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SOVIET INCOME MAINTENANCE PROGRAMS IN THE
STRUGGLE AGAINST POVERTY

Bernice Madison

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Introduction

Lenin viewed social insurance as a form of distribution invented by capitalists in response to demands by the proletariat for protection against destitution. Because the level of wages in capitalist societies is low, workers are unable to save; hence, when there is no work or when the capacity to work is lost, destitution sets in. Social insurance accumulates resources for the payment of benefits, entitlement to which stems from working for hire. It was in line with these views, and specifically, as a counterproposal to the Duma's Health and Accident Act of June 23, 1912, that Lenin formulated his concepts for a "rationally structured" system of social insurance--a state system built on the following principles: (1) coverage of all risks that bring about loss of ability to work; namely, injury, sickness, old age, disability, pregnancy and childbirth, death of the breadwinner, and unemployment; (2) coverage of everyone working for hire and members of his family; (3) benefits equal to total earnings, financed entirely by employers and government; and (4) administration of all forms of social insurance by unified organs of a territorial type, in which the insured exercise complete control.¹ Lenin's objective was to use this blueprint as one of the political weapons for the development of class consciousness among the workers. Under communism the distributive function of social insurance changes from compensating for lost wages to providing income security--something that capitalism cannot accomplish because in capitalist societies, even if the growth of destitution is contained by the workers' determined struggle for their rights, precariousness of existence continues to spread.

Consonant with these positions, the general Act of October 31, 1918, signed by Lenin, integrated the decrees initiated five days after the Soviet assumption of power, extended coverage to all persons supporting themselves by their labor, including artisans, handicraftsmen, and landless peasants; required that benefits be calculated in relation to norms for minimum subsistence rather than former earnings; introduced need as one of the major eligibility conditions; and provided financing from the national budget. In short, the Act eliminated social insurance, replacing it with a comprehensive monetary assistance program which was to help move the new Soviet state toward egalitarianism. "Differentiating" factors were confined to the degree of loss of work ability and zone of residence (which influenced the cost of living) in the case of the disabled and the number of survivors in families who had lost their breadwinners. It was argued that the achievement of egalitarianism, combined with abolition of the causes of poverty inherent in capitalist productive relationships, would make even this program unnecessary; monetary assistance would have no meaning under communism when each one would contribute according to ability and receive according to need.

Subsequent Soviet analyses held that the main reason for these sweeping provisions and for discarding social insurance was that state-owned enterprises had no independent status; their expenses were met from budgetary appropriations and their receipts were surrendered to the national treasury. Estimate financing was substituted for cost accounting (khozraschet).² The state became the sole employer and all employables were placed at its disposal; consequently, it was obligated to guarantee a minimum income for all, either in the form of wages and salaries or in mo-

netary assistance. But given the cataclysmic destruction of economic and human resources resulting from War, Revolution and intervention, it is not surprising that the 1918 Act remained largely a paper creation. Assistance for peasants, artisans, and home workers never materialized, and even for wage workers and salaried employees implementation was less than significant.

Nor is it surprising that the New Economic Policy (1921-1928), which permitted the reappearance of some private industry and returned some enterprises to "capitalist" business practices, initiated a transition back to social insurance: state-financed assistance covering all who worked for hire was replaced by social insurance financed by contributions of employing establishments for those who worked in them; productive labor replaced need as a condition of eligibility; relating the size of benefits to norms for minimum subsistence gave way to calculating them as a percentage of average earnings in the beneficiary's zone of residence. A distinction was made between workers and employees, on the one hand, and "independent" workers, on the other. The latter--peasants, artisans, home workers, and members of artels and producers' associations--were seen as unsuitable for inclusion in a social insurance system because they were not "hired" and there was no "giver of work." They were self-employed. It was feared that to include them would be tantamount to a "deviation" from the class character of social insurance and to opening the way for its becoming "a purely bourgeois institution."

The reintroduction of social insurance led to discarding the communist principle "to each, according to need" and to placing an ever heavier stress on the "socialist principle, to each, according to his work." En-

shrined in what was claimed to be "Lenin's social insurance program,"
 the latter has been and is being used under conditions of "advanced so-
 cialism" to make more indissoluble and direct the dependence of benefits
 on the quantity and quality of work performed in the past. "Perfecting"
 the social insurance system, it is emphasized, demands an ever greater
 development of production³ and this, in turn, means two things: that cen-
 tral direction must be correlated with giving enterprises independence and
 room for initiative, so that they can actively utilize khozraschet, profit
 and other economic stimuli--all this elevated to a basic tenet in the 1977
 Constitution;⁴ and that the purpose of benefits is not merely to provide
 material security, but more importantly, to achieve "broader" objectives
 --strengthen labor discipline, encourage socialist competition and increase
 productivity.⁵ To achieve the latter ends, "differentiation," that is, a
 non-egalitarian way of calculating benefits must be employed.

