

# Social Inequality in the USSR

by Basile Kerblay

ALASTAIR MCAULEY. *Economic Welfare in the Soviet Union: Poverty, Living Standards, and Inequality*. Madison, WI, The University of Wisconsin Press, 1979.

VINOD MEHTA. *Soviet Economic Policy: Income Differentials in USSR*. New Delhi, Radiant Publishers, 1977.

WALTER D. CONNOR. *Socialism, Politics, and Equality: Hierarchy and Change in Eastern Europe and the USSR*. New York, NY, Columbia University Press, 1979.

MURRAY YANOWITCH. *Social and Economic Inequality in the Soviet Union: Six Studies*. White Plains, NY, M. E. Sharpe, 1977.

JERRY G. PANKHURST and MICHAEL PAUL SACKS, Eds. *Contemporary Soviet Society: Sociological Perspectives*. New York, NY, Praeger, 1980.

WE ALL consider ourselves different from our fellow men yet continuously compare ourselves with, measure ourselves against, them. Any inequality seems an injustice. According to the socialist school of thought, inequality is economic in origin. But has state appropriation of the means of production in the USSR lessened inequality there? This is a question raised in all the works reviewed here. Although the approach varies from author to

author, the measured tone of the various analyses reflects a common concern: to try to understand the facts before passing judgment on them. For this reason, they rely heavily on the latest publications by Soviet sociologists and economists, in order (particularly in the books by Walter Connor and Murray Yanowitch) to familiarize the reader with the different models of social stratification proposed by researchers in the Communist countries.

As a first pass at the problem, we have Alastair McAuley and Vinod Mehta, who set out to measure quantifiable inequalities using official data. Their works examine somewhat different periods from different comparative perspectives. Mehta looks at the half century between 1922 and 1970 and draws his comparisons to India. This leads him to more favorable estimates than those of McAuley, who concentrates on recent decades and uses the developed industrial countries as his reference model. McAuley's research is more rigorous, because it goes beyond statistics on wages in various sectors and attempts to determine disposable income per capita, taking into account payments in kind, welfare transfers, and the number of wage earners and dependent children per family. He also tries to calculate regional variations in living standards in relation to the demographic situation and the proportional share of the rural

population in the total population of each republic. He finds that

*By international standards regional inequality—measured by the coefficient of variation in personal consumption—in the USSR is quite modest: it is almost twice that found in such sparsely populated developed countries as Australia or New Zealand but only two thirds of that found in the USA and approximately half of that found in Japan or France.* (p. 115)

This does not mean that life is pleasant at the lower end of the scale. Starting from what he calls the "minimum material satisfaction budget," which from Soviet calculations was 51.40 rubles a month per capita in 1967, McAuley concludes that in the same year, per capita monthly earnings were below this poverty threshold in Belorussia, Azerbaydzhan, and the Central Asian republics. In 1967, not only some 12 million kolkhozniks but also 32 percent of urban families (two thirds of urban families with only a single wage earner) earned less than 50 rubles a month per capita. Of course, this estimate is based on a "normative budget," which, McAuley emphasizes, is relative over time (pp. 17–18, 77, 306).

At the other end of the scale are the industrial managers and intellectuals. In 1964 in the mechanical engineering industries, the salary of

the director of the largest firm was five times as great as the base pay for a worker (67 rubles), while a physician could earn a maximum of 4.25 times the minimum wage (40 rubles). Although, as McAuley notes, "nothing is published on salaries of the central bureaucracy," he manages to offer a distribution of per capita income for the Soviet population by decile for 1967 and 1968. This yielded a decile coefficient (the ratio of per capita earnings of the top 10 percent to those of the lowest 10 percent) of 3.14–3.21, which, McAuley points out, "is a moderately unequal distribution of income . . . inequality in the USSR is less than in the UK and substantially less than in the USA" (p. 66).

Nonetheless, this wage range does not take into account "the standard of living of the Soviet elite—250,000 persons—entitled to extensive fringe benefits . . . ([which] include chauffeur-driven automobiles, dachas, priority in the purchase of performance tickets, the right to buy in closed retail establishments scarce high-quality goods at reportedly favorable prices) impossible to measure in money terms" (p. 67). Indeed, almost one third of the sales in the USSR retail business in 1960 were in stores reserved for special customers.<sup>1</sup> I might add that besides these legal privileges—which exist, if not in the same forms, in other countries as well—there is in the USSR a sphere of illegal inequalities created by the "second economy." In Moscow, it is the butchers and persons responsible for allocating apartments who seem to be the wealthiest, although their wages are very modest. (These nouveaux riches reveal themselves through their expenditures rather than through their nominal incomes.)

