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To Russia with Love

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Do you feel like you are experiencing financial difficulties? Are you in dire financial straits? Well, take heart - you are not alone. The votes are in, and yes, while everyone around the world is looking at their checkbook and account balance, people in Russia are looking especially hard. Why? Moscow has been voted the most expensive city in the world.

While in Spain we are counting euros and always trying to figure out how much that is in pesetas to feel more Spanish, Muscovites are looking for an easy way to exit their own country.

The reason is simple: growing inflation, long lines at shopping centres, and growing fears that families may not know how to make ends meet at the end of the month. Sound familiar? It should.

As the euro “strengthens” our competitive position in the world, it is also making our standard of living more expensive and thus, maybe our quality of life is decreasing, not increasing. In Europe alone, this trend has placed Copenhagen, Geneva, Zurich and Oslo, respectively, among the top 10 most expensive cities to live in.

Every year, the US puts together a study to rank the cities of the world in terms of housing, transportation and food. The study uses New York as the benchmark to see how cities evolve. The study is later used by American businesses to determine how much money their expatriates should be earning in foreign countries.

The result? Moscow comes in as the most expensive city in the world for the second year in a row, with housing costs rising 35% more than in New York and London comes in a close second, with 29% housing spike. According to Associated Press Jackie Farwell: “In Moscow, a luxury two-bedroom apartment will cost an expat \$4,000 a month; a CD rings up at \$24.83; one copy of an international daily newspaper is \$6.30; and a fast-food hamburger meal totals \$4.80.”

In terms of euros, that means a luxury 2-bedroom apartment would cost €3007 to rent for a month, a CD costs €18 and an international newspaper, €4.73. Expensive?

To put things in perspective, only 8 Asian cities made the top 50. So much for Forbes magazine’s prediction of the rising Red sun. Maybe they moved their business to Asunción in Paraguay - I would. Asunción comes ranks number one as the “least expensive” city in the world for the fifth straight year in a row.

Would you be surprised to find out that 30 European cities made the top 50 around the globe? That list includes Madrid (ranked 53 in 2006, now ranked No. 26) and Barcelona, coming in 31st place.

Back in Spain, Barcelona has reclaimed first place in terms of real estate, but it joins Madrid and San Sebastian as the top three cities in Spain to squander your paycheck.