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Super-Rich in Modern Russia: Who Are They and Are They Changing?¹

Abstract. The study focuses on a hard-to-reach and relatively little-studied group that largely determines the configuration of wealth inequality in Russia today - the super-rich Russian businessmen. The object of the study are businessmen who have appeared on the Forbes lists from 2004 to 2021. Based on the analysis of the specially collected empirical database, the composition of the group by key socio-economic and demographic indicators is analyzed, its changes in the course of Russia's modern history are traced, and the overall dynamics of the group are assessed. The high degree of stability of this group is demonstrated, as well as the high degree of internal inequality within it. Differences in the two sub-groups of the super-rich - those who entered the labor market in the pre-reform and post-reform periods – are identified. It is shown that these differences highlight the gradual changes taking place in this group. However, even today the pre-reform super-rich dominate the group and therefore determine its generalized portrait.

Key words: super-rich, business elite, Forbes, wealth inequality.

In recent years, the very high concentration of income and wealth in the hands of a few has become a scientific problem and a political issue². The severity of this problem varies from country to country, and Russia is currently among the world leaders in terms of income and wealth concentration. According to the World Income Database³, in 2021 the top 1% of Russians held 23.8% of national income and 47.6% of net personal wealth. Credit Suisse estimates that the concentration of wealth in the country is even higher and amounts to 58.6%⁴. Moreover, it differs most markedly from other countries when considering not the top 10% or even 1% of the population, but 0,001%⁵.

¹ The study was implemented in the framework of the Basic Research Programme at the National Research University Higher School of Economics (HSE University)

² Facundo Alvaredo et al., *World Inequality Report 2018. Executive Summary* (World Inequality Lab, 2018); Anthony Atkinson, *Inequality: What can be Done?* (Cambridge, London: Harvard University Press, 2015); Branko Milanovic, *Global inequality: A new Approach for the Age of Globalization* (Cambridge, London: Harvard University Press, 2016); Thomas Piketty, *Capital and Ideology* (Cambridge, London: Harvard University Press, 2020); Thomas Piketty, “Capital in the Twenty-First Century: A Multidimensional Approach to the History of Capital and Social Classes”, *The British Journal of Sociology* 65, no 4 (2014): 736–747; Joseph Stiglitz, *The price of inequality: How today's Divided Society Endsangers our Future* (New York, London: W.W. Norton and Company, 2012); Daniel Hirschman, “Rediscovering the 1%: Knowledge Infrastructures and the Stylized Facts of Inequality”, *American Journal of Sociology* 127, no 3 (2021): 739–786.

³ See official webpage: <https://wid.world> (accessed 25 September 2023).

⁴ Credit Suisse, *Global Wealth Report 2022* (Switzerland: Credit Suisse group AG, 2022).

⁵ Louis Chauvel, “The Extreme Wealth-Income Ratio (EWIR): the Joker Smile Curve (JSC) and the New Age of Extremes”, *LIS working Paper Series*, no 39 (2022).

This has determined the specific configuration of the social stratification model of Russian society: medium to high income inequality in the mass strata of the population by global standards, and extreme concentration of income and wealth at the top⁶.

Historically, there has been a dramatic increase in the concentration of income and wealth in the country during the economic reforms of the 1990s. The economic reforms in Russia signified the radical transition from central planning to a market economy and included the privatization of state enterprises, the liberalization of prices, and the legalization of free trade. They have qualitatively changed Russia's economic, institutional and social structure, leading, among other things, to the emergence of a new social group in the society - visible super-rich businesspeople. The income share of the top 1% of the population increased sharply from 16% in 1996 to over 26% in 2008⁷. In subsequent years, the gap between the top 1% and the rest of the population has not narrowed. More recently, the effects of the pandemic and the resulting economic crisis have not contributed to a decline in this concentration – on the contrary, the global number of dollar billionaires, as well as the amount of their wealth, showed unprecedented growth worldwide⁸. Russia was no exception – the number of billionaires in the country rose from 102 in 2020 to 123 in 2021. The situation changed in 2022 under the first impact of sanctions - the number of dollar billionaires in Russia fell sharply to 88, although by 2023 it had risen again to 110.

The literature increasingly refers to a global elite, representing the wealthiest people in all countries of the world⁹. However, in those countries that have undergone and/or are undergoing transformative changes, in-country research remains of great interest as it provides a better understanding of the vector of their development. Among these, the case of Russia is particularly interesting because today's super-rich Russians make a significant contribution to global super-richness: according to the 2020 Billionaire Census, the country is among the top 5 countries with the largest number of billionaires in the world¹⁰. Although the history of Russia's "market-born" super-rich goes back more than 30 years, there are few works devoted to its current structure, composition, or changes. Those works that do exist mainly cover the early 1990s, when there was a surge of interest in the formation of this new group, and the early 2000s, when Russian research discourse shifted its interest towards the study of political elites and the relationship between business and the state¹¹. It is clearly noticeable that one of the main focuses of research on the richest businessmen in Russia is the way they acquired their wealth, the use of resources available to the nomenklatura, as well as the forms of interaction and reciprocity with the state and the use of political resources versus new market

⁶ Svetlana Mareeva, "Socio-Economic Equalities in Modern Russia and their Perception by the Population", *The Journal of Chinese Sociology* 7, no 1 (2020): 10.

⁷ Filip Novokmet, Thomas Piketty and Gabriel Zucman, "From Soviets to Oligarchs: Inequality and Property in Russia 1905–2016", *The Journal of Economic Inequality* 16, no 1 (2018): 189–223.

⁸ Forbes World's Billionaires List – <https://www.forbes.com/billionaires/> (accessed 25 September 2023).

⁹ Felix Bühlmann, Thomas David and André Mach, "Cosmopolitan Capital and the Internationalization of the Field of Business Elites: Evidence from the Swiss case", *Cultural Sociology* 7, no 2 (2013): 211–229.

¹⁰ Wealth-X, *Billionaire Census 2020* (2020).

¹¹ Sergei Guriev and Andrei Rachinsky, "The Role of Oligarchs in Russian Capitalism", *The Journal of Economic Perspectives* 19, no 1 (2005): 131–150; Ol'ga Kryshtanovskaya, and Stephen White, "The Rise of the Russian Business Elite", *Communist and Post-Communist Studies* 38, no 3 (2005): 293–307; Serguey Braguinsky, "Postcommunist Oligarchs in Russia: Quantitative Analysis", *Journal of Law and Economics* 52, no 2 (2009): 307–349; Yurii Agafonov and Vladislav Lepele, "'Zolotye Dveri' v Rossijskiju Biznes-Jelitu: Rekrutirovanie i Izmenenie Struktury Krupnogo Predprinimatel'stva v Postsovetsoj Rossii", *Mir Rossii* 25, no 3 (2016): 97–125.

opportunities¹². Given the peculiarities of Russia's transformation history and the reform period that produced the first generation of visible wealthy businessmen, this interest is quite understandable. However, this group is now formed (as we show below); further research interest is likely to shift to its structure, norms and values, the process of its reproduction, including the comparative role of inheritance as opposed to new market opportunities. The focus will thus shift from questions specific to Russian history (the initial formation of the group of super-rich businessmen during perestroika) to questions more typical of research on the super-rich in Western countries¹³.

In this paper we provide a basis for further analysis by examining the composition of the group, its stability over the last two decades, its dynamics, and the differentiation of its subgroups. We deliberately leave aside the questions about the mechanisms of wealth creation in the turbulent 1990s and the specific career strategies of the super-rich at that time (these questions have been addressed by other researchers¹⁴). Therefore, we do not look at individual paths to the top, but at the specifics of the already formed group, tracing its dynamics and relevant changes. We also summarize, where possible, comparisons with the super-rich in Russia in the 1990s, the general population and the super-rich worldwide.

In terms of the structure and dynamics of the group, previous research has shown that the group changed quite rapidly in the turbulent 1990s¹⁵. Moreover, in the first wave of post-communist businessmen there was a demarcation between insiders with a nomenklatura background and outsiders without such a background who seized the new market opportunities¹⁶. It has been shown that these groups initially had noticeable differences in their characteristics, but over time the second group merged with the existing rules and system. In our research, we test another demarcation line for the super-rich group by comparing those who entered the labor market before and after the reforms. These starting points are characterized by completely different institutional settings (centrally planned economy vs. free market). We hypothesize that these two sub-groups of the Russian super-rich differ in terms of their composition and careers, with the second group being more market-oriented, less dependent on relations with the government and betting on the new sectors of the economy.

Theoretical and methodological approaches to analyzing the phenomenon of the super-rich

To date, economic research has been at the forefront of the relevant research, focusing mainly on income and wealth inequality and its dynamics in a historical and international context through the analysis of anonymized administrative data or notarial archives. Economic papers use comparative macro- or micro- data to analyze the gap between the 'top' and the 'bottom'; assess the

¹² Svetlana Barsukova, "Informal Practices of Big Business in the Post-Soviet Period: From Oligarchs To 'Kings of State Orders'", *Demokratizatsiya: The Journal of Post-Soviet Democratization* 27, no 1 (2019): 31–49; Ivan Grigoriev and Kirill Zhirkov, "Do Political Connections Make Businesspeople Richer? Evidence from Russia, 2003–2010", *Research & Politics* 7, no 4 (2020); Ilya Matveev, "Big Business in Putin's Russia: Structural and Instrumental Power", *Demokratizatsiya: The Journal of Post-Soviet Democratization* 27, no 4 (2019): 401–422.

¹³ Olav Korsnes et al., *New Directions in Elite Studies* (London: Routledge, 2017).

¹⁴ Ol'ga Kryshchanovskaya, and Stephen White, "The Rise of the Russian Business Elite", *Communist and Post-Communist Studies* 38, no 3 (2005): 293–307; Yuri Agafonov and Vladislav Lepele, "'Zoloty Dveri' v Rossijskuju Biznes-jelitu: Rekrutirovanie I Izmenenie Struktury Krupnogo Predprinimatel'stva v Postsovetsoj Rossii", *Mir Rossii* 25, no 3 (2016): 97–125.