McAuley and Mehta agree that over the several decades since the death of Iosif Stalin, inequalities in the USSR have tended to diminish.

Between 1956 and 1970, average income grew by 66 percent, whereas incomes in the first (lowest) decile increased by 135 percent, thanks to increases in base pay, particularly for kolkhozniks. (This increase in base pay, however, was not enough to eliminate pockets of poverty. It proved necessary to institute family allowances for households lacking minimum resources and to increase retirement pensions.) McAuley's analysis notes that these improvements were due not only to the government's social policy but also to market forces. Labor shortages have brought competition among firms in the labor market, to the benefit of the workers.

On the other hand, the managers have taken advantage of the rights granted them in 1965 to recover lost ground with respect to wages, by increasing their own bonuses. Between 1961 and 1970, when the base pay of engineering and technical workers increased by only 9 percent, bonuses in this category increased by 198 percent (p. 239)! Thus, the policy of reducing inequalities cannot be assessed accurately without taking account of the capacities of various social forces to circumvent it.

TO COMPREHEND the real nature of inequality in the Soviet Union, however, one must delve beneath the first, i.e., the purely economic, layer of this "matrëshka." The Soviet and East European sociologists whom Connor and Yanowitch discuss all turn essentially to production structures and the division of labor in explaining current differences in income levels and elaborat-

ing upon official classifications of social groups. But in so doing, they ignore such determining factors as privilege and power.

Indeed, differences in income levels alone do not necessarily mean that social stratification exists. It is necessary (1) that these economic inequalities be combined with other kinds of inequalities, and (2) that an individual from a given level have fewer opportunities during his career than do persons from other strata to become a member of a higher stratum. If there is complete social mobility, privileges may be justified as incentives to reward merit.

We have already seen some indication of the exercise of privilege and power in Soviet society. What is the situation with respect to mobility?

While recent research in the USSR points up the progress achieved in making secondary education more widely available, it also demonstrates the difficulties that the children of workers and peasants encounter in obtaining a higher education, which is mandatory for entering the bourgeoisie. There is an ongoing debate between the proponents of aptitude-based selection (e.g., M. N. Rutkevich), which is justified in the name of a meritocracy (however illusory), and those who (like V. N. Shubkin) advocate egalitarian measures such as "preparatory departments at *vuzy* [higher educational institutions]" because the "selection of the best prepared for advanced schooling will inevitably mean the selection of disproportionate numbers of youngsters from families of professional strata" (Yanowitch, p. 95). I might add that the existing inequalities are even more striking if one examines the social origins and academic background of the staff at research institutes, particularly in Moscow.<sup>2</sup>

<sup>1</sup> S. S. Vasil'yev et al., *Ekonomika trgovli* (The Economics of Trade), Moscow, Politizdat, 1962, p. 158.

<sup>2</sup> M. N. Rutkevich and F. R. Filippov, Eds., *Vysshaya shkola kak faktor izmeneniya sotsial'noy struktury razvitoogo sotsialisticheskogo obshchestva* (Higher Education as a Factor in Changing the Social Structure of a Developed Socialist Society), Moscow, Nauka, 1978, pp. 250–54.

The combination of expanded opportunities in secondary education and limited access to higher education has had perverse effects in the enterprises, where a large number of young people must be satisfied with positions that do not meet their expectations. This has produced a reexamination of personnel relations within the firm from the perspective of management science. However, while the leadership has been willing to give more freedom to directors, it has thus far refused to give the rank-and-file workers the right to elect their manager or to participate in decisions on plan directions, apparently for fear that democratization of power would undermine centralism. At most what is envisioned is allowing production teams a certain degree of autonomy. Yanowitch describes such attempts in agriculture (the short-lived Akchi experiment), but it is in industry where the system of autonomous teams has actually become more widespread—in a form which, in the guise of self-management, has ended up increasing collective control over worker discipline.<sup>3</sup> Yanowitch is astute in raising the problem of power within the firm, for Poland today shows what impact this issue can have on societies that find themselves under the dictatorship of a Communist party.

Educational level and power are closely linked in contemporary Soviet society, as Richard B. Dobson demonstrates in his chapters "Socialism and Social Stratification" and "Education and Opportunity" in the volume edited by Jerry Pankhurst and Michael Sacks. This analysis prompts one to ask whether the Soviet Communist Party has not

<sup>3</sup> "The Brigade Team," *Ekonomika i organizatsiya promyshlennogo proizvodstva* (Novosibirsk), No. 3, 1978, pp. 159–67; P. Bunich, "The Brigade Team," *Izvestiya* (Moscow), Sept. 11, 1981; and A. Dubnov in *Literaturnaya gazeta* (Moscow), Mar. 11, 1981.

become the club of the new Soviet bourgeoisie.

