

Why economics is important for students of Russia



If you are a student of Russia, you may have come into the field by reading Dostoyevsky and being fascinated with Russian language and culture, or perhaps by getting curious about Russian or Soviet history.

Given the country's rich history and culture and the significant language study involved in getting to know it, it's only natural that most students of the country spend more time understanding its history, culture, and politics, than its economics. **However, there are some really good reasons to try and take classes on the economic side of both the Soviet Union as well as modern Russia, if you have the opportunity.**

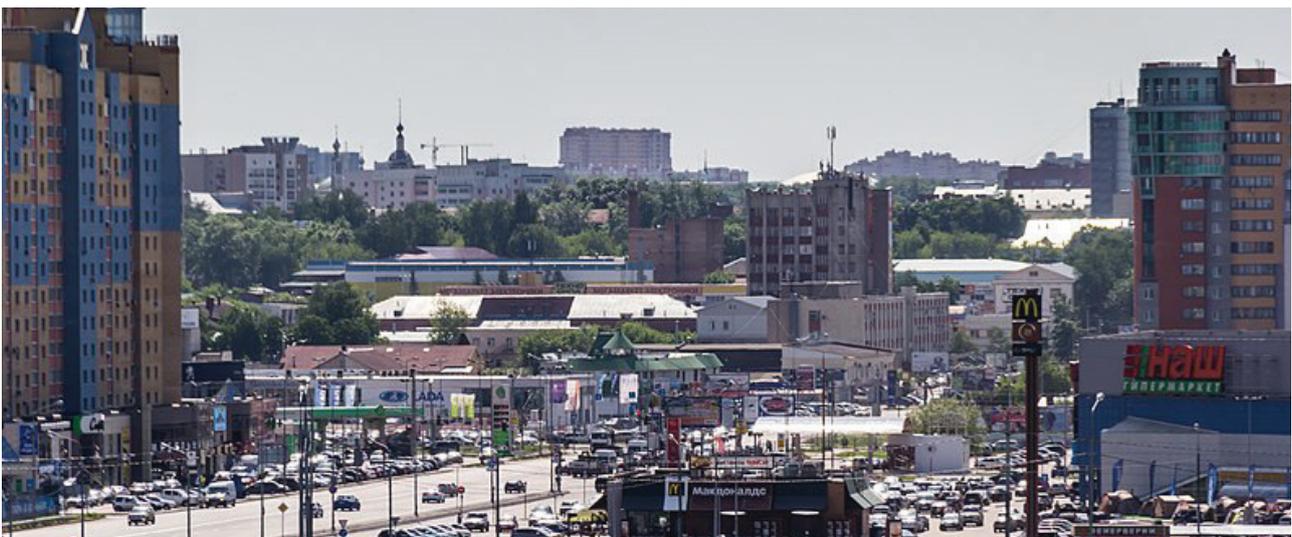
Even if you have taken extensive economics classes, if you have the opportunity to take classes specifically dedicated to Russia and/or the Soviet Union, you should do those – understanding how economic theory interacts with reality in the context of Russia can be invaluable in rounding out your understanding of the country. **Here's how these can be professionally useful if you're working in the private sector.**

Linking what you already know and deepening your analysis

$$\frac{\sqrt{x}}{x+y}$$

Your knowledge of politics, history, culture and other aspects of Russia can add a ton of nuance to your understanding and interpretation of the economic situation in the country. For instance, how did the political dynamics contribute to Russia's decision to default on its debt in the late 1990s? ***Why does support for Putin remain relatively high even as the economy is struggling? How does the need for social stability affect what the government does and doesn't spend on when pressed for money?***

Pure economics without local context can be somewhat misleading in analyzing such questions, but what you already know can bring to the economic context of the country a ton of nuance. **Think of this in comparison with how a pure economist who knows nothing about Russia may conclude about the country: his or her analysis may be theoretically sound, but likely to be missing on crucial nuances.** You can bring all those nuances, which is something you can use to stand out if competing with people with more economics-heavy and less Russia-specific background. However, if you've never taken any economics courses (of the country or otherwise) you may not even be in the running for some positions. Even a little bit of exposure can put you in the running for some jobs.



Improving your predictive power



The flip side of this is that if you are trying to predict what will happen next in Russia, or analyze a particular local dynamic, lack of awareness of the economic side of things can be a real hindrance to the accuracy of your predictions. For instance, if you don't know what is likely to happen to government and personal finances in the case of an oil price crash and a ruble devaluation, you may struggle to draw conclusions about government actions, social problems, and overall dynamics in the country that you otherwise might know well. **Knowing the laws of how the economy behaves and linking that to social and political trends can be immensely powerful in building an accurate analysis of the country.**

It also will make you stand out against people who only know the politics or the culture of the country, but can't link everything together in a picture that more accurately resembles reality. This is especially important if you are working with private firms that sell into Russia – their business is likely to be much more affected by the economics than the politics in day-to-day terms. Economic analysis can help them plan, set budgets, and make adjustments useful to their overall operations even if the politics stay exactly the same.

Demonstrating numeracy



There may be some jobs where your background could raise some concerns for being too "soft" or "liberal arts" and where being able to demonstrate some numeracy can be useful. If you are able to show that you can work with economic formulas, dig out data from Rosstat and interpret it, and maybe even calculate GDP, that can help you address potential concerns about your background. Sometimes employers don't need a deep familiarity with mathematics but want to ensure people they hire are not allergic to using simple excel formulas and can do basic calculations. **Having done a course in economics, you can use that as evidence that you are not totally lacking in numeric skills. This becomes especially important as data analysis becomes an ever more prominent part of how private businesses plan, analyze, and change their operations.**



Founded in 2010, Crossroads Eurasia aims to get students to discover Russia for themselves — by working, living, and relaxing with locals. For students aspiring to integrate the Russian language or regional expertise into their careers, the program is a natural stepping stone into sought-after internships, jobs, fellowships, and graduate study.

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