¹⁵ Ol'ga Kryshchanovskaya, and Stephen White, "The Rise of the Russian Business Elite", *Communist and Post-Communist Studies* 38, no 3 (2005): 293–307.

¹⁶ Serguey Braguinsky, "Postcommunist Oligarchs in Russia: Quantitative Analysis", *Journal of Law and Economics* 52, no 2 (2009): 307–349.

concentration of income and wealth in the hands of the richest members of society (e.g. the richest 1%); make comparisons with macroeconomic statistics; and make projections of the future dynamics of inequality¹⁷. Econometric methods of data analysis are most commonly used. Data sources for building databases on the super-rich for such analysis include archives of consulting, auditing, and financial organizations. For instance, consultancies, private bankers or wealth managers conduct their own analysis at an international level to better understand their target audience. Such reports have been produced by Capgemini in collaboration with Merrill Lynch Wealth Management Group, as well as Boston Consulting Group and Credit Suisse Bank¹⁸. The World Top Incomes Database (WTID), now integrated into the broader World Inequality Database (WID), has enabled comparable, comparative research into the economic nature of extreme wealth. Data from Forbes is also worth mentioning; its analysts provide expert assessments of the income and wealth of the world's super-rich and present the results in various rankings that are also used in further research.

Sociological research shifts the focus of analysis from income and wealth to the groups that possess them; such works are characterized by a variation in the way they formulate their research objectives. Sociological research on the super-rich is often based on the traditions of class analysis (especially of the privileged class) and elite theory, laid down in the classical works of T. Veblen, M. Weber, P. Bourdieu, W. Sombart, H. Simmel, and C. Mills. For example, studies with a more sociological focus have examined questions about the relevance of the value and normative system of society and social policy on the one hand, and the legitimacy of the existence of ultra-wealthy citizens on the other, with this conflict being particularly relevant for Scandinavian countries¹⁹. They also raise questions about the role of inheritance as a mechanism for the transfer and accumulation of wealth²⁰ and the role of institutions in the dynamics of super-wealth in general²¹; about the attitudes of the children of the super-rich towards their mission to pass on wealth from generation to generation and their perception of their role in the dynasty. There are works on the sociology of the space of the richest individuals, which unravel the mystery of how the super-rich living in and around big cities manage to remain unnoticed, how their social space is shaped²², how their movements are organized²².

¹⁷ In case of Russia, an important paper by Novokmet et al. should be mentioned here (Filip Novokmet, Thomas Piketty and Gabriel Zucman, “From Soviets to Oligarchs: Inequality and Property in Russia 1905–2016”, *The Journal of Economic Inequality* 16, no 1 (2018): 189–223).

¹⁸ Reports are available here – <https://worldwealthreport.com>; <https://www.bcg.com/publications/2022/standing-still-not-an-option>; <https://www.credit-suisse.com/about-us/en/reports-research/global-wealth-report.html> (accessed 25 September 2023).

¹⁹ Anu Kantola and Hanna Kuusela, “Wealth Elite Moralities: Wealthy Entrepreneurs' Moral Boundaries”, *Sociology* 53, no 2 (2019): 368–384.

²⁰ Mikael Elinder, Oscar Erixson, and Daniel Waldenström, “Inheritance and Wealth inequality: Evidence from Population Registers”, *Journal of Public Economics*, no 165 (2018): 17–30; Caroline Freund and Sarah Oliver, “The Origins of the Superrich: the Billionaire Characteristics Database”, *Peterson Institute for International Economics Working Paper*, no 16-1 (2016); Philipp Korom, Mark Lutter and Jens Beckert, “The Enduring Importance of Family Wealth: Evidence from the Forbes 400, 1982 to 2013”, *Social Science Research*, 65 (2017): 75–95; Elena Rozhdestvenskaya, “Preemstvennost' Biznesa i Blagosostojanija kak Novaja Opcija Social'noj Mobil'nosti v Rossijskom Kontekste” in Victoria Semenova, Mikhail Chernysh and Pavel Sushko eds., *Social'naja Mobil'nost' v Uslozhnjajushhemsja Obshhestve: Ob'ektivnye i Sub'ektivnye Aspekty* (Moscow: FCTAS RAS, 2019): 164–184; Hanna Kuusela, “Learning to Own: Cross-generational Meanings of Wealth and Class-making in Wealthy Finnish Families”, *The Sociological Review* 66, no 6 (2018): 1161–1176.

²¹ Eric Neumayer, “The Super-rich in Global Perspective: A Quantitative Analysis of the Forbes List of Billionaires”, *Applied Economics Letters* 11, no 13 (2004): 793–796.

²² Rowland Atkinson, “Limited Exposure: Social Concealment, Mobility and Engagement with Public Space by the Super-Rich in London”, *Environment and Planning A: Economy and Space* 48, no 7 (2016): 1302–1317; Luca Storti and Joselle Dagnes, “The Super-Rich: Origin, Reproduction, and Social Acceptance”, *Sociologica* 15, no 2 (2021): 5–23.

The specificity of the social networks of super-rich citizens has also been studied²³. In this area of research, it is worth mentioning a number of papers that focus on the importance of the social resources (especially political connections) of the super-rich as a factor of wealth accumulation and on the informal relations between the state and big business²⁴ – as was mentioned above, this area attracts particular attention in the Russian context. There are also papers on the role of other resources (cultural, economic, and political) in the formation of different subgroups of the super-rich²⁵. Researchers also pay attention to the group structure and the reproduction of wealth²⁶. However, to this day, sociological projects to expand empirical tools (collecting and analyzing new data, using new methods of machine processing, etc.) have remained less developed in comparison to breakthrough in economics^{27, 28}.

For the field of research on social structure and stratification, to which our study belongs, the most relevant papers are those that focus on the structure of the super-rich group and the changes in its composition. A striking example is the research projects conducted by a team from the Institute of Sociology of the Chinese Academy of Social Sciences²⁹. The sample of these studies consists of individuals on the lists of China's super-rich citizens; additional variables were collected from an analysis of public sources – published biographies, journal articles, and social media. On this basis, the researchers assess the social background and try to identify success factors associated with different types of capital or certain career strategies (e.g. related to participation in the political system) for members of this group, who are the first generation of ‘visible’ super-rich in China since the country’s transition to a market economy.

Today, Russia, like China, is witnessing the formation of new class interests and ways in which the super-rich group is becoming closed. The processes for transferring the wealth accumulated by members of this group to the next generation are just beginning to unfold. Under these circumstances, the analysis of the composition, socio-economic portrait and dynamics of the super-rich ‘as it is’ is a relevant research task. As mentioned above, a number of steps in this direction have

²³ Christoph Ellersgaard and Anton Larsen, “The Danish Elite Network”, *Connections* 35, no 1 (2015): 64–68.

²⁴ Svetlana Barsukova, “Informal Practices of Big Business in the Post-Soviet Period: From Oligarchs To ‘Kings of State Orders’”, *Demokratizatsiya: The Journal of Post-Soviet Democratization* 27, no 1 (2019): 31–49; Ivan Grigoriev and Kirill Zhirkov, “Do Political Connections Make Businesspeople Richer? Evidence from Russia, 2003–2010”, *Research & Politics* 7, no 4 (2020); Ilya Matveev, “Big Business in Putin's Russia: Structural and Instrumental Power”, *Demokratizatsiya: The Journal of Post-Soviet Democratization* 27, no 4 (2019): 401–422; David Szakonyi, *Politics for Profit: Business, Elections, and Policymaking in Russia* (Washington DC: Cambridge University Press, 2020).

²⁵ Johs Hjellbrekke et al., “The Norwegian Field of Power Anno 2000”, *European Societies* 9, no 2 (2007): 245–273; Peng Lu, Xiaoguang Fan and Fan Fu, “Profile of the Super rich in China: A Social Space Analysis”, *The British Journal of Sociology* 72, no 3 (2021): 543–565.

²⁶ Peng Lu, Xiaoguang Fan and Fan Fu, “Profile of the Super Rich in China: A Social Space Analysis”, *The British Journal of Sociology* 72, no 3 (2021): 543–565; Peng Lu, “The Horatio Alger Myth in China: Origins of the First Generation of Visibly Richest Chinese Private Entrepreneurs”, *China: An International Journal* 15, no 2 (2017): 75–97; Luca Storti and Joselle Dagnes, “The Super-Rich: Origin, Reproduction, and Social Acceptance”, *Sociologica* 15, no 2 (2021): 5–23.

²⁷ Mike Savage and Johs Hjellbrekke, “The Sociology of Elites: A European Stocktaking and Call for Collaboration”, *London School of Economics and Political Science Working Paper*, no 58 (2021).

²⁸ The World Elite Database (WED) may allow researchers from different theoretical traditions to systematically compare elite configurations, defined by common selection criteria and described through similar coding schemes. The project has been initially coordinated by Dr. Paul Lagneau-Ymonet (Université Paris-Dauphine – PSL, IRISSO) and Victoria Gronwald (LSE, sociology), with the support of the Leverhulme Trust and the International Inequalities Institute. In 2023, 14 country teams involved more than forty academics.

²⁹ Peng Lu, Xiaoguang Fan and Fan Fu, “Profile of the Super Rich in China: A Social Space Analysis”, *The British Journal of Sociology* 72, no 3 (2021): 543–565; Peng Lu, “The Horatio Alger Myth in China: Origins of the First Generation of Visibly Richest Chinese Private Entrepreneurs”, *China: An International Journal* 15, no 2 (2017): 75–97.

already been taken in relation to Russian society. Several papers have been devoted to the specifics of Russian oligarchs in the 1990s and early 2000s³⁰, the heterogeneity of this group³¹, the dynamics of the number of billionaires and its consistency with global trends, and the economic and institutional conditions in the country³². There are also newer studies that assess the social characteristics of this group, including strategies for legitimizing their position and intergenerational reproduction³³. The typical career strategies of the Russian business elite have also been categorized³⁴. We refer to some of the findings of these studies in more detail when interpreting the results of our own research. Our own focus is on the specifics of the super-rich in contemporary Russia as a formed group, its dynamics, and its differentiation between the pre- and post-reform subgroups of the super-rich showing how the group is changing, given the change in the institutional settings of its formation.