The Pankhurst and Sacks collection illuminates numerous other dimensions of Soviet society today with similar clarity and perception. Mark Field's contribution, for example, probes into the workings of the party. While he finds the party membership to include representatives of different social elements that compete with one another in determining priorities—which is consistent with Jerry Hough's functionalist interpretation<sup>4</sup>—he observes that the final decision is accepted as dogma, "as a secular faith." Hence, application of the "church or religious model" to study of the party helps explain the totalitarianism of the regime. As Field puts it, "the process of [social] differentiation is slowed by the totalistic nature of the value system" (Pankhurst and Sacks, p. 164). No group can emerge as an independent pressure group. Moreover, by reactivating nationalism, the official Soviet ideology tends to inhibit expression of frustrations and to focus resentment on foreign enemies.

But whether this "national communism" is compatible with the continued existence of diverse nationalities and religions in the Soviet Union is another question. The responses of Ralph Clem (regarding nationalities) and of Jerry Pankhurst (concerning religions) are nuanced but inconclusive. Do advances in education lead to a decline in ideology and a resurgence of ethnicity, or do social and economic inequalities among national groups cause such a resurgence? Is the persistence of religious practices a reaction against secularization and materialism, or simply a vestige of traditional society? These important questions remain open.

<sup>4</sup> See Jerry Hough, *The Soviet Union and Social Science Theory*, Cambridge, MA, Harvard University Press, 1977.

A key repository of Russian social traditions has been rural society. As Roy D. Laird and Ronald A. Francisco show in the Pankhurst-Sacks book, some aspects of the ancient régime endure in the countryside, even if the names have changed. For example, the family plot—which provides the basics of the peasant's livelihood—persists, and the state has simply replaced the landlord. Today, moreover, as in the past, flight to the city is the only recourse for the ambitious. Consequently, rural society has been gradually drained of its vitality, and the village is no longer the "hotbed" of insurrection that it once was.

Examination of inequalities in the Soviet Union would be incomplete without the chapters on the status of women in the USSR by Paul Sacks and Murray Yanowitch in their respective volumes. Both note the limitations on the ability of Soviet authorities to cope with long-standing customs which have established behavioral patterns that are very comfortable for the male population. To be sure, women have gained equality of access to education, which has expanded job opportunities (it also has modified female behavior, as seen in the declining birthrate). Yet, it will probably be a long time before a woman becomes a member of the Politburo.

THESE AUTHORS have unquestionably enriched our knowledge of life in the Soviet Union. They are not to blame that our curiosity remains unsatisfied on a number of counts regarding social stratification and inequality.

Field research by outsiders remains authorized only in very exceptional cases, which restricts the possibility of clarifying certain points. Nonetheless, three types of research deserve more attention than they were given in these books. Let me enumerate them in brief.

1. *Comparative studies.* The comparative approach is the only one that permits us to sort out what is common to all industrial societies, what is characteristic of Communist regimes, and what is specific to conditions in the USSR. The reviewer knows perfectly well that this principle is easier to state than to put into practice. McAuley and Connor have shown the substantial methodological difficulties that must be overcome in order to make valid comparisons. Even when it is only the "socialist" countries that are involved, the person making the comparisons is faced with a tangled skein of hierarchic models and national traditions that calls for prudence. This explains why all too often it is necessary to settle for vague generalizations such as "all society [sic] must confront the same problem inherent in multiethnicity" (Pankhurst and Sacks, p. 59). Yet on just this point, the reader would wish for a more systematic comparison between, say, the USSR and the US in the area of ethnic homogenization.

2. *Consideration of changes over the long term.* Recourse to history is productive, but not because of any inevitable laws. To be sure, Maurice Allais has shown an astonishing parallelism in income distribution rights in Greece in the fourth century, B.C., Rome in 22 B.C., England in 1086, the United States in 1918, and France in 1982,<sup>5</sup> which might lead us to believe in some immutable process in the distribution of wealth. But it is not clear that economic growth is necessarily accompanied by increased inequality, as occurred in the early stages of capitalism. Indeed, we observe today an inverse situation: inequalities are greatest in the less-developed countries, for scarce resources cannot be redistributed easily.