As time went on, however, poverty under socialism was not "liqui-
 dated;" as late as 1967, according to Western estimates, almost 44% of in-
 dividuals were living in families below the soviets' own poverty line.⁶
 Soviet scholars began to explain that distributing material wealth strict-
 ly "according to work" contains serious "contradictions:" the level of li-
 ving for the able-bodied who must work (or else, "they shall not eat") is
 not automatically raised by higher wages because wages are not constructed
 to cover "additional" expenses generated by particular life circumstances.
 As for those whose ability to work is destroyed, interrupted or diminished,
 "according to work" can apply only indirectly (kosvenno), by taking into
 account the level of living to which they were accustomed when working.⁷
 To assure minimum subsistence for all, a many-faceted social security sys-

tem paid for out of social consumption funds (social funds)--"that part of national income which is utilized, in addition to earnings from work, for the collective and individual satisfaction of the population's personal needs"⁸--must be available. It is now argued that such a system represents a more consistent implementation of the "according to work" principle because the end result is a disposable income free from distortions injected by factors extraneous to the realm of work. Furthermore, because only socialist productive relationships can create genuine social funds, it is only under socialism that genuine social security can evolve.⁹ It is maintained that the goal of social security in a socialist society is radically different from its goal in a capitalist society: in the former, it aims to provide subsistence for the unable-to-work and to create conditions in which they can develop their physical and spiritual abilities; in the latter, it aims to contain destitution by weakening the catastrophic consequences of risks that interrupt, diminish or destroy the ability to work, so that in actuality it is merely a method for mitigating the contradictions of capitalism.¹⁰ Behind these loudly proclaimed dogmas is the unwillingness to admit that so far socialism has not been able to invent a way of dealing with poverty without resort to the means test--detested as a feature of humiliating charity under Czarism. It was not until the end of 1974 that an unequivocally means-tested program, Allowances for Children in Low-Income Families, was finally introduced, although the need for it had existed throughout the soviet period.

The past sixty years have seen a considerable amount of activity in the Soviet social security domain. The first codification, in 1928, abolished more than forty acts; the National Pension Act of July 1956, the

basic law governing social insurance for the industrial labor force, cleared away the encrusted debris of almost \approx 1,000 statutes, decrees, and regulations, their complexities, inconsistencies, and inequities having led to endless "errors" and to justified complaints from severely deprived beneficiaries and rejected applicants; nobody has counted the many legal rulings finally discarded by the Law on Pensions and Benefits for Collective Farm Members of July 1964 which at long last replaced a discriminatory and niggardly "mutual aid" by a modest system of social insurance, with the proviso that eventually this system would be brought up to standards enjoyed by workers and employees; nor does anyone know how many statutes and regulations fell by the wayside in 1974 when the new system of calculating pensions for the totally disabled and some of their survivors was introduced--except that all writers continue to complain about the almost overwhelming "multiplicity" of legal provisions in the social security sphere. These laws and the Allowances for Children act have broadened coverage; moved the system for collective farmers (kolkhozniki) closer to that for workers and employees; eased eligibility requirements; raised the level of pensions; increased the role of pensions in "stimulating" pensioners to continue working; and alleviated poverty in some families with children. After many changes, the pattern of financing currently in use was stabilized in 1956 and 1964; administrative changes, also many, settled into the current structure in 1937 and 1964.

Despite these advances, Soviet scholars are now, more openly than in the past, analyzing the problem that beset their social security system. I now turn to the major policy issues involved in these problems and to proposals made to resolve them.

Scope and Definition

Despite a discussion that has been going on intermittently since the inception of the Soviet state, its participants are still in disagreement about the scope and meaning of social security. Nor are their differences resolved by the acceptance of a broad theoretical construct which conceptualizes social security as a separate function of government within a more general one--the function of regulating measures (measures) of work and consumption within which social security's specific responsibility is to distribute material goods and non-material services to the unable-to-work.¹¹ A single system in the abstract, in practice social security is characterized by the presence of a number of complex sub-systems and the absence of a single central directing organ, the latter function being performed by a general government organ (the Council of Ministers of the USSR) and by a special organ (the Union-Republic State Committee on Labor and Social Questions attached to this Council--the Committee). In contrast to Health and Education, there is no all-Union ministry of social security; instead, there are fifteen Republic Ministries of Social Security (Ministries), and each one defines the aims, nature and scope of social security somewhat differently from the others.

