	Education Index	HDI	Ranking
Khabarovsk Region	7043	0.710	62.2	0.620	99.5	76.4	0.918	0.749	41
Kaluga Region	6610	0.700	64.5	0.658	99.2	68.2	0.889	0.749	42
Stavropol Territory	4794	0.646	67.8	0.713	98.6	68.3	0.885	0.748	43
Republic of North Osetia – Alania	4205	0.624	68.4	0.724	99.1	70.4	0.895	0.748	44
Republic of Dagestan	3414	0.589	72.7	0.795	98.4	60.1	0.856	0.747	45
Ulyanovsk Region	5481	0.668	65.3	0.672	98.6	72.6	0.899	0.747	46
Chukotka Autonomous District	13401	0.817	57.5	0.541	99.4	65.5	0.881	0.746	47
Kabardino-Balkar Republic	4135	0.621	69.8	0.747	98.8	61.9	0.865	0.744	48
Penza Region	4958	0.652	65.7	0.679	98.4	73.4	0.901	0.744	49
Republic of Kalmykia	4321	0.629	67.3	0.705	98.2	72.9	0.898	0.744	50
Irkutsk Region	7756	0.726	60.8	0.597	99.1	74.1	0.908	0.744	51
Karachayevo-Cherkessian Republic	3846	0.609	69.5	0.742	98.4	66.6	0.878	0.743	52
Kamchatka Region	6054	0.685	63.6	0.643	99.7	70.7	0.900	0.743	53
Republic of Karelia	7703	0.725	61.6	0.610	99.2	69.4	0.893	0.742	54
Leningrad Region	10235	0.772	62.0	0.616	99.5	50.0	0.830	0.740	55
Republic of Khakassia	6285	0.691	62.4	0.623	98.8	73.7	0.904	0.739	56
Novgorod Region	7257	0.715	61.4	0.607	98.9	70.8	0.895	0.739	57
Kirov Region	5356	0.664	63.9	0.649	98.4	72.9	0.899	0.737	58

	GDP per capita, US \$	Income Index	Life expectancy at birth, years	Life Expectancy Index	Literacy, %	Enrolment in Education, age 7–24, %	Education Index	HDI	Ranking
Smolensk Region	6397	0.694	62.3	0.621	98.9	71.1	0.896	0.737	59
Tula Region	5955	0.682	63.0	0.634	99.1	69.6	0.893	0.736	60
Primorsk Territory	5606	0.672	63.0	0.633	99.5	71.8	0.903	0.736	61
Altai Territory	4856	0.648	65.5	0.676	98.2	68.3	0.882	0.735	62
Tver Region	6336	0.692	61.6	0.611	99.1	71.9	0.900	0.734	63
Kostroma Region	6000	0.683	62.6	0.627	98.8	68.8	0.888	0.733	64
Vladimir Region	5588	0.671	62.9	0.631	99.4	69.7	0.895	0.732	65
Mari El Republic	5002	0.653	63.4	0.640	98.8	72.6	0.901	0.731	66
Bryansk Region	4658	0.641	64.2	0.653	98.6	72.1	0.898	0.730	67
Kurgan Region	4858	0.648	63.9	0.648	98.4	71.4	0.894	0.730	68
Republic of Buryatia	6180	0.688	61.1	0.602	98.8	70.4	0.893	0.728	69
Amur Region	6334	0.692	60.3	0.589	99.3	70.4	0.897	0.726	70
Republic of Adygea	3161	0.576	67.8	0.713	98.7	68.7	0.887	0.725	71
Kaliningrad Region	6413	0.694	61.4	0.606	99.4	63.2	0.873	0.725	72
Pskov Region	5634	0.673	60.6	0.594	98.9	68.3	0.887	0.718	73
Ivanovo Region	3992	0.615	62.4	0.623	99.3	75.4	0.913	0.717	74
Altai Republic	4494	0.635	61.1	0.602	98.3	73.2	0.899	0.712	75
Chita Region	5532	0.670	59.3	0.572	98.8	68.4	0.887	0.709	76
Jewish Autonomous Region	5318	0.663	59.4	0.573	99.1	65.8	0.880	0.705	77
Republic of Ingushetia	1360	0.436	75.9	0.849	96.2	40.7	0.777	0.687	78
Tyva Republic	3125	0.574	56.5	0.525	99.1	73.1	0.904	0.668	79