Sources and method

In the empirical part of the paper, we focus on the socio-economic portrait of Russia's super-rich and the degree of the group's renewal in 2000s-2020s. For the purpose of this study, we collected a special database with a number of demographic and socio-economic indicators. The sample consisted of Russians who had appeared at least once in Forbes' annual list of the richest businesspeople between 2004 and 2021. In the period 2004–2010, the list included 100 people, but since 2011, when the number of billionaires in Russia exceeded this number, it has expanded to 200. At present, the list does not include only billionaires, as their number is less than 200. In 2021, the wealth threshold for the list was \$550 million.

This list includes only those Russians who have earned most of their wealth privately, without being civil servants (Forbes compiles a separate list for civil servants, but their fortunes are significantly lower). Forbes estimates the wealth of businesspeople using a special methodology that takes into account the value of assets (stocks, real estate) and personal property. The assets of a household, for which information is available, are attributed to the head of the household if other family members are not the heads of the companies they own. Quoted companies are valued according to their market capitalization and unquoted companies are valued according to available information on their characteristics (profits, equity, etc.) and comparisons with similar companies with a market value.

One of the limitations of the study is the validity and accuracy of the data on which the Forbes list is based. However, our position on this is in line with that of the authors of similar studies in other countries³⁵. They rely on the rankings of the super-rich, while assuming that complete correctness of the wealth-related data or the exact ranking of the individuals on the list is not necessary for such a study. The Forbes list provides a sample of the 'visible' wealth in Russian society, and this can provide important insights into the portrait and structure of the group.

³⁰ Sergei Guriev and Andrei Rachinsky, "The Role of Oligarchs in Russian Capitalism", *The Journal of Economic Perspectives* 19, no 1 (2005): 131–150; Ol'ga Kryshchanovskaya, and Stephen White, "The Rise of the Russian Business Elite", *Communist and Post-Communist Studies* 38, no 3 (2005): 293–307.

³¹ Serguey Braguinsky, "Postcommunist Oligarchs in Russia: Quantitative Analysis", *Journal of Law and Economics* 52, no 2 (2009): 307–349.

³² Daniel Treisman, "Russia's Billionaires", *American Economic Review* 106, no 5 (2016): 236–241.

³³ Elisabeth Schimpfössl, *Rich Russians: From Oligarchs to Bourgeoisie* (New York: Oxford University Press, 2018).

³⁴ Yurii Agafonov and Vladislav Lepele, "'Zolotye Dveri' v Rossijskiju Biznes-Jelitu: Rekrutirovanie I Izmenenie Struktury Krupnogo Predprinimatel'stva v Postsovetskoj Rossii", *Mir Rossii* 25, no 3 (2016): 97–125.

³⁵ Peng Lu, "The Horatio Alger Myth in China: Origins of the First Generation of Visibly Richest Chinese Private Entrepreneurs", *China: An International Journal* 15, no 2 (2017): 75–97.

For the purposes of the study, additional data was collected from open sources on all the business people on the Forbes list in various years. The data ranged from easily verifiable factual information, such as age, place of birth, level of education, sector of the main company - to more vague and contradictory information, such as first place of work, education and socio-professional status of parents, children, traces of corruption in the media (the relevant data are presented in full in the analysis below). We rely on publicly available information, including information on company websites, biographical articles and interviews. We treat conflicting information from different sources according to their degree of institutionalization, starting with officially published biographies. However, some variables, such as children's education or traces of corruption, expectedly come from less reliable sources (such as press coverage). Nevertheless, we use them in our analysis and consider them important in terms of both the characteristics of visible wealth and the publicly available information that shapes the public perception of it.

The data was collected between September 2019 and June 2022. To assess the portrait of the super-rich, we primarily relied on the 2021 list, which was the last available ranking at the time of the analysis.

Renewal of the group and socio-economic profile of the Russian super-rich

The data show that the small sub-group of the super-rich is characterized by a very uneven distribution of wealth and high inequality. The average wealth in the 2021 sample was \$3.3 billion, while the median was only \$1.2 billion. The gap between maximum and minimum wealth was 53 times, and the decile ratio was 13.8. As in the case of the income distribution of the general population, this gap is largely driven by the 'tail' of the distribution covering the top quintile, where wealth ranges from \$3.5 billion to \$29.1 billion, while the level of inequality in the rest of the distribution is significantly lower.

In 2011, when the list of Russia's richest businesspeople was expanded to 200 individuals for the first time, the threshold of wealth was \$500 million; in 2021, it had risen to \$550 million. A comparison of the data from 2011 and 2021 shows that inequality among the super-rich decreased slightly in those 10 years, but on the whole, it has retained its configuration – in 2011, the average wealth of businesspeople on the Forbes list was \$2.5 billion, while the median wealth was \$1 billion and the decile ratio was 15.3. For comparison, the decile ratio for the general population (available only for income, not wealth) in 2021 was 7.0.

High inequality is thus a persistent feature of the group of super-rich Russians. How stable is the composition of this group?

The Forbes lists are published annually, which allows us to assess the renewal rate of the super-rich and the extent to which it has closed over the last decade as well as over the period 2004–2010, when the list consisted of only 100 individuals. Our analysis shows that the composition of the super-rich has been fairly stable over the past decade, with the group of the 200 richest businesspeople each year consisting of more than 90% of the previous year's representatives.

The degree of the group's annual renewal was higher when it comprised only 100 individuals: between 2005 and 2010, the share of the previous year's representatives in the group averaged 77% (Figure 1). In 2011-2021, the corresponding share for the top-100 increased to 88%, making the group even more stable. Thus, we can say that the top group with 'visible' wealth in Russia today is already formed, and it has become even more socially closed in the last decade.

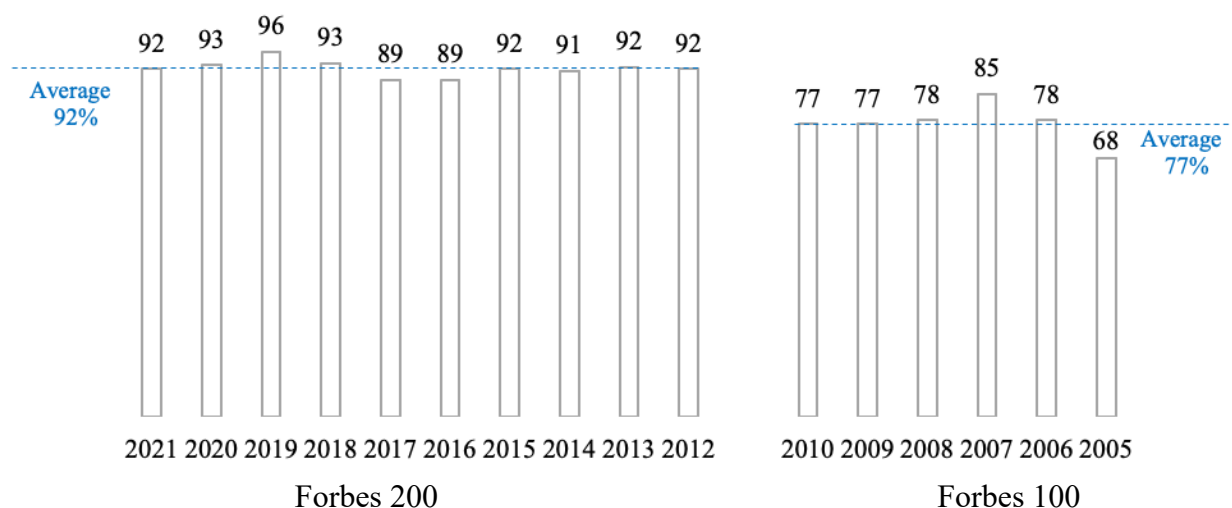


Figure 1 – Annual reproduction of the Russian super-rich, 2005–2021, %

If we look at the renewal of the group’s composition from a medium-term perspective rather than an annual one, it naturally turns out to be higher. Thus, 60.5% of those who were on the list in 2021 were also on it in 2011, and 23.5% were on it as long ago as 2004. However, these figures are not directly comparable, as the sample in 2004 was half the size, with only 100 people. For a more accurate comparison, another figure is illustrative: 42.0% of those who made up the 100 richest businesspeople (i.e. were in the first half of the list) in 2021 were also on the list in 2004.

Finally, it should be noted that the length of time that businesspeople have been on the lists is also indicative of the completed formation of the core of this group – 59% of the 2021 Forbes list had been on the list for 10 or 11 years, since 2011. They are also characterized by higher ranking positions and, accordingly, higher wealth than the sample in general, which provides them with a stable position within the group for the future (Table 1).

Table 1 – Ranking and wealth of ‘persistent’ and ‘newcomers’ businesspeople in the 2021 super-rich group, %

	<i>Newcomers</i> (1–3 years on the lists) ³⁶	<i>Persistent</i> (10–11 years on the lists)
Ranking position in the list of 2021		
Upper third	26.9	44.9
Middle third	30.8	28.8
Bottom third	42.3	26.3
Wealth characteristics, USD millions		
Mean	2,129	4,326
(standard deviation)	(2,646)	(6,242)
Median	950	1,750
Minimum	550	550

³⁶ Note that it is not entirely correct to speak of groups with different lengths of stay on the lists as ‘stable’ and ‘unstable’ super-rich, as the group with a short stay on the Forbes lists in 2021 was overwhelmingly made up of those who had only joined the super-rich in recent years, but who may well be able to maintain their position for years to come. We therefore distinguish here between a group of ‘persistent’ super-rich (who have been on the lists for 10–11 years out of 11) and a group of ‘newcomers’ (who have been on the lists for 1–3 years out of 11). The share of those who have been on the lists for 1–3 years was similar in the list of 2011 and the list of 2021 – 14.5 and 13.0% respectively.