Some Soviet experts, proponents of a "broader" approach, urge that medical care for those no longer in the labor force become an integral part of social security. The medical component, they note, is inextricably involved in serving all pensioners; it is crucial in disability determinations which must ascertain the degree of remaining work capacity, need for medical treatment and for prostheses, and retraining possibilities--all this being decisive in organizing programs for disabled which will

enable them to work. The aged and the disabled make up an overwhelming majority of social security's total clientele. Reasons which now exclude health care from social security, it is said, are largely administrative: lodged in an all-Union Ministry, health care is seen as an autonomous branch of human services; its economic indicators are isolated from social security indicators in planning and in statistical accountability. The fact that health care is offered free to the entire population, thereby coming closest to the communist method of distribution "according to need" --which is not the case in social security--is also involved in the separation.¹²

Opponents of a "broader" approach note that the objectives of the two systems are altogether different and that these differences determine their functions and forms: for the unable-to-work social security makes money payments to compensate for loss of earnings; Health is concerned with providing them with services for the prevention and treatment of disease. Furthermore, pensions, the dominant form of money payments, are also used to stimulate those reaching retirement age to continue working, and it is this stimulating "aspect" that must be made more effective.¹³

Not only is Health more powerful institutionally and politically, but the fact that social security is not administered by a recognized profession (as are Health and Education) also militates against achieving the "broader" approach. At the same time, this issue is not likely to be laid aside as expenditures on pensions continue to go up at a relatively faster rate than outlays from social funds on other items, and as labor shortages spread and affect the economy more profoundly. Consider, for example, that during the thirty years 1941-71, the number of workers and employees mul-

multiplied three times whereas the number of old-age pensioners multiplied seventy-two times;¹⁴ in 1950 pensions for them absorbed 43.6% of the social insurance budget, in 1975, 68%; during this twenty-five-year span, social funds multiplied by 6.8 times but the proportion of these funds spent on pensions went up 8.7 times; in 1975, expenditures on pensions took up 45% of these funds, a rise from 33% in 1958. In 1976, there were almost thirty million old-age pensioners, 18% of the population, many of whom, it is claimed, can be reintroduced into the labor force.

This claim has sparked an animated discussion in the literature about what is old age and what is an old-age pension. Few conceptualize old age as an immovable point in time--given that ability to work decreases at different ages in different people because of social and medico-biological reasons--and all agree that people ought not to be made into full-time pensioners before their time. ^{Yet, most} ~~But not all~~ believe that there exists an average age beyond which, for the majority, continuing to work as before becomes impossible or too demanding. At this "typical" age it is "presumed" that work ability will be lost, although for individuals there is no such presumption. As to what is a pension, most Soviet writers see it as a historical concept which changes with time. At present, some insist, a pension should not be regarded as a "reward" for work performed in the past; rather, the basis for awarding a pension should be inability to work in combination with performance of socially useful work in the past. To provide for those able to work is not the aim of pensions.¹⁵ Others, however, see pensions as rewards, reminding their colleagues that Lenin himself wrote about pensions as rewards.

To an important extent, these differences reflect unresolved problems

that surround social security's juridical status, still troublesome despite progress since the first turbulent post-Revolutionary decade in the forms of legal regulation--from local differentiation of norms to all-Union norms; from decisions about important substantive issues by local departments to correct interpretations spelled out in all-Union laws; from fluidity to stabilization; from multiplicity and enormous detail to codification. Principles laid down by Lenin are not helpful; although demonstrable as "tendencies" in subsequent laws, they have not been the guiding "basic beginnings" on which the current system of legal norms is constructed.¹⁶

Some see pensions as a basic constitutional right of all citizens, indisputable and absolute; others argue that from the point of view of Article 120 of the 1936 Constitution, such an interpretation is premature: a pension must be "earned;" the applicant must "merit" it.¹⁷ That such an interpretation will continue premature for some time to come is suggested by Article 43 of the 1977 Constitution which is couched in terms similar to the 1936 Article except that it is more detailed: "citizens of the USSR shall have the right to maintenance in old age, in the event of sickness, and likewise in the event of total or partial disability or loss of breadwinner. This right shall be guaranteed by social insurance for workers, employees, and collective farmers which grants benefits for temporary disability; pensions at the expense of the State and of collective farms for old age, disability and loss of breadwinner; placement of partially disabled citizens in jobs; care of kithless aged and disabled; and other forms of social security." None among Soviet authors discuss the "right" to other money payments. The eligibility conditions that apply, suggest that this right, if it exists, is much more dependent on administrative discretion and more difficult to

assert than in the case of pensions. That "socialist legality" in the social security system needs strengthening is recognized, especially in relation to the rights of people whom it is supposed to serve.

The lack of clarity in regard to juridical status is magnified by the fragmented nature of legislation--for workers and employees as part of labor law, for state employees and members of the armed forces as part of administrative law, and for collective farmers as part of collective farm law. Most Soviet jurists urge that these three be combined into a single, separate branch of law, arguing that by this time social security has so matured as to possess the required features for such an elevation. The specific content and principles of social security would then be extracted from the multiplicity of decrees and regulations that now burdened it and would become better understood and more usable. A few, however, believe that a separate system would hinder the further development of labor law, an undesirable outcome, and that the first order of business should be a simplification of pension legislation. Still others, while favoring separation and unification, see such an undertaking as ahead of its time because social security for kolkhozniki has not yet achieved the level of protection available for workers and employees, either in risks covered or in amounts paid.¹⁸ Nor is there agreement on the form that a separate, single law should take.

