

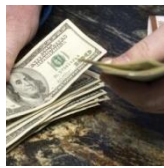
Research (What is it about?)	Interregional personal income inequality
UNN authors	<i>Malkina M.</i>
We find (The result)	It is shown that the paradox of Russian convergence – reducing inequality in regional personal incomes per capita in Russia in the first decade of the 21 st century – is due mainly to informal business activities which represent the people’s adaptive practices
Abstract	<p>On the basis of Russian household statistics we applied a range of techniques for decomposition of spatial income inequality, which allowed us to evaluate the contribution of various income sources to interregional disparities in personal incomes. It allowed us to explain the earlier established phenomenon of reducing regional disparities (convergence) in the level of personal incomes in the Russian economy in 2001–2014, and to disclose its qualitative nature.</p> <p>Economic growth was accompanied by increasing inequality in the spatial distribution of property incomes, while economic recession demonstrated their tendency to converge, which may be interpreted mostly in the context of deterioration of economic situation in more affluent regions.</p> <p>A separate analysis of various types of personal income inequality has revealed the paradox of Russian convergence in overall income appearing on the background of almost nil changes in inequality of its main component — wages and salaries. We have found that this phenomenon was due to the correcting role of business activities and informal incomes components, which began to negatively correlate with wages and salaries in regions and counteract to growth of spatial inequality.</p> <p>We have found that incomes from business activities positively correlated with informal incomes. The changes in the structure of personal incomes have revealed the gradual replacement of formal business incomes by informal ones; furthermore, shift of both to the south and to less affluent regions facilitated equalizing disparities. It should be noted that a similar phenomenon was observed in some Latin American countries.</p>

Representative articles 2017-2018, quartiles	1. <i>Malkina M.</i> Contribution of various income sources to interregional inequality of the per capita income in Russian Federation. <i>Equilibrium. Quarterly Journal of Economics and Economic Policy</i> . 12 (3), 399–416 (2017).	–
	2. <i>Malkina M.Yu.</i> Contribution of various sources to interregional personal income inequality in Russia. <i>Region: Economics and Sociology</i> . 2017(4), 126-150.	–
Q-index (Qi) for the result		0
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In collaboration	–
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Per capita domestic regional product (\$1000)

Nenetsky District **80**

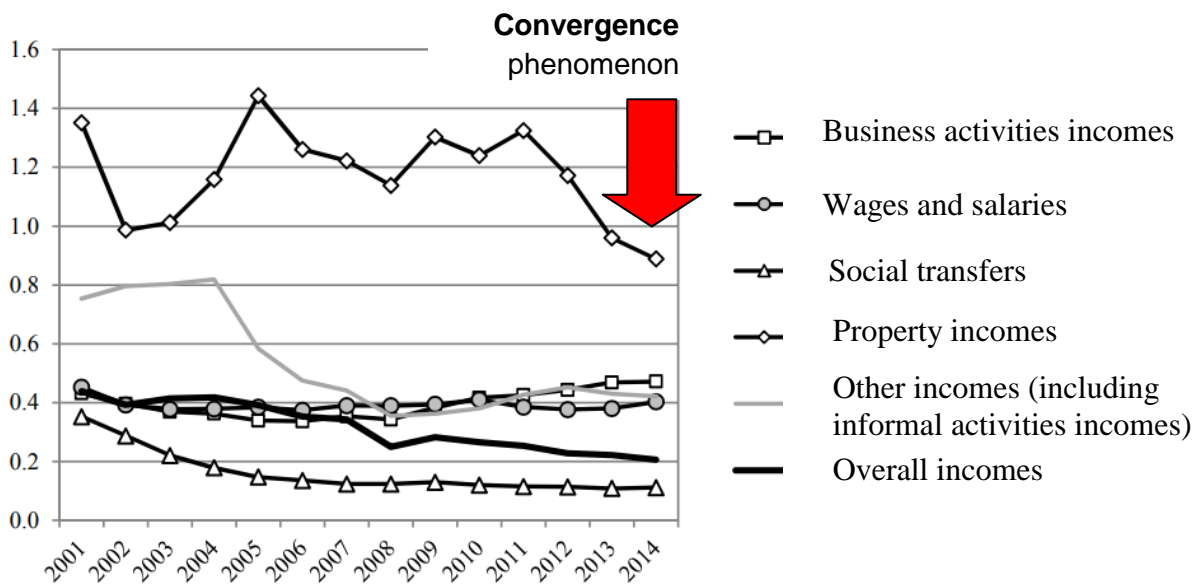


Moscow **20**

Nizhny Novgorod Region. **7**

Saratov Region **5**

Divergence factor



Dynamics of the interregional coefficient of income variation (Gini coefficient) for average personal incomes and their components

The main factor of convergence

