[Russians Pull Out Credit Cards, and Consumer Debt Spirals](https://www.nytimes.com/2019/08/05/business/economy/russia-consumer-debt.html?rref=collection%2Ftimestopic%2FConsumer%20Behavior)

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**Introduction**

The article states that Russians with debts have an alternative choice to survive. It is evidence that debts make it difficult for consumers to get credit facilities. Hut according to the article Russians with debts can access little credits through easy credit and payday lenders. Therefore the Central Bank of Russian is trying to cool the market by balancing the lending and credit facilities to ensure that even individuals with a lot of debts can still have chance to access limited credit facilities (Kramer, 2019). A survey conducted indicates that majority of Russians do not have to have a lot of debts but many people are forced with the economic situations of country. It is pointed that majority of people earn less salaries which cannot be support their families well. This therefore, results to accumulation of debts which many Russians cannot be pay back within the time from provided by the lenders. This makes it possible for many Russians to resort to easy credit and payday lenders.

However, this has raised a lot of concerns among the policymakers. The article reports that the lower credit rates among many Russians affect the banking sector. Resorting to payday lender also affect the lending rate and therefore, it could be affect the profitability of many banks and therefore, can result to recessions if the situation is not addressed well. It is also pointed that Russians are facing some of the economic foes which can have long time effect on the consumers. It is also pointed that the economic foes faced by consumers are due to western sanctions against Russians which have affected the gas and oil Industry. Therefore, it can be possible to address the situation affecting the consumers through policies to ensure that consumers are access to credit facilities.

# Bibliography

Kramer, A. (2019). Russians Pull Out Credit Cards, and Consumer Debt Spirals. *https://www.nytimes.com/2019/08/05/business/economy/russia-consumer-debt.html?rref=collection%2Ftimestopic%2FConsumer%20Behavior* , 2-15.