As noted earlier, there is growing recognition of the "contradictions" that arise when "according to work" is inflexibly applied. In coping with these contradictions, Soviet analysts make a distinction between two kinds of reasons that bring about the need for social security: the first relates to loss of earnings, is connected with past work, and logically, re-

quires close adherence to the "according to work" principle in norms governing benefit payments; the second relates to "additional" financial burdens arising out of the social situation, and logically, requires money and "privileges" to "lighten" their weight that must be provided for the entire population because all are vulnerable.¹⁹ But demands made by "life" create numerous difficulties and complexities in implementing these presumably logical distinctions. A number of departures from an exclusive adherence to "according to work" are already permitted for those whose need arises out of loss of earnings--departures that for some aged may bring about a higher "consumption level" when not working than when working; for some sick people treated in hospitals, a higher income than for ambulatory patients; for some disabled, higher pensions than for others with identical past earnings and work records; for working pensioners, higher incomes than for younger workers in the same positions and jobs.²⁰ Equal benefits may be received despite unequal contributions to social production in the past. Some Soviet analysts of a purist bent are critical of these departures, but do recognize that some are justified. As to "additional burdens" in working families, amounts paid to ease them are set in an arbitrary fashion, without reference to a standard of well-being that it is considered essential to attain--except in the program of allowances for children in poor families legislated at the end of 1974. Yet, some experts prognosticate that in the future, it is the provisions related to "additional burdens" that will experience a marked development --not only in order to more effectively help those with disproportionately heavy responsibilities who are still in the labor force, but also to assure "actual protection" (fakticheskoe obespechenie) for pensioners, that is, for those whose need is related to loss of earnings.²¹

By now, some Soviet scholars are defining social security as the totality of economic relationships created in the process of distributing social funds, both for the major purpose of supporting those unable to work and for the special purpose of assisting those who are able to work but are overburdened by special circumstances.²² At the same time, they stress, it is of primordial importance to organize the system of money payments "correctly," so that it will not weaken the desire to work. What emerges is that at its current stage of development, the Soviet social security system is trying to "perfect" ideologically acceptable ways of coping with poverty, is ambivalent about them, and still without an answer to the ancient challenge--how to keep the able-bodied out of poverty without destroying their desire to work.

As can be seen from Table 1, Soviet social security "totality" is divided into pensions; benefits, grants and allowances; and "other kinds of social security." Pensions include old-age pensions for those who have reached retirement age and have the requisite work record; disability pensions for those disabled by general causes who have the requisite work record, and for those disabled by work-connected causes without reference to the work record; survivor pensions; long-service pensions for certain persons in scientific and creative professions who have the necessary work record; and personal pensions for special services to the State. Benefits include those for sickness; pregnancy, maternity, nursing and baby care; grants are status-related payments to unmarried mothers and mothers of many children. The difference between pensions and benefits, on the one hand, and grants, on the other, is that the latter are not awarded and paid in connection with work. They are, therefore, "non-equivalent" (bezekvivalentnye), while pensions and benefits are "equivalent" in the

sense that they represent compensation for lost earnings, within defined limits. Allowances are means-tested payments to some children in poor families; funeral allowances for some poor families; allowances to needy congenitally disabled who have reached sixteen years of age; monthly payments to totally disabled and some aged who are destitute; and emergency "one-time" payments to those who lack means to purchase essential items such as wood for heating, a winter coat, shoes, and sometimes food.²³

Table 1 shows that the totals spent on social security and social insurance were 22.806 billion rubles in 1970 and 34.646 billion in 1975. As a proportion of national income (natsional'nyi dokhod), which amounted to 289.9 billion in 1970 and 363.3 billion in 1975, these expenditures represent 7.8% and 9.5%, respectively. The increase was due primarily to the introduction of allowances for children which began payments in 1975, and to liberalizations in benefits. If "other kinds of social security" (assistance in kind) are subtracted, the amount spent on income maintenance programs was 22.331 billion in 1970, and 33.669 billion in 1975, that is, 7.7% and 9.2% of national income.²⁴ Pensions were by far the largest single program, taking up 72.5% of expenditures in 1970 and 72.6% in 1975; benefits paid out 4.818 billion and 6.569 billion, that is, 21.5% of the total in 1970 and 19.5% in 1975; status grants were the smallest item, sing up only 1.9% and 1.1% of expenditures, and diminishing in importance. Public assistance payments to poor children, 1.219 billion in 1975, constituted only 3.6% of the total allocated to income maintenance; if funeral benefits and allowances to the congenitally disabled are deducted from "other," the sums spent on assistance for the destitute totally disabled and aged who "have no right to pensions" and on emergency one-time assistance were perhaps 865 million rubles in 1970 and close to one billion rubles in 1975, that is, less than 4% and about 3% of the total, respectively.²⁵