Thus, the Forbes data allow us to note, firstly, a high level of wealth inequality among super-rich Russians; secondly, a fairly high level of sustainability of the composition of this group, with those occupying a higher position in the rating also having a more stable position in terms of dynamics, which is associated with large amounts of accumulated wealth; and thirdly, a decrease in the rate of renewal of its composition, i.e. the closure of the group. This suggests that the configuration of inequality within this group is unlikely to change significantly in the coming years and is likely to remain high (leaving aside issues of the transfer of accumulated wealth to the next generation of the super-rich, which is a very interesting subject of research but beyond the scope of this paper). While the turbulence associated with the events of 2022 are likely to affect the position of the super-rich in some way, the Russian experts project an increased concentration of wealth in any future scenario, attributing that to the internal processes of in-country wealth formation more than to the external socio-political shocks³⁷.

What is the socio-economic profile of this group today and how homogeneous is it? To answer these questions, the Forbes data is no longer sufficient, so we turn to the empirical data we have collected from open sources.

One of the hypotheses of our study is that an important differentiating factor within the group of super-rich businesspeople is the period in which they started working. We hypothesize that the picture will differ depending on whether they started working in the pre-reform or post-reform period, since that means entering the labor market in qualitatively different institutional environments: planned economy vs free market. We use 1993 as the conventional 'turning point' because the previous year saw the liberalization of prices, the decree on free trade and the start of voucher privatization, and can therefore be considered the real start of the market economy. Those who took their first job before that³⁸ entered the economy in a different institutional environment (planned economy with fixed prices and centralized production) and are conventionally referred to as the 'pre-reform' super-rich, and those who entered the labor market after that are referred to as the 'post-reform' super-rich. The pre-reform accounted for 80.7% of the total number of the super-rich in our sample in 2021. This already says a lot about the composition of this group, which is still dominated by the super-rich who entered the labor market under very different institutional conditions, characterized by a centrally planned economy and, consequently, different mechanisms of mobility, among which relations with the political power / the government was the most important. Moreover, the composition of the group is changing rather slowly – in 2011 their share was 88.5%.

So, who are the super-rich Russians today?³⁹ The first thing to note is gender inequality. The vast majority of Russians in this group are men, while women account for only 4.0%⁴⁰. The average

³⁷ Marina Selina, "Budushhee pod Sankcijami", *IQ HSE*, March 21, 2023, <https://iq.hse.ru/news/821709241.html> (accessed 25 September 2023).

³⁸ For the small number of businesspeople for whom precise data on the year of employment were not available in open sources, this indicator was calculated on the basis of the average age of employment in the whole sample (22.5 years).

³⁹ The characteristics discussed below include comparisons with previous studies, with statistics on the Russian population as a whole, and with some international data. This information is summarized in Table 7 at the end of the paper.

⁴⁰ It is worth noting that the Forbes methodology takes into account not only the assets owned by an individual, but also those owned by his / her immediate family if they are not actively involved in the management of the company. As a result, the proportion of women among the super-rich is actually higher - but at the expense of their inclusion in their respective households. Those who are included separately have different stories – from being businesswoman themselves to getting in the Forbes list as a result of divorce with another Forbes list representative.

age of women is not significantly different from that of men in the sample (55.4 and 57.5 years respectively). Similar estimates were obtained for super-rich Russian businesspeople in 1995⁴¹ - only 2.4% were women. According to our data, in 2011 there was only one woman on the list, representing just 0.5% of the group. Thus, the gender imbalance in the super-rich group has persisted over the past 15 years, and membership remains virtually closed to women. Among the younger post-reform super-rich, the proportion of women is slightly higher, but given their generally low representation in the sample, these differences cannot be considered significant. This situation mirrors that of the world's super-rich, with a low, but slowly increasing proportion of women among them. Looking at the global trends (Table 7), we can expect the proportion of women to increase slightly more in the future.

There have also been some shifts in the age composition of the super-rich. Today it is dominated by middle-aged and older Russians. Almost three quarters of the group (73.3%) are Russians aged between 46 and 65, and one in five (19.0%) is over 65. Mobility into the super-rich group is now closed to young Russians – only 1% are Russians under the age of 35 (2 out of 200 people). Compared to the 1995 study, the age composition has changed quite significantly. Back then, the average age of a representative of the post-reform business elite was 42, and the overall age range was from 23 to 68⁴². According to our data, the average age of a representative of this group increased to 47 years in 2004, to 50 years in 2011 and to 57 years in 2021 (with a total range of 25 to 82 years). Among the post-reform super-rich, the median age is 46.5, compared with 59.9 in the pre-reform group.

These data show that at the beginning of its formation, the group was open to Russians of different age cohorts, although the ways in which they entered it could have been different and related both to the use of the existing 'base' (at that time, the *nomenklatura*) and to the new market opportunities opened up by the process of economic and social transition. But at the moment, it seems that the second path, which was used relatively more often by younger Russians in the 1990s, has practically leveled off, and the average age of the post-reform Russians is expected to rise further. Again, this is in line with the dynamics of the world's super-rich; the transformational nature of the situation in Russia is disappearing (although the proportion of older Russians among the super-rich is still lower than in the world – see Table 7). The observed aging of the super-rich group suggests that it is becoming increasingly closed as a result of changing institutional conditions. In the medium term, therefore, the renewal and 'rejuvenation' of this group is likely to be driven by processes of a different nature – succession and the transfer of capital from the super-rich of older age to their children. However, the composition of this category of young people who will join the group in the future will be very different from that of the first generation of young Russians, since their socialization has taken place under completely different conditions and they have started out at the 'top' of Russian society.

Another characteristic of the super-rich group is the level of human capital of its representatives, which may be important, among other things, for legitimizing their position in the

⁴¹ Where possible, we compare the results to the earlier 1995 study of Serguey Braguinsky and our own data collected from the 2011 list representatives. It should be noted that the sample for the 1995 study was different from ours. That paper analyzed the career paths of 296 representatives of the first wave of the post-communist business elite, and the sample was formed on the basis of different rankings of the richest businesspeople and boards of directors of large companies. However, a comparison of the substantive results allows us to see the general vector of the dynamics of the composition and characteristics of the super-rich from the mid-1990s to the present.

⁴² Serguey Braguinsky, "Postcommunist Oligarchs in Russia: Quantitative Analysis", *Journal of Law and Economics* 52, no 2 (2009): 307–349.

eyes of the population. The level of education of Russia's super-rich is very high compared to the national average. The overwhelming majority of them have received higher education (92.8%) and almost 30% have several higher education degrees. Only a few have a lower level of education.

The 1995 study, which also addressed this question, assessed the level of education attained before the transition to oligarchic status, while in this case we have collected data on the highest level of education attained. However, a rough comparison of the data from the two surveys allows us to confirm that the super-rich were and still are characterized by a higher level of education than the general population. In 1995, for example, 94.6% of businesspeople had received higher education (including incomplete), and almost one in four (23.3%) had received postgraduate education⁴³. Our own data show that in 2011, 95.4% of businesspeople had received higher education or above. Thus, having a higher education was already a social norm for this group at the beginning of the transformation processes, and remains so today. The level of education of the super-rich has remained high in contrast with the general population during this time (Table 7). It is also quite common for the representatives of the group to undertake post-higher education.

What can be said about the quality of their education? Two-thirds (66.8%) of the businesspeople graduated from one of the universities in Moscow or St Petersburg. In addition, one-tenth have studied abroad. Judging by the data from 1995 and 2011, more than 60% of the super-rich were already educated in the capital's universities even then. Thus, even in the early years of the market economy, it was in these two key cities of the country that higher education created the conditions for socialization and access to the labor market that are important for joining the ranks of the super-rich. Over time, the role of metropolitan universities as a 'starting point' has continued, although there is still some diversity in this respect within the super-rich group. In the pre-reform group, this diversity is mainly due to the presence of those who studied in other cities, while in the post-reform group it is also due to those who studied abroad.

A comparison of the pre-reform and post-reform super-rich shows that high levels of education in general unite rather than differentiate the two subgroups. However, the post-reform super-rich are less likely to have received a second higher education or a degree, and more likely to have been educated abroad. They are also significantly more likely to have had some experience of long-term study in another country. Although not directly related to education, we find that they are also more likely to have had work experience abroad (42.9% of the post-reform super-rich compared to 21.2% of the pre-reform super-rich).

In terms of the specialization of the education received, the exact and natural sciences (mathematics, physics, chemistry, computer sciences etc.) are significantly more common than the humanities (economics, psychology, history, philosophy, languages, arts etc.). This is characteristic of both subgroups of the super-rich, although the proportion of those educated in the humanities has increased significantly in the post-reform cohort, almost evening the contribution of the humanities and social sciences with exact and natural sciences in that group (Table 2).

Table 2 – Educational characteristics of pre-reform and post-reform super-rich Russians in the year 2021, %

Characteristics of the education received	Started working	All super-rich
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⁴³ Serguey Braguinsky, "Postcommunist Oligarchs in Russia: Quantitative Analysis", *Journal of Law and Economics* 52, no 2 (2009): 307–349.

	before 1993 (pre-reform super-rich)	since 1993 (post-reform super-rich)	
Highest level of education			
Below specialized secondary school	3.9	2.7	3.6
Specialized secondary school	3.9	2.7	3.6
Higher	60.0	75.7	63.0
Two university degrees / advanced degrees	32.3	18.9	29.7
Specialization			
Humanities and social sciences	26.6	48.6	30.9
Exact and natural sciences	73.4	51.4	69.1
Type of HEI			
Capital university (in Moscow, St. Petersburg)	68.9	58.3	66.8
Another Russian university	29.7	25.0	28.8
Overseas university	1.4	16.7	4.3
Experience abroad			
Prolonged training	7.7	30.0	11.6
Work	21.2	42.9	25.3

As far as the future composition of the super-rich group is concerned, it is worth mentioning that they are also significantly oriented towards Western education for their children. For example, collected data shows that almost 70% of the children of the super-rich had experience of long-term education abroad⁴⁴. This rate increases with the level of education and experience of education abroad of the businesspeople themselves and shows the changing relative importance of different educational strategies in terms of creating an environment for a particular socialization and also as a status marker for children – in comparison to their own educational paths.