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Table 9.2

Human Potential Development Index in 2003

	GDP per capita, US \$	Income Index	Life expectancy at birth, years	Life Expectancy Index	Literacy, %	Enrolment in Education, age 7–24, %	Education Index	HDI	Ranking
Russian Federation	8800	0.747	64.9	0.664	99.0	73.9	0.906	0.773	
Moscow	16740	0.855	70.0	0.750	99.8	98.8	0.995	0.866	1
Tyumen Region	31742	0.961	66.1	0.686	99.2	74.6	0.910	0.852	2
St.-Petersburg	9475	0.760	67.0	0.700	99.8	90.8	0.968	0.809	3
Republic of Tatarstan	11098	0.786	67.6	0.710	99.0	79.2	0.924	0.807	4
Lipetsk Region	10434	0.776	65.6	0.676	98.4	72.7	0.898	0.783	5
Republic of Bashkortostan	8963	0.750	66.1	0.685	98.8	76.9	0.915	0.783	6
Republic of Sakha (Yakutia)	10404	0.775	64.0	0.649	99.0	78.7	0.922	0.782	7
Samara Region	8759	0.747	65.5	0.675	99.2	77.2	0.919	0.780	8
Tomsk Region	9676	0.763	64.3	0.655	98.9	76.5	0.914	0.778	9
Belgorod Region	6756	0.703	68.0	0.716	98.6	74.9	0.907	0.776	10
Magadan Region	9933	0.767	63.1	0.635	99.6	76.3	0.918	0.774	11
Omsk Region	7618	0.723	65.7	0.679	98.7	75.0	0.908	0.770	12
Novosibirsk Region	6971	0.708	65.4	0.674	98.8	80.1	0.926	0.769	13
Oryol Region	7146	0.713	65.0	0.667	98.9	80.3	0.927	0.769	14
Chukotka Autonomous District	17177	0.859	59.0	0.567	99.4	65.0	0.879	0.768	15
Vologda Region	10962	0.784	62.2	0.620	98.8	72.4	0.900	0.768	16
Udmurt Republic	7740	0.726	64.1	0.651	99	78.0	0.920	0.766	17
Komi Republic	10463	0.776	61.5	0.609	99.2	74.9	0.911	0.765	18

	GDP per capita, US \$	Income Index	Life expectancy at birth, years	Life Expectancy Index	Literacy, %	Enrolment in Education, age 7–24, %	Education Index	HDI	Ranking
Yaroslavl Region	9321	0.757	63.0	0.633	99.2	72.1	0.902	0.764	19
Chelyabinsk Region	7694	0.725	64.4	0.657	99.1	74.5	0.909	0.764	20
Krasnoyarsk Territory	9314	0.757	62.7	0.628	99.0	73.4	0.905	0.763	21
Orenburg Region	7230	0.714	65.0	0.667	98.9	74.2	0.907	0.763	22
Krasnodar Territory	6254	0.690	67.2	0.703	99.0	67.4	0.885	0.759	23
Sverdlovsk Region	7820	0.728	63.7	0.645	99.2	72.4	0.903	0.758	24
Volgograd Region	6343	0.693	66.2	0.687	98.9	70.1	0.893	0.758	25
Republic of Mordovia	5374	0.665	66.0	0.684	97.9	80.8	0.922	0.757	26
Voronezh Region	5504	0.669	66.0	0.684	98.3	78.0	0.915	0.756	27
Saratov Region	5992	0.683	65.3	0.672	99.2	75.1	0.912	0.756	28
Perm Territory	8766	0.747	62.0	0.617	98.9	72.8	0.902	0.755	29
Chuvash Republic	5036	0.654	65.9	0.682	99.0	80.0	0.927	0.754	30
Nizhny Novgorod Region	7220	0.714	63.6	0.644	98.9	73.1	0.903	0.754	31
Kursk Region	5528	0.670	65.0	0.667	98.5	80.3	0.924	0.754	32
Astrakhan Region	6481	0.696	65.0	0.667	98.6	71.3	0.895	0.753	33
Arkhangelsk Region	8348	0.738	61.9	0.616	99.2	72.6	0.903	0.752	34
Ryazan Region	6755	0.703	63.4	0.639	98.7	74.8	0.907	0.750	35
Tambov Region	5940	0.682	65.0	0.666	98.1	74.0	0.901	0.750	36
Khabarovsk Region	7293	0.716	61.7	0.612	99.5	75.9	0.916	0.748	37
Moscow Region	7146	0.713	65.1	0.668	99.6	59.6	0.863	0.748	38
Rostov Region	5014	0.653	66.3	0.689	99.1	71.8	0.900	0.747	39