Altogether pen-

Table 1. Expenditures on Social Security and Social Insurance
in the USSR, 1970 and 1975 (in millions of rubles)

	1970	1975
TOTAL	22 806	34 634
Including:		
Pensions	16 203	24 441
Benefits, Grants , Allowances	6 128	9 228
Benefits		
Sickness	3 855	5 240
Pregnancy, maternity, nursing and baby care	963	1 329
Status Grants		
Unmarried mothers and mothers of many child- ren	435	389
Public Assistance Allowances		
Children in poor families	-	1 219
Other (funeral benefits, emergency "one-time" assistance, etc.)	875	1 011
Other Kinds of Social Security		
Institutional care for aged and disabled, prosthetic appliances and others	475	965

Source: Vestnik Statistiki, no.3, 1977, p.96.

sions and benefits--representing needs that relate to loss of earnings--used up 94% of expenditures on income maintenance in 1970 and 92.1% in 1975; payments to those whose needs relate to "additional" burdens arising out of the social situation are still miniscule--although increasing.

Resources

After many changes during the pre-1956 period, the current financial structure of social security for workers and employees was ushered in by the 1956 National Pensions Act; specifically, subsidies from the national budget to cover expenditures on pensions for those out of the labor force became regular additions to contributions from enterprises. Likewise, the contribution rates established then still apply today; they range from 4.4% of payroll in state farms (sovkhkozy) and state agricultural procurement agencies to 9% of payroll in coal mining. All enterprises within a given branch of industry pay the same rates; rates differ as between different branches of industry in accordance with the degree of hazard employment in them entails.²⁶ The intent was and still is to tie social insurance squarely into productivity: when productivity rises, it was reasoned, so does the payroll, and so do the contributions into the social insurance budget. It was expected that these contributions would be sufficient to cover the cost of social insurance benefits for those active in the labor force and of pensions for those who continued to work.

The Law on Pensions and Benefits for Collective Farm Members of July 1964 and subsequent provisions resulted by 1970, in three different arrangements for securing the needed revenues for this category. To begin with, the 1964 Law equated farm chairmen, specialists and machine operators in kolkhozy to workers and employees in industry. This privileged

status transformed them into an agricultural elite, their number rising slowly from less than 10% of all kolkhoz members in 1960 to almost 17% in 1970.²⁷ Their benefits are financed by the state social insurance fund, with no contribution from kolkhozy. Secondly, since 1964 there exists the Central all-Union Social Security Fund for Collective Farmers. Its resources are formed from a 5% tax on the gross income of all self-contained kolkhozy; 3% of gross income of those kolkhozy whose members work in inter-kolkhoz enterprises and organizations that show a profitableness (rentabel'nost') in excess of 40%, plus 5% of their members' earnings. This Fund pays pensions; benefits for pregnancy and maternity; grants to the congenitally disabled; allowances to children in poor families; and assistance to those not eligible for pensions. And thirdly, since 1970 there exists the Central all-Union Social Insurance Fund for Collective Farmers which is financed by contributions from kolkhozy at the rate of 2.4% of payroll. This Fund pays for sickness and funeral benefits. Complaints are constantly voiced that these fragmented and complicated arrangements produce all sorts of difficulties, especially for administrators who must keep financial records and conduct accounting operations for each Fund separately.²⁸

The only fund which the national budget does not subsidize is the Central all-Union Social Insurance Fund for Collective Farmers. This does not mean that the payroll tax this Fund levies is sufficient to cover sickness benefits--the major form of benefit for which it is responsible. Rather, it personifies the philosophy that denial of subsidies will encourage kolkhozy to undertake measures to lower morbidity and improve working conditions; success in the "struggle" against illness will, in turn,

raise productivity and lower the cost of sickness benefits. If open-ended subsidies from the national budget were available, it is reasoned, the incentive to undertake such measures would be weakened. This approach is a reproduction of the model for financing sickness benefits for industrial workers and employees.

The national budget makes up the deficit between revenues received in contributions from enterprises and farms, on the one hand, and expenditures made by the state social insurance fund for workers and employees (the one exception being sickness benefits) and by the Central all_Union Social Security Fund for Collective Farmers, on the other. These deficits, as a proportion of total expenditures, have experienced a steady rise--in the state social insurance fund, to more than half of the total spent; in the Fund for Collective Farmers, to 60% in 1970, a rise from 38% in 1965.²⁹

As noted, for specialists and machine operators working in kolkhozy, benefits and pensions are paid in their entirety by the national budget; this holds true in regard to grants for unmarried mothers and mothers of many children, allowances for children in poor families, and grants for congenitally disabled adolescents--as well as administrative expenses of the fifteen Ministries of Social Security.³⁰