An important issue in understanding the formation of this social group is the social origins of the super-rich. However, this is the most difficult issue for quantitative analysis, as biographies are very carefully checked and open data on parents are almost non-existent. We were only partially able to collect information on the educational and socio-professional status of the parents⁴⁵. Taking into account these limitations, it can be said that the educational level of the parents seems to be quite high. Most fathers had at least received higher education (almost 90% of those for whom this information is available, and of these, 40% had post-higher education or an academic degree). Among the mothers, at least three-quarters had received higher education and one-fifth had an even higher educational level. For the general background, share of those who had higher education in USSR amounted to just 4-7% in 1970–1979 (Table 7).

⁴⁴ We understand the limitations of publicly available data in this regard, which mostly comes from press. However, we believe that it signifies an important trend in educational strategies of the group.

⁴⁵ The data provide information on the fathers' education in 27.5% of the biographies and on the mothers' education in 13.0%; and on the fathers' occupation in 36.5% of the biographies and on the mothers' occupation in 23.5%. A comparison of the data for the sub-group of the super-rich for whom information on fathers is available with the characteristics of the entire group of 200 super-rich shows that the sub-group is quite representative (Table P1 in the Appendix). It can therefore be assumed that the characteristics of social reproduction that are characteristic of them can be observed for the whole group.

With regard to the socio-professional status of the parents, we analyzed their employment at the time when their children (future super-rich businesspeople) started their first job. The socio-professional status of the fathers was in most cases managerial or professional. The socio-professional status of the mothers was predictably lower (half were professionals and one-fifth were workers). Extrapolating these data to the whole sample suggests that today's generation of the super-rich comes from educated and professional families, often with both parents working. Due to the dominance of middle-aged and older businesspeople born during the Soviet era, their parents were predominantly employed in state-owned enterprises (a third of fathers and half of all mothers) and the public sector (one-quarter and around two-fifths respectively). Fathers were also represented in state structures. Fathers and mothers were more likely to be employed in science and education, culture, industry or the fuel and energy complex – together, more than half of the fathers and mothers of the super-rich in the 2021 list worked in these sectors.

The available data also show that the educational and occupational levels of the parents of the post-reform super-rich are generally higher than that of the general population. According to the available information, some of them come from families with a high-status father who has at least received a higher education and held a position of business owner or manager (Table 3).

Thus, those who form today's super-rich group in Russia have generally had a social base for their start – namely, educated and professional families. For those who represent the post-reform super-rich generation, the role of social background seems to be even greater (although this conclusion should be treated with caution given the small number of observations). As the group closes in and the processes of transferring accumulated wealth to the new generation progress, social origin is expected to become a key factor in the development of the super-rich group, as evidenced by its low level of renewal. The differentiation of the portrait of the first generation of the super-rich in this respect is characteristic of the primary formation of this group in the country's new socio-economic conditions and shows that the role of social origin should not be underestimated, even in a transformation process to market economy that has supposedly opened up opportunities 'for all'.

Table 3 – Characteristics of education and socio-professional status of parents of pre-reform and post-reform super-rich, 2021, number of observations

Indicator	Started working		All super-rich
	before 1993 (pre-reform super-rich)	since 1993 (post-reform super-rich)	
Fathers' education			
Secondary specialized / lower	6	0	6
Higher	25	2	27
Beyond higher	11	11	22
<i>Number of observations, people</i>	<i>42</i>	<i>13</i>	<i>55</i>
Fathers' occupation			
Business owner (large/small)	3	6	9
Manager/official	24	4	28
Professional	15	5	20
Worker	14	0	14
Other	2	0	2
<i>Number of observations, people</i>	<i>58</i>	<i>15</i>	<i>73</i>
Mothers' education			

Secondary specialized / lower	6	0	6
Higher	14	1	15
Beyond higher	3	2	5
<i>Number of observations, people</i>	23	3	26
Mothers' occupation			
Business owner (large/small)	1	0	1
Manager/official	5	1	6
Professional	20	5	25
Worker	10	0	10
Other	0	1	1
<i>Number of observations, people</i>	36	7	43
Household characteristics			
At least one parent with a higher education	40	13	53
<i>Number of observations, people</i>	48	13	61
At least one parent is a manager	26	5	31
<i>Number of observations, people</i>	60	19	79

The characteristics of the birthplaces of the super-rich Russians also reveal their social origins. With few exceptions, the super-rich were born in the countries of the former USSR: one in three was born in capital cities (Moscow or St Petersburg, with a preponderance in Moscow – 24.5% and 8.0% respectively), and one in four (23.9%) in the capitals of the regions or Soviet republics. Among the super-rich, there are also those who were born in rural settlements, but these are rather an exception to the rule (8.5%). Previous studies show that in the 1990s, the proportion of the super-rich who were of provincial (but not exclusively rural) origin was growing⁴⁶, and in the 1995 study there were significantly more people from rural areas – almost a quarter⁴⁷. A comparison with our 2011 data suggests a shift in the origin of the super-rich towards the big cities, which has been underway for the past decade: in 2011, 28.1% were from Moscow or St. Petersburg, but by 2021 this had risen to 32.5% (in general, Moscow and Saint-Petersburg account for 12% of the whole population – see Table 7).

This can be interpreted as an increase in spatial inequalities and as another indicator of group closure, although even in this respect the group remains quite heterogeneous. This diversity is partly due to the persistence of the pre-reform super-rich, whose origins are more differentiated. For example, only 27.4% of the super-rich in the 2021 list who began their working lives before 1993 were born in Moscow or St. Petersburg, compared with 55.9% of those who began their working lives after the start of the reforms. At the same time, the share of those born in cities that are not regional centers is noticeably lower among the post-reform super-rich.

What was the career path of the super-rich businesspeople? Open-source data allows us to reconstruct the main milestones for this group. We have already seen that the majority of the super-rich in the 2021 sample began their working lives before the reform phase (80.7%). The average age at which they began working was 22.5, and the age at which they began working for a company that eventually made the Forbes' list was 36. Those who began working before the reforms were in 67.1% of cases employees – specialists with higher and medium-level qualifications or workers – while younger, post-reform businesspeople were in 72.9% of cases (co-)owners, managers, self-employed

⁴⁶ Ol'ga Kryshnanovskaya, and Stephen White, “The Rise of the Russian Business Elite”, *Communist and Post-Communist Studies* 38, no 3 (2005): 293–307.

⁴⁷ Serguey Braguinsky, “Postcommunist Oligarchs in Russia: Quantitative Analysis”, *Journal of Law and Economics* 52, no 2 (2009): 307–349.

or civil servants. This again illustrates the different trajectories of the super-rich – growth within an existing large organization or company, more typical of the first, older subgroup of the super-rich, or participation in the creation of a smaller company, but with the possibility of direct management. Significantly, among those who entered the labor market during or after the reform period, the share of those who started out as manual workers has fallen almost eightfold. This may reflect two processes: first, the closure of the super-rich group to those with no social ‘base’ and who essentially started from scratch, and second, given that information about the super-rich is quite heavily censored in open sources, that the new generation of the super-rich is more likely to abandon the ‘coming from the very bottom’⁴⁸ aspect of their social mobility history, which is also consistent with the vast majority of this group who have received higher education.

Regarding the type of company as a characteristic of the first job, the majority of the pre-reform super-rich were initially employed in state-owned enterprises and public institutions, while the post-reform super-rich were in most cases working in private companies. This is evidence of the changing role of the public sector as a base for mobility into the super-rich, which logically reflects the change in the country’s economic structure.

Unsurprisingly, there is also a marked differentiation by sector of first job. A large proportion of both the pre- and post-reform super-rich started out in manufacturing or commerce. However, those who started out in the Soviet era were more likely to work in science and education, while younger people were more likely to start their careers in IT, computer technology, financial institutions or transport – the sectors where new opportunities were emerging most rapidly in the post-reform years and which new entrants could take advantage of. At the same time, the role of science, culture and education as a ‘launching pad’ for the second wave of the super-rich has declined markedly; a similar trend has been observed in the fuel and energy sector (Table 4). Thus, there has been a gradual shift in the structure of industry affiliation towards ‘new market’ sectors.

⁴⁸ E. Schimpfössl comes to the same conclusion based on qualitative data in her work (Elisabeth Schimpfössl, *Rich Russians: From Oligarchs to Bourgeoisie* (New York, NY: Oxford University Press, 2018)). It should be noted that emphasizing one’s origins ‘from below’ is in principle quite widespread and is characteristic of, for example, super-rich Finnish citizens in order to strengthen the legitimacy of their achieved position as fair (Anu Kantola and Hanna Kuusela, “Wealth Elite Moralities: Wealthy Entrepreneurs’ Moral Boundaries”, *Sociology* 53, no 2 (2019): 368–384).