Without denying the impact of ob-

jective economic conditions on social change, I would submit that history's particular contribution lies in its emphasis on the cultural constraints on change that are rooted in very slowly evolving national traditions. Recent Polish developments are instructive, for they show that, despite the existence of a certain similarity to the Soviet Union with respect to political systems and economic structures, nationalist feeling and the vitality of the Catholic Church in Poland have generated an alliance of workers and intelligentsia calling for democratic reforms. By contrast, could not one attribute the stability of the Soviet system, despite its inequalities, to a historically recognizable sort of connivance between the populace and the regime?

The authors of the books at hand all note the irreversible effects of the evolution of Soviet society, but they may have underestimated one change that I consider fundamental. The intelligentsia (in the broad sense of the term used by the Soviets), which remained on the margins of, even hostile to, power under the ancien régime, today embodies this power or is integrated into its exercise. This explains why the prevailing ideology is based on a putative meritocracy that justifies existing inequalities, just as Protestantism

served as a moral justification for the accumulation of wealth in the early days of capitalism. It also explains why management science could be adopted so easily: the ideology matches the ideals of a technocracy of varied social origins.<sup>6</sup>

3. *Investigation of social values.* The prevailing ideology and political culture, which attracts many analysts' attention, should not be confused with social values. By social values, I mean the deep, underlying motives for behavior, which determine the real nature of social relations. In 19th-century Europe, the ideology of the ruling classes was never adopted by the working classes, who were imbued with a very different set of values than was the bourgeoisie.

What is the situation in the USSR today? Should we heed those like Aleksandr Solzhenitsyn who say that the official ideology is dead and only a ruthless police dictatorship prevents the Russian people from breaking their chains, that the dissident intellectuals are loudly proclaiming what everyone is thinking in private? Or should we believe A. Zinoviev, who stresses that Soviet society itself has spawned the current regime because it meets that society's basic needs for security.<sup>7</sup>

The books analyzed here do not answer this question, because they strive to remain on the solid ground of objective research, seeking to explain social facts by social factors. In so doing, they neglect the irreplaceable contributions made by contemporary Soviet literature, whether published in the USSR or abroad. Literature is far superior to coefficients of social mobility as a means of understanding whether inequalities are perceived as such or how different managerial styles affect the attitude of the workers—in short, whether a collective self-consciousness is emerging among workers.<sup>8</sup>

<sup>5</sup> Maurice Allais, "Inequalities and Civilization," in *Science économique et conscience de la société—Mélanges en l'honneur de Raymond Aron* (The Science of Economics and Knowledge of Society—A Collection in Honor of Raymond Aron), Vol. 2, Paris, Calman Levy, 1971.

<sup>6</sup> On this point, see Judith A. Merkle, *Management and Ideology*, Berkeley, CA, University of California Press, 1980.

<sup>7</sup> See A. Zinoviev, *L'avenir radieux*, Lausanne, l'Age d'Homme, 1978 (published in English as *The Bright Future*, New York, NY, Random House, 1981); idem, *Nous et l'Occident* (The West and Us), and *Le communisme comme réalité* (Communism as Reality), published in 1980 and 1981 respectively by l'Age d'Homme.

<sup>8</sup> Such matters are discussed in a broader context in A. S. Tannenbaum, *Hierarchy in Organization: An International Comparison*, San Francisco, CA, Jossey-Bass Publishers, 1979.

IF IT IS TRUE that collective utopias do not develop outside the individual but spring from his hopes for more security and especially for a better life for his children, that if these utopias relieve one of his personal responsibilities and substitute an external ideology to resolve the disorder of his contradictions, then perhaps the social sciences have a nobler mission than that of fueling "religious" war. It is to show that despite certain undeniable inequalities and differences, all men share the same fears, the same loneliness, the same desire for genuine communication in which distinctions between superior and inferior are eliminated. This would presuppose some preliminary effort at demysti-

### CORRECTIONS

On page 1, footnote 1 of the article "The Imperial Dimension of Soviet Military Power" (*Problems of Communism*, November-December 1981), the date of Giles Fletcher's *Of the Russe Commonwealth* should be 1591.

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The caption of the photo on page 17 of the November-December 1981 issue incorrectly identifies the Korean People's Army as belonging to North Vietnam. The KPA is the military force of the Democratic People's Republic of Korea (North Korea).

fication, to which the present authors have contributed, perhaps involuntarily. Because of their analysis of Soviet society, it is no longer possible to believe that a system of coercion is required if one is to lessen inequalities (for inequalities were greatest during the Stalinist

era), or that socialism compensates individuals solely on the basis of their work. Unfortunately, history also teaches us that the dreams of abundance and future equality fade slowly from the collective psyche, especially for those who are not benefiting from the present.

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