Involvement of the national budget provides resources without which Soviet social security could not meet its obligations under present arrangements; almost all payments to qualified applicants are guaranteed by the national treasury. Republics and local soviets disburse rather than raise funds; even when they add something out of their "own" money, the amount is negligible.³¹ But administratively national budget participation complicates further the already complicated structure of financial

operations. Soviet analysts are unanimous in considering unification and stream-lining imperative, to be undertaken in stages, beginning with kolkhozy. For them, it is urged, a single fund (to include the "elite" and workers on labor contracts) and a single rate of contribution should be established.³²

Soviet experts are also concerned about the rise in national budget subsidies--a concern that is only partially allayed by pointing to liberalizations in coverage, rising proportion of aged in the population and their increased longevity, and improvements in benefit levels as the causes of this rise. Concern is intensified by the fact that in respect of kolkhoz-niki, all post-1964 improvements have had to be covered almost entirely by national subsidies, a situation which raises uncomfortable questions about the dogmatic assertions that pensions raise productivity, improve the quality of products, encourage growth in skills, strengthen a desirable material interest, fortify labor discipline and stabilize the work force.³³ All urge a revamping upward of contribution rates levied on enterprises and farms, now and for the foreseeable future, although the long-term trend will continue to be toward a greater absorption of social security expenditures by general revenues.³⁴

These problems, viewed in the context of changes in economic policies introduced in 1965 that upgraded the role of enterprise profit in evaluating the performance of management, shed some light on the hesitancy among social security experts to approve without reservations the movement of an ever greater part of national income to social funds. Even the most enthusiastic supporters of this movement--as signifying an accelerated achievement of the communist ideal "according to need"--warn that both an unwarranted surge forward by

these funds and an artificial holding them back would be undesirable for the growth of the national economy. Both these extremes would lead to weakening the "according to work" principle and would lower production by undermining material incentive to work harder.³⁵ Only at some undesignated future date, when communism is attained, will social funds reach full stature as truly "the common resources of a socialist society;" only then will "according to need" be reintroduced.

In the meantime, the major theoretical problem, still unsolved, is how to create an "optimum" relationship in the development and utilization of funds allocated to wages and salaries, on the one hand, and to social funds, on the other. According to Western estimates, in 1973 money payments from social funds accounted for 10.7% of total net money income in Soviet families.³⁶ Apparently, this does not represent an optimum relationship, especially for families with "additional burdens." For them social security fails to equalize living standards and, a crucial flaw, to motivate those who can bear children to raise their birth-rate.

As for the claim that social security in the Soviet Union, in contrast to capitalist countries, provides its bounties "free of charge" to the beneficiaries, it is a specious one. This is clear from a recent (1976) discussion by a Soviet economist who relies on the best sources and writes:

Calculations by economists show that by the time a person reaches majority, society's expenditures on his up-bringing (vospitanie) amount to about 15,000 rubles. During his working life (40-45 years), a worker occupied in social production creates 125-137,000 rubles of new value. Of this he receives 60-65,000 in wages; capital accumulation totals 65-72,000 rubles. From this accumulation the worker pays off his debt to society (15,000) and makes an advance (avansiruet) of 13,000 rubles toward his old-age pension, covering its cost for an average of 15 years; the remaining

37-44,000 rubles, that is, 57-60% of the capital accumulated by his work, is placed at the disposal of society for further development of productive forces. According to data cited by T. Khachaturov, during his working years a worker produces on the average 2.5 times more than the cost of what he consumes during his entire life. This surplus pays for maintaining those family members who are not occupied in social production, capital accumulation is realized, etc. Thus, if one approaches the evaluation of "free" distribution through social funds from this perspective, it turns out that it is not at all free. ³⁷

Apparently, what is important is the psychological effect: "free" benefits are a sort of gift from the party and the government that demonstrate their concern and benevolence toward the "toilers."

Coverage

Soviet experts are proud of the almost universal coverage of risks that their social security system provides; but they are concerned about its failure to cover all people, despite extensions in coverage made so far. ³⁸ Among these, the most important was the modest social insurance system for kolkhozniki introduced in 1964. In 1968, retirement ages for them were lowered by five years, equating them to those for industrial workers. The reason for the higher initial age was that persons of pensionable age constituted over 40% of farmers, as compared to 10% of workers and employees in urban centers. That this difference narrowed drastically in four years is not likely; that it did create problems between the rank-and-file farmers and the agricultural elite is apparent. ³⁹ It was also in 1968 that the substantially disabled farmers became eligible for disability pensions, but only if the accident or injury was work-connected and occurred at the work place itself, not merely on land belonging to the farm. In 1968 as well, the congenitally disabled who

had attained sixteen years of age became eligible for a flat monthly benefit of sixteen rubles. In ~~1961~~ 1970 a social insurance system for collective farmers began ~~ap~~pying sickness benefits--but not during off-seasons. Members of fishing collectives were covered by a similar social insurance system in 1972.