Table 4 – Characteristics of the first job of the pre-reform and post-reform super-rich, 2021, %

Characteristics of the first job	Began working		All super-rich	Characteristics of the first job	Began working		All super-rich
	before 1993 (pre-reform super-rich)	since 1993 (post-reform super-rich)			before 1993 (pre-reform super-rich)	since 1993 (post-reform super-rich)	
Socio-professional status				Sector			
(Co)owner of a large, medium-sized company	4.7	16.2	7.0	Manufacturing (except those listed below)	23.7	13.5	21.6
(Co)owner of a small business, self-employed, freelancer	18.8	45.9	24.1	Science, education, culture	18.4	0.0	14.7
Senior and middle manager, senior civil servant	9.4	10.8	9.6	Trade, consumer services	18.4	16.2	17.9
Professional	43.0	18.9	38.5	Communications, computers and IT technology	4.6	29.7	9.5
Employee without special education	3.4	5.4	3.7	Finance, credit, insurance	5.3	10.8	6.3
Worker	20.8	2.7	17.1	Fuel and energy complex	8.6	2.7	7.4
Type of company				Construction, housing and utilities	3.9	5.4	4.2
Security forces	8.7	2.7	8.0	Transport	1.3	10.8	3.2
State enterprise	40.9	2.7	33.2	Other services, real estate work	2.6	2.7	2.6
Public institution – science, education, health care, etc.	19.5	5.4	16.6	State and local government	2.6	2.7	2.6
Private enterprise	24.2	81.1	35.3	Other*	10.6	5.5	10.0
Family business, self-employed	4.7	8.1	5.3				
NPO	2.0	0.0	1.6				

*Note - The 'other' category includes the military-industrial complex, the army, the Interior Ministry, the Ministry of Emergency Situations, healthcare, sports, public catering, hotel business (less than 3% in each case) and others not included in the above categories. The cells in the first two columns with values above 10% – i.e. significant for the pre-reform and post-reform super-rich subgroups respectively – are highlighted.

The picture of the super-rich's sector affiliation at the time of their inclusion in the Forbes list is somewhat different, as many of them change sectors over the course of their careers. Today, the top four sectors in which the companies of Russia's super-rich operate are manufacturing (30.7%), finance (20.6%), communications and IT (12.6%), and fuel and energy sector (11.1%). Three of these have remained at the top since 2014, with the only significant change being in share of the communications and IT sector. At the same time, the super-rich are virtually absent from a number of sectors: state and local government, sport, public catering, hospitality, and healthcare. They have completely left education, science, and culture. The share of those employed in trade and consumer services has also decreased.

Looking at the differences between the pre-reform and post-reform super-rich in this respect, manufacturing and financial services remain very attractive for both groups, although to a slightly lesser extent for the latter. At the same time, post-reform businesspeople have added to their bets in computer technology and transport, while those who started out earlier have maintained their influence in the fuel and energy sector (Figure 2).

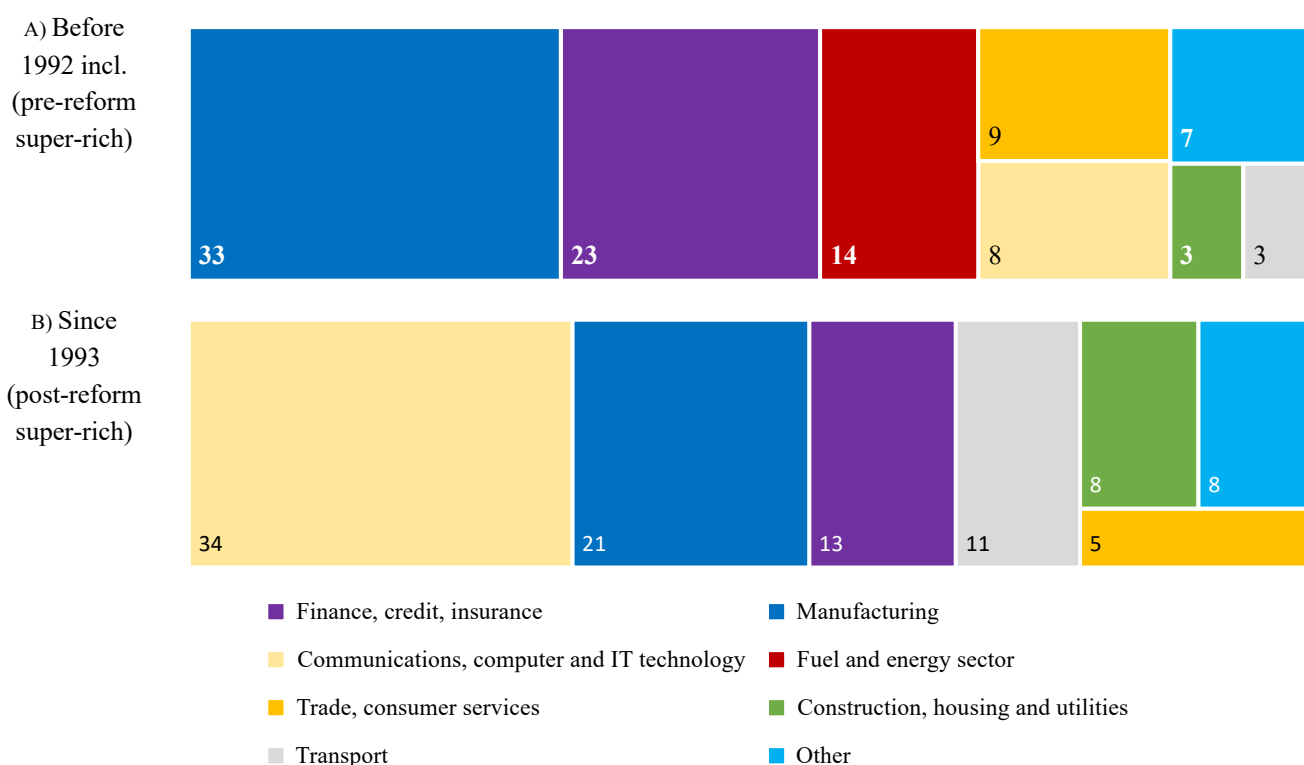


Figure 2 – Sectoral affiliation of the main (operating) business of pre-reform and post-reform super-rich, %

In this context, we note an interesting approach to classifying billionaires proposed by R. Sharma⁴⁹. He tracks the share of billionaires who derive their income from rent-seeking industries, which are often focused on gaining the access to natural resources rather than adding value and, therefore, tend to be less productive and more prone to corruption (oil, gas, mining, real estate etc.). They are categorized as ‘bad’ industries, while ‘good’ industries include high technology,

⁴⁹ Ruchir Sharma, “The Billionaire Boom: How the Super-rich Soaked up Covid Cash”, *Financial Times*, May 13, 2021, <https://www.ft.com/content/747a76dd-f018-4d0d-a9f3-4069bf2f5a93> (accessed 25 September 2023).

telecommunications, e-commerce, manufacturing (other than the ‘bad’ industries mentioned above), etc. - and are considered to be more productive in the long run. Certainly, this division is partly conditional, since it does not give enough credit to honest super-rich in oil or real estate, or, in the case of Russia, attributes to ‘good’ industries those that also depend on the political ties with the government. However, despite the corruption factor, which we will leave aside for the Russian case, we think the following argument is important: ‘bad’ industries make a smaller contribution to sustainable economic growth in the long run because of the relatively low productivity and / or the dependence of economic growth on natural resource prices.

Even compared to developing countries, Sharma estimates that Russia is among the leaders both in terms of the volume of billionaires' wealth and the share of ‘bad’ industries as a source of their income. The share of the wealth coming from ‘bad’ sectors was 60%, three times the average for developing countries and behind only Mexico at 75% in 2020. Russia is followed in this list by Australia, the UK, China and Spain (Table 7). This illustrates the bias towards ‘unproductive’ sources of this wealth for the country’s development. The follow-up study by the Russian researcher⁵⁰ shows that the number of billionaires from ‘good’ industries and their share in the wealth increased in the period 2003-2020 (from 4% of individuals and 2% share in the total wealth of billionaires in 2003 to 26% of individuals with a total share in the wealth of 11.7% in 2020), although they still represent a smaller part of this group and its wealth. It is important to note this dynamic even in the context of the fall in oil prices after 2008. Although this group and its share of total wealth remain relatively small, this dynamic shows the slow but existing transformation of the Russian super-rich landscape and can be treated with cautious optimism. The small number of 'good' billionaires is attributed to the youth of the Russian market economy and the long history of socialism, as well as the loss of human capital in the turbulent history of Russia and the USSR in the XX century and the specifics of the reform period, as well as the existence of abundant natural resources in the country as such.

Our data on the 200 super-rich businesspeople are also optimistic in that respect – the analysis shows the continuing diversification of the sectoral affiliation of successful companies and the openness of the range of industries for them, especially those related to new technologies and requiring new skills and knowledge, that can make more significant contribution to sustainable economic growth in the future. A comparison with the structure of the economy shows that while there have been no significant structural changes in the Russian economy over the past decade⁵¹, the sectoral structure of the super-rich has been more dynamic. For example, a positive growth trend in the share of the super-rich in the 'good' sectors of the economy is not reflected in the dynamics of the economy as a whole. However, excessive optimism in this respect concerning super-rich may be unwarranted – previous studies have also found differences among successful ‘newcomer’ businesspeople who, over time, have not contributed to the transformation of this group, but rather have integrated themselves into the system⁵².

Finally, let us briefly characterize the relationship of the super-rich businesspeople with the state. One of the specifics of the social stratification of Russian society that is often noted in the

⁵⁰ Grigorii Khanin “‘Horoshie’ i ‘Plohie’ Milliardery v Postsovetsoj Rossii (1997–2020 gg.)”, *Mezhdunarodnaja Jekonomika*, no 1 (2022): 22–38.

⁵¹ Alexander Lyakin, “Strukturnye Sdvigi v Rossijskoj Jekonomike: Potencial Delovyh Ciklov Ischerpan”, *ECO* 50, no 7 (2020): 8–28.