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Sakhalin Region	8646	0.744	61.3	0.605	99.4	68.0	0.889	0.746	40
Republic of North Osetia – Alania	3978	0.615	68.6	0.727	99.1	70.5	0.896	0.746	41
Murmansk Region	7235	0.715	63.0	0.634	99.6	67.0	0.887	0.745	42
Kaluga Region	6052	0.685	64.3	0.655	99.2	69.6	0.893	0.745	43
Ulyanovsk Region	5328	0.664	64.9	0.665	98.6	73.6	0.903	0.744	44
Stavropol Territory	4534	0.637	66.9	0.698	98.6	69.4	0.889	0.741	45
Kamchatka Region	5895	0.680	63.1	0.635	99.7	71.4	0.903	0.739	46
Irkutsk Region	7290	0.716	60.4	0.590	99.1	74.9	0.910	0.739	47
Penza Region	4474	0.634	65.4	0.674	98.4	74.9	0.906	0.738	48
Republic of Kalmykia	4148	0.622	65.8	0.680	98.2	76.9	0.911	0.738	49
Smolensk Region	6380	0.694	62.0	0.616	98.9	72.5	0.901	0.737	50
Kabardino-Balkar Republic	3940	0.613	68.8	0.730	98.8	62.4	0.867	0.737	51
Republic of Karelia	7213	0.714	60.6	0.593	99.2	72.4	0.903	0.736	52
Kemerovo Region	6893	0.707	61.5	0.608	98.9	70.2	0.893	0.736	53
Tula Region	5912	0.681	62.6	0.627	99.1	71.5	0.899	0.736	54
Vladimir Region	5752	0.676	62.6	0.627	99.4	71.0	0.899	0.734	55
Altai Territory	4460	0.634	65.7	0.678	98.2	69.4	0.886	0.733	56
Kirov Region	4963	0.652	63.5	0.641	98.4	74.3	0.904	0.732	57
Novgorod Region	6661	0.701	60.6	0.593	98.9	72.8	0.902	0.732	58
Karachayevo-Cherkessian Republic	3609	0.599	68.1	0.718	98.4	67.0	0.879	0.732	59
Bryansk Region	4553	0.637	64.3	0.654	98.6	73.8	0.903	0.732	60

	GDP per capita, US \$	Income Index	Life expectancy at birth, years	Life Expectancy Index	Literacy, %	Enrolment in Education, age 7–24, %	Education Index	HDI	Ranking
Republic of Dagestan	2682	0.549	72.3	0.789	98.4	60.4	0.857	0.732	61
Leningrad Region	8942	0.750	61.4	0.607	99.5	51.6	0.835	0.731	62
Mari El Republic	4511	0.636	63.8	0.647	98.8	75.0	0.909	0.730	63
Kostroma Region	5657	0.674	62.1	0.619	98.8	71.4	0.897	0.730	64
Tver Region	6037	0.684	61.1	0.601	99.1	72.5	0.902	0.729	65
Primorsk Territory	5089	0.656	62.8	0.630	99.5	71.1	0.900	0.729	66
Republic of Khakassia	6037	0.684	60.6	0.593	98.8	74.6	0.907	0.728	67
Amur Region	5991	0.683	60.9	0.599	99.3	72.0	0.902	0.728	68
Kurgan Region	4564	0.638	63.6	0.643	98.4	72.3	0.897	0.726	69
Republic of Buryatia	5378	0.665	60.9	0.598	98.8	70.7	0.894	0.719	70
Kaliningrad Region	5706	0.675	61.4	0.606	99.4	64.2	0.877	0.719	71
Republic of Adygea	2822	0.557	67.4	0.707	98.7	69.3	0.889	0.718	72
Ivanovo Region	3792	0.607	62.2	0.619	99.3	76.7	0.918	0.715	73
Pskov Region	5224	0.660	60.2	0.587	98.9	70.9	0.896	0.714	74
Chita Region	5276	0.662	59.7	0.578	98.8	68.8	0.888	0.709	75
Altai Republic	4341	0.629	60.0	0.584	98.3	75.3	0.906	0.707	76
Jewish Autonomous Region	4436	0.633	60.6	0.594	99.1	68.5	0.889	0.705	77
Republic of Ingushetia	1184	0.412	74.8	0.831	96.2	44.9	0.791	0.678	78
Tyva Republic	2978	0.566	54.2	0.487	99.1	73.6	0.906	0.653	79