But there are still many outside the pension system. The problem has two aspects: not all persons are in occupations covered by pensions; not all persons in covered occupations fulfill eligibility requirements for entitlement to full or even partial pensions. Among persons whose occupations are not covered are typists, watch and clock repairmen, laundresses, cleaning women, cooks, tailors, seamstresses, middle and junior medical personnel attending sick persons in the home, maintenance workers, servants, home teachers and coaches, stenographers--if their work is short-term, casual, or small-scale, so that they do not need to conclude a labor contract. In urban communities, their employers are usually private citizens. Others outside the system are those who work on a commission basis, on author contracts, leases, and special assignments.⁴⁰ Just what proportion of the urban labor force is occupied in this manner it is difficult to say, but given chronic delays and low quality of state-provided maintenance and other services constantly complained about on all sides, it may not be negligible. It is possible, however, that some at least of the uncovered have regular jobs, and that the work they do without benefit of labor contracts represents a species of moonlighting.

On collective farms, persons on civil law agreements rather than on labor contracts, are also uncovered. The work they perform is of short duration, of a specific and casual nature, unrelated to agricultural pro-

duction--work such as maintenance, building, loading-unloading, etc. They are usually paid by the job. Others who are excluded are self-employed craftsmen, and members of "free professions" (svobodnye professii), that is, painters and writers. No data about them are available, either. But in the literature considerable attention is devoted to pointing out that no single criterion for differentiating between work performed under labor contracts and under civil agreements exists. In relation to social insurance coverage, it is essential to examine the actual content of the work performed in order to ascertain whether it is a specific, short-term assignment or regular work in a defined occupation.⁴¹

As for those who do not fulfill eligibility requirements, one of the largest groups are women whose home duties and the bearing and raising of children had prevented them from acquiring the necessary work-record; another are former kolkhozniki who do not have the requisite work record on farms and who are not permitted to combine the farm record with the record in enterprises and organizations. The shorter than required work record may also be encountered among chronic alcoholics, an increasingly sizable group in Soviet society.

The failure of Soviet writers to specify how many persons are still not covered--despite their own statements that inclusive coverage is a sine qua non of a good system of social security and that it is still a problem in their own--suggests sizable exclusions. For the country as a whole I estimate that between 8.9% and 13.2% of those of pensionable age are not covered--probably as many as 12% or 4.665 million persons.⁴² The fact that there are so many is a serious matter because there is not much else in the way of income maintenance available for them. It should be noted as well that because almost 73% of the aged in 1975 were women,

they would predominate among the uncovered and the ineligible.

Differentiation

The egalitarian ideal in income maintenance, made impotent in the early post-Revolutionary period by economic collapse, got its decisive coup de grace shortly after the initiation of the era of five-year plans in 1928, when social insurance developed during New Economic Policy came under severe attack. In 1931, egalitarianism (uravnilovka) in treating all insured workers alike rather than emphasizing differentiation by applying less stringent eligibility requirements and a more advantageous benefit formula for shock workers, union members, those in "leading" industries and unhealthy occupations, and those with long or uninterrupted work records was denounced by Stalin as a heresy. From then on, differentiation held sway, gaining momentum with the industrialization drive and becoming "excessive and fragmented"--to say nothing of flagrantly unfair and discriminatory--as it "faced production" rather than people in the post-World-War-II period when government policy called for an almost feverish effort to rebuild. The 1956 Pension Act and subsequent legislation, we are told, moved differentiation from this chaotic and oppressive condition to "a modern type implemented according to basic criteria." ~~4~~ It is noted, however, that the "modern type" has proved no less complicated and difficult to administer.⁴³ Yet today no one is advocating egalitarianism; on the contrary, uravnilovka is ritually down-graded by all, with serious scholars devoting considerable effort to show that what Lenin advocated and signed in 1918 was not 100% egalitarian after all.

This is in sharp contrast to government policy, pursued successfully in the last ten years, to bring about a more equal distribution of ear-

nings for industrial workers. Greater equality has been achieved in two ways: by raising minimum wages (from 20 rubles a month in 1956, to 27-35 in 1957, 40-45 in 1960-65, 60 in 1968, and 70 rubles in 1973-78) which helped narrow the spread of basic wage rates; and by reducing differences which reflect skill differentials in the basic rates themselves. At the same time, differentials for conditions of work, for the most part included in the basic wage system, were increased; and disparities in living and climatic conditions were also taken into account in establishing differentials in wages and salaries.⁴⁴

Currently, differentiation is applied to eligibility conditions for pensions and benefits, to amounts payable, and to circumstances under which payments are made.