⁵² Serguey Braguinsky, “Postcommunist Oligarchs in Russia: Quantitative Analysis”, *Journal of Law and Economics* 52, no 2 (2009): 307–349.

literature implies that the individual position in the society is determined not only by one's position in the market relations, but by position in the power relations⁵³. It is worth noting that 30% of super-rich businesspeople have work experience in government structures at various levels, which is a high indicator – much higher than the rate for the country's working population as a whole⁵⁴. Many of the super-rich also had work experience in state-owned enterprises (41.0%), and less often in public sector organizations. Thus, despite the ongoing sectoral shift and the declining role of the public sector in the economy for them, their ties to the state seem to remain quite close, even if they are changing in form.

However, the super-rich are not homogeneous in this respect – the new, post-reform super-rich differ significantly from those who began their working lives earlier. Among them, all relevant proportions are several times lower – in particular, only 17.1% have experience in power structures, indicating a weakening of this mechanism.

Another interesting aspect of the super-rich is their relationship with the law. According to information available from open sources, 58.0% of the super-rich in the 2021 sample had traces of involvement in corruption in their biographies, and no fewer than 19.0% had a criminal record according to the press. This aspect may also be important in terms of shaping the public perception of the country's super-rich as legitimate or not. In the cross-section of the pre-reform and post-reform list representatives, a high proportion of those with a criminal record, as well as apparent involvement in corruption among the pre-reform super-rich, is indicative (Table 5).

Table 5 – Experience in government structures, state-owned enterprise and the public sector, and the characteristics of relationships with the law among the pre-reform and post-reform super-rich, %

Work experience and relationship with the law	Began working		All super-rich
	before 1992 incl. (pre-reform super-rich)	since 1993 (post-reform super-rich)	
	Work experience		
In government structures	32.2	17.1	29.4
In state-owned enterprises	49.0	5.9	41.0
In the public sector	22.1	5.7	19.0
	Relationship with the law		
Corruption footprints in open sources	61.0	42.1	58.0
Criminal record	20.1	13.2	19.0

The political ties of businessmen are a subject of great interest, especially given the possibility of tracing the transformation of their character and role at different stages of the development of the new Russia. Thus, Barsukova shows⁵⁵ the transformation of informal relations between the government and business in the 1990–2010s, which provides the general context for the changes in

⁵³ Ovsey Shkaratan, “The Russian Transformation: A new Form of Etacratism?” in David Lane ed., *The Transformation of State Socialism: System Change, Capitalism or Something Else?* (Houndmills, Basingstoke and New York: Palgrave Macmillan, 2007): 143–158.

⁵⁴ As of 2021, there were only 3.2% of employees of state and local self-government bodies in Russia (“Chislennost' Rabotnikov Gosudarstvennyh Organov i Organov Mestnogo Samoupravlenija”, *FSSS RF*, 2022, <https://rosstat.gov.ru/folder/11191> (accessed 25 September 2023)); the total number of those employed in the positions of ‘state administration and military security; social security’ was 6.9%.

⁵⁵ Svetlana Barsukova, “Informal Practices of Big Business in the Post-Soviet Period: From Oligarchs To ‘Kings of State Orders’”, *Demokratizatsiya: The Journal of Post-Soviet Democratization* 27, no 1 (2019): 31–49.

the relations of the super-rich with the government: while in the 1990s the state relied on the help of capital owners, the 2000s were characterized by informal cooperation and budget sharing, while in the 2010s the competition between businesses for access to budget funds increased. Grigoriev and Zhirkov show the differentiation of economic returns to the social capital of businessmen, demonstrating that political connections differ in their qualities and effects⁵⁶. For our purposes, however, we simply note the existence of such connections and their changing form for the post-reform super-rich as a characteristic of the group.

Our analysis confirms that the period in which the super-rich began to work - in a planned economy or in a market economy - serves as a differentiating factor for this group in general. The characteristics of the two sub-groups are summarized in Table 6, while the comparisons of the whole group of the super-rich with earlier periods, the general population and other countries are summarized in Table 7.

⁵⁶ Ivan Grigoriev and Kirill Zhirkov, “Do Political Connections Make Businesspeople Richer? Evidence from Russia, 2003–2010”, *Research & Politics* 7, no 4 (2020).

Table 6 - Comparative characteristics of the pre-reform and post-reform super-rich in Russia

	Pre-reform super-rich	Post-reform super-rich
Socio-demographic characteristics	Higher mean age; low share of women	Lower mean age; share of women slightly higher
Education	Predominantly higher; higher share of those with several / advanced degrees; capital universities dominate over other Russian universities; specialization in exact and natural sciences dominate	Predominantly higher; share of degrees from capital universities is slightly lower due to the growing share of educated abroad; non-formal education abroad more common; specialization in humanities and social sciences almost as common as in exact and natural sciences
Social origins	Educated and professional families; over 1/4 come from Moscow and St. Petersburg	Role of social background even greater; about 1/3 come from Moscow and Saint Petersburg
Career paths	Along with manufacturing and commerce, more likely to start in science and education in state-owned enterprises and public institutions; 2/3 start as salaried employees (specialists or workers)	More likely to start in IT, computer technologies, finance, transport in private companies; in almost 3/4 of cases start as (co-)owners, managers, self-employed or civil servants
Sectoral affiliation	Fuel and energy in addition to manufacturing and financial services	Computer technology and transport in addition to manufacturing and financial services
Relations with the state	More often have work experience in government structures, state-owned enterprises, public sector	Less likely to have such work experience (though still higher than the general population)

Table 7 - Comparative characteristics of the Russian super-rich

Indicators	Super-rich in Russia, 2021	Super-rich in Russia, earlier studies / data	General population in Russia	Super-rich in the world	Other comparisons
Rate of renewal	88% annually (top-100 in 2011–2021) ^{*(1)}	Top-100 in 2005-2010 - 77% annually ^{*(1)} ; high renewal rate in the 1990s: by 2001, only 15% of the old composition of the entrepreneurial top remained from 1993 ^{*(3)} .			
Percentage of women	4% ^{*(1)}	<1% in 2011 ^{*(1)} 2% in 1995 ^{*(4)}	54% (whole population) ^{*(5)} 49% (working population) ^{*(6)}	≤10% ^{*(16)} <i>note: as part of Ultra High Net Worth population</i>	China: 5% (up to 13% with consideration of family clans) ^{*(18)}
Average age	58 ^{*(1)}	42 in 1995 ^{*(4)} 47 in 2004 ^{*(4)} 50 in 2011 ^{*(1)}	40 (whole population) ^{*(5)} 42 (working population) ^{*(7)}	64 ^{*(16)}	China: 54 in 2013 ^{*(18)}
Age 70+	10% ^{*(1)}	0% in 1995 ^{*(4)}	10% (whole population) ^{*(5)} <1% (working population) ^{*(7)}	31% ^{*(16)}	
Higher education (incl. postgraduate)	93% (incl. 30%) ^{*(1)}	95% (incl. 23.3%) in 1995 ^{*(4)} 95% in 2011 ^{*(1)}	21% (whole population, 15+) ^{*(8)} 35% (working population) ^{*(9)}	68% (among billionaires) ^{*(17)} 86% (among UHNW) ^{*(17)}	China: 34% (incl. 8%) ^{*(18)}
Children studied abroad	69% (share of parents whose children have experience of studying abroad) ^{*(1)}		~1% (2018; share of students studying abroad in relation to the total number of students) ^{*(10)}		
Parents with higher education	>75% ^{*(1)}	Parents from nomenklatura / professors / white collar - 70% in 1995 ^{*(4)}	<7% of USSR population had higher education in 1970-1979 ^{*(11)}		

Indicators	Super-rich in Russia, 2021	Super-rich in Russia, earlier studies / data	General population in Russia	Super-rich in the world	Other comparisons
Place of birth	33% from Moscow or St. Petersburg in 2021 ^{*(1)}	28% from Moscow or St. Petersburg in 2011 ^{*(1)}	13% of population currently live in Moscow or St. Petersburg ^{*(12)}		
Work experience in government structures	29% ^{*(1)}		3% (employees of state and local self-government bodies) ^{*(13)} 7% (employed in the positions of public administration, military security, social security) ^{*(6)}		
Started as self-employed	24% started their career as self-employed ^{*(1)}		7% (self-employed among Russian population) ^{*(14)} 5% run business which has been on the market for more than 3,5 years (% of working age population) ^{*(15)}		
'Bad' and 'good' industries	26% of billionaires holding 12% of wealth in 2020 ^{*(2)}	4% of billionaires holding 2% of wealth in 2003 ^{*(2)}			Proportion of billionaires' wealth from 'bad' industries: Mexico - 75%, Russia - 60%, Australia (less than 50%), UK and China (around 20%) ^{*(19)}

Note to the table: Symbols ^{*(1)} – ^{*(19)} indicate data sources⁵⁷.

