



SIGHTINGS

AN INDUSTRY STEELING ITSELF

STEEL WORKERS IN RUSSIA ARE NERVOUS. Now that Vladimir Putin is back in the Kremlin, some may be wondering: Will I have to resort to growing my own potatoes? Again?

The economic crisis hit Russia hard in 2009. So hard, in fact, that Magnitogorsk Iron and Steel Works, a leading steel manufacturer, offered one thousand plots of land around the nation's biggest steel plant for employees to grow potatoes as compensation for forced unpaid leave. The company even provided free transportation to the fields and around-the-clock security. It's not clear how many workers accepted the offer three years ago, but today, thankfully, employment in the steel industry is up. And many of its workers can afford to buy potatoes at the market. For now.

While steelworkers, like the one pictured above at Chusovoy Metallurgical Works, in the nation's Perm region, continue to process iron, some fear that Putin may wield his iron fist to bend the industry to his will.

During his presidential campaign, Putin promised to increase funding for affordable housing, higher pensions, and greater salaries for state employees. Given the regime's stated aim to cut taxes further for the nation's largest industry—oil—it must find rubles somewhere to pay for all those homes and retirement plans. Some experts speculate that the metals sector is a prime target. As the industry continues to grow—Russia is the world's fifth-largest steel producer, manufacturing almost 70 million tons (China, which puts out ten times that, is the leader)—the government feels that steel is strong enough to withstand the extra taxation. Only time will tell whether the industry's potential losses become the potato industry's gains. —VADIM LIBERMAN