⁵⁷ The sources of the data in the table 7 are as follows: ^{*(1)} – authors' calculations; ^{*(2)} – Grigorii Khanin “‘Horoshie’ i ‘Plohie’ Milliardery v Postsovetsoj Rossii (1997–2020 gg.)”, *Mezhdunarodnaja Jekonomika*, no 1 (2022): 22–38; ^{*(3)} – Ol'ga Kryshantovskaya, and Stephen White, “The Rise of the Russian Business Elite”, *Communist and Post-Communist Studies* 38, no 3 (2005): 293–307; ^{*(4)} – Serguey Braguinsky, “Postcommunist Oligarchs in Russia: Quantitative Analysis”, *Journal of Law and Economics* 52, no 2 (2009): 307–349; ^{*(5)} – FSSS RF, *Chislennost' Naselenija Rossijskoj Federacii po Polu i Vozrastu na 1 Janvarja 2021 Goda (Statisticheskij bjulleten')* (Moscow: FSSS RF, 2021); ^{*(6)} – “Chislennost' Zanjatyh po Polu i Vidam Jekonomicheskogo Dejatel'nosti v 2021 g.”, *FSSS RF*, 2022, <https://rosstat.gov.ru/folder/210/document/13211> (accessed 25 September 2023); ^{*(7)} – “Chislennost' Zanjatyh po Vozrastnym Gruppam”, *FSSS RF*, 2022, <https://rosstat.gov.ru/folder/210/document/13211> (accessed 25 September 2023); ^{*(8)} – “Naselenie po Vozrastu, Polu i Urovnju Obrazovanija po Sub'ektam Rossijskoj Federacii”, *FSSS RF*, 2022, https://rosstat.gov.ru/vpn/2020/Tom3_Obrazovanie (accessed 25 September 2023); ^{*(9)} – “Struktura Zanjatyh po Urovnju Obrazovanija”, *FSSS RF*, 2022, <https://rosstat.gov.ru/folder/210/document/13211> (accessed 25 September 2023); ^{*(10)} – “Total Outbound Internationally Mobile Tertiary Students Studying Abroad, all Countries, Both Sexes; Enrolment in Tertiary Education, all Programmes, Both Sexes”, *World Bank*, 2018, https://databank.worldbank.org/id/ab1e567b?Report_Name=PMA-AP-Alternatives--Educ (accessed 25 September 2023); ^{*(11)} – CSO USSR, *Chislennost' i Sostav Naselenija SSSR (Po dannym Vsesojuznoj perepisi naselenija 1979 goda)* (Moscow: Finansy i statistika, 1984); ^{*(12)} – “Chislennost' naselenija Rossijskoj Federacii po municipal'nym obrazovanijam na 1 Janvarja 2022 Goda”, *FSSS RF*, 2022, <https://rosstat.gov.ru/compendium/document/13282> (accessed 25 September 2023); ^{*(13)} – “Chislennost' Rabotnikov Gosudarstvennyh Organov i Organov Mestnogo Samoupravlenija”, *FSSS RF*, 2022, <https://rosstat.gov.ru/folder/11191> (accessed 25 September 2023); ^{*(14)} – FSSS RF, *Rabochaja Sila, Zanjatost' i Bezrabotica v Rossii (po Rezul'tatam Vyborochnyh Obsledovanij Rabochej Sily). Statisticheskij sbornik, 2022* (Moscow: FSSS RF, 2022); ^{*(15)} – Olga Verkhovskaya et al. *Global Entrepreneurship Monitor: Russia 2020/2021* (St. Petersburg: Higher School of Management, St. Petersburg State University, 2021); ^{*(16)} – Wealth-X, *World Ultra Wealth report 2021* (2021); ^{*(17)} – Wealth-X, *Wealth-X and UBS Billionarie Census 2013* (2013); ^{*(18)} – Peng Lu, “The Horatio Alger Myth in China: Origins of the First Generation of Visibly Richest Chinese Private Entrepreneurs”, *China: An International Journal* 15, no 2 (2017): 75–97; ^{*(19)} – Ruchir Sharma, “The Billionaire Boom: How the Super-rich Soaked up Covid Cash”, *Financial Times*, May 13, 2021, <https://www.ft.com/content/747a76dd-f018-4d0d-a9f3-4069bf2f5a93> (accessed 25 September 2023).

Discussion

In this paper, we focus on the composition and portrait of a new social group that has emerged in post-Soviet Russia – the super-rich businesspeople. If at the beginning of the new history of Russia the main interest was attracted by the questions of the way of formation of the super-rich in the specific transformational context, now, after 30 years of the history of the New Russia, the focus shifts to more internationally universal questions about the specifics of this group, the issues of wealth transfer to the next generation, comparison with other countries, etc.

Our results show that this group, which determines the country's inherently very high (by world standards) concentration of wealth in the hands of a very few, is already formed and very stable in its core; this is quite different from the situation in the 1990s, when it was characterized by active changes that demonstrated the ongoing transformation processes in the country. The current stability, which is more characteristic of the representatives of the group with the highest level of wealth, also ensures that the composition of this group is rather inert. Not surprisingly, the group in general is dominated by older Russian than in the 1990s and is currently characterized by a continuous aging process, in line with the dynamics in the group of super-rich in the world in general.

It can be assumed that the main changes in its composition will mostly be related not to the opportunities for new players to take advantage of new market opportunities, but rather to the processes of transferring accumulated wealth to the next generation of the super-rich, which will take place in the near future, given the aging of its members (another possibility, of course, are radical changes in the economic order, which are difficult to predict). While the inheritance processes of the super-rich have not yet been fully unfolded, further research in this direction will certainly be interesting in terms of comparing Russia with other countries. These processes may affect the nature of the interrelationship between the super-rich and the state, which is still quite strong, although its forms are gradually changing (for example, the private sector of the economy is increasingly becoming the main springboard for the careers of the super-rich, taking over from the public sector, while work experience in government structures still remains more characteristic of the super-rich than of the population in general). They also confirm the validity of the definition of Russian society as characterized by a close connection between the axes of power and property, at least for the very top. For the new generation of the super-rich, however, the mechanism of reaching high positions in business through previous experience in power structures has already lost much of its significance.

The study confirmed that one of the most important factors in the differentiation of the super-rich is the period when they started working (before or after the start of radical economic reforms in Russia in the 1990s). The specific features of the pre-reform and post-reform subgroups of the super-rich highlight the gradual changes that are taking place in this group, but it is important to bear in mind that even today the pre-reform super-rich dominate the group and determine its generalized portrait to a greater extent. In terms of today's portrait of the super-rich, this group appears homogeneous in terms of gender composition (although the proportion of women is slightly higher among the post-reform super-rich) and a high level of education. However, the educational strategies of the two subgroups differ: the post-reform super-rich are more likely to have been educated abroad (at least in some form) and less likely to have received post-higher education, which suggests that the comparative advantages of different types of education as a socialization environment and status marker are changing. Both subgroups consist of middle-aged and older Russians, although the average age of the post-reform super-rich is lower. The birthplaces of the super-rich continue to be more diverse than their places of higher education (the metropolitan universities stand out in this

respect), thus reflecting not only their origins, but also their migration strategies. However, they are more likely to come from capital cities, and the share of those being born there is higher among the post-reform super-rich, which implies an increase in the ascriptive factors for achieving high status (this is also due to the closure of a number of institutional opportunities that, in the Soviet years, made it possible to climb the ‘power-ownership’ vertical by using non-market mechanisms). As for the characteristics of the social background of the super-rich, it should be noted that this group is largely made up of those who come from educated and professional families, where both parents often had a job, i.e. its representatives have an advantage in terms of their background; the role of social background seems to be increasing for the post-reform super-rich. Obviously, the career paths of the pre-reform and post-reform super-rich are also different: starting a career as a salaried employee (often even as a manual worker) in the conditions of post-reform Russia is being replaced by starting as a self-employed or a business owner / co-owner; the public sector as a starting point for a career is being replaced by the private sector; and new market sectors, such as IT, finance and transport, are beginning to play an increasingly important role as ‘launching pads’. These trends reflect a general change in the country's economic structure and new trajectories of mobility. There has also been a clear sectoral shift over the last 10 years (not seen in the structure of the country’s economy as a whole): the leading sectors in which the super-rich operate (industry, finance, fuel and energy) have been joined in recent years by communications and IT, indicating the slow rise of the ‘good’ industries.

Finally, the literature has already highlighted the problem of Russians' acute perception of inequality. One of the factors that may explain this perception is the high concentration of wealth in the hands of a ‘few’⁵⁸. The survey data show that the population's perception of the super-richness has worsened in recent years, the share of those who consider the contradictions between oligarchs and everyone else to be among the most acute for Russian society has increased from 17.3% to 31.5% in the period 2015-2023 (for comparison, the share of those who consider the contradictions between the rich and the poor to be among the most acute for Russian society has decreased from 37.3% to 25.7% of the population in this period⁵⁹). In terms of legitimizing the position of the super-rich in society, different characteristics of the super-rich can have different effects for the public opinion: their high level of education acts as a meritocratic factor, while high proportions of wealth coming from less productive and more dependent on the natural resources sectors and associated, even hypothetically, with corruption or having a criminal record have the opposite effect.

It remains to be seen what the new conditions for Russia's super-rich, created under the impact of the military conflict in Ukraine and sanctions by Western countries, will bring.

⁵⁸ Svetlana Mareeva, “Socio-Economic Equalities in Modern Russia and their Perception by the Population”, *The Journal of Chinese Sociology* 7, no 1 (2020): 10.

⁵⁹ Ilya Dudin, I. “Dinamika Dekonsolidirujushhej Roli Razlichnyh Social'nyh Neravenstv v Rossijskom Obshhestve (2005–2023 gg.)”, Presentation at the IV All-Russian Conference by FCTAS RAS “Social'nye Izmenenija i Stabil'nost' v Predmetnom Pole Sociologii: ot Jempiricheskikh Issledovanij k Teoreticheskoj Refleksii” (2023).

Table P1 – Characteristics of the first job of super-rich Russians (total group and subgroup of those with available data on fathers), 2021, %

Indicators	Total group	Subgroup of those with available data on fathers	Indicators	Total group	Subgroup of those with available data on fathers
Social and occupational status			Industry sector		
(Co-)owner of a large, medium-sized company	7.0	1.4	All sectors except those listed below	21.1	25.7
(Co-)owner of a small business, self-employed, freelancer	24.1	22.9	Science, education, culture	14.7	14.3
Senior and middle manager, senior civil servant	9.6	14.3	Trade, consumer services	17.9	14.3
Professional	38.5	38.6	Communications, computers and IT technology	9.5	10.0
Employee without special education	3.7	4.3	Finance, credit, insurance	6.3	5.7
Worker	17.1	18.6	Fuel and energy complex	7.4	8.6
Education			Construction, housing and utilities	4.2	4.3
Below specialized secondary school	3.6	7.1	Transport	3.2	1.4
Specialized secondary school	3.6	2.9	Other services, real estate work	2.6	4.3
Higher	63.0	54.3	State and local government	2.6	4.3
Beyond higher	29.7	35.7	Other	10.5	11.4