In regard to eligibility, differentiation relates to the kind of incapacity to be compensated (old age, disability, etc.) and the reasons for its occurrence, whether work-connected or "general;" length of the work record; sex; and conditions of work, either ordinary or "privileged." In disability, work-connected causes pay higher benefits and disregard the length of the work record, while general causes require a work record of 2-20 years for men and 1-15 for women, depending on age at which disability occurred. These disparities are said to be desirable from a "social point of view;" but to the disabled individual and his dependents it seems unfair that he should work long and receive less if disabled by non-work-connected causes: his loss of income is the same. "Privileged" conditions affect all pensions and usually lower pensionable age and decrease length of qualifying employment, and for some, permit a more advantageous benefit formula. Such conditions apply to (1) those engaged in underground or ha-

zardous work, in hot shops, and in difficult or arduous work--if they spent at least half of the qualifying period in such settings (enumerated in "lists 1 and 2"); (2) since January 1968, to women who have a 20-year work record in "intensive" occupations in textiles; (3) to those who had worked at least fifteen years in the Far North or twenty years, when a shorter period there is added to work in regions equated to it; (4) to women who have born five or more children and raised them to age eight, and who ^{have} a 15-year work record; (5) to blind persons; (6) to dwarfs; (7) since 1975, to women machine operators on farms whose 20-year work record includes fifteen years in this occupation. "Privileged" conditions do not apply to kolkhozniki except, since June 1971, to those working in the Far North and regions equated to it. In sum, pensionable age may be lowered on the basis of eight conditions, from sixty to forty-five, fifty and fifty-five for men, and from fifty-five to forty, forty-five and fifty for women. Length of qualifying employment may be decreased on the basis of four conditions, from twenty-five to fifteen and twenty years for men, and from twenty to ten or fifteen years for women. Those included in "list 1" also have their pensions raised by 5%.

Soviet analysts do not challenge the "privileged" status conferred on mothers, blind and dwarfs, probably for demographic and humanitarian reasons. But they do question the "double" differentiation enjoyed by the rest: it will be recalled that conditions of work, as well as living and climatic conditions, have already been taken into account in their basic wages. Other criticisms explain that differentiation in fact applies to occupations and work settings rather than to conditions of work; that valid and "scientific" criteria for decreasing age and shortening the work

record in relation to conditions of work are lacking; the low length of service for those included in "lists 1 and 2" (ten years, on the average) means that a single job may, in 20-25 years, provide privileged retirement benefits for two persons rather than one, and the number of persons receiving such pensions is increasing faster than the overall growth in the number of old-age pensioners--an expensive matter for the pension system.⁴⁵

In regard to amounts payable, the factors taken into account include (1) degree of remaining work ability; (2) connection with agriculture and residence in a rural community; (3) family composition; (4) size of former earnings; and (5) character of work record--"long," "uninterrupted," or general. The disabled are divided into three groups: Group I are totally disabled who require constant attendance; Group II are totally disabled who can look after themselves; Group III are substantially disabled who can and are required to work in suitable occupations. The lower the degree of work ability, the higher the percentage of former earnings used in calculating pensions. The fact that "degree" is not a static concept, especially for III who form the bulk of the disabled contingent, frequently brings about conflicts between the interests of the individual and of the state. Possession of 0.15 or more hectares of land requires a 15% reduction in pension. "Family members" eligible to receive supplements or survivor ~~p~~ pensions are children, spouses raising children under eight, and unable-to-work adults who were in fact supported by the breadwinner at time of death, retirement or disability.

Size of former earnings is a crucial element. In old-age pensions, calculations are based on two scales: the first is for those whose conditions of work included them in "lists 1 and 2;" the second, for all other

workers and employees. Since 1956, both are weighted in favor of the low wage earner, a feature that provides for six earnings categories from a low of thirty-five or less to a high of 100 or more rubles per month: those earnings under thirty-five rubles get 100% of earnings on both scales; those earning 100 or more get 55% of earnings on the first and 50% on the second scale. For kolkhozniki, the second scale has been used since 1971 (before that a much less generous two-tiered scale was applied). As to how much was earned, for kolkhozniki earnings during five out of the ten years preceding application are averaged out; for workers and employees, earnings during the five-of-ten years or the twelve months preceding application. In 1971, more than 92% chose the latter, to take advantage of raises in minimum pay.⁴⁶ For kolkhozniki the right to choose the 12-month period would also be more advantageous and for the same reason, but so far this has not been permitted. In disability pensions, the three methods for calculating them mandated by the 1956 Act, which placed them at a pronounced disadvantage vis-a-vis the aged and resulted in dire deprivation for many, were finally abandoned at the end of 1974--but only for Groups I and II: for them, pensions are now calculated as a percentage of old-age pensions that ranges from 90-110%, depending on Group and cause of disability. Hailed as a great advance, this change leaves unreformed the stingy two-tiered system for Group III, the largest contingent, "stimulating" its members to work. All pensions fall within set minimums and maximums. The former are supposed to assure minimum subsistence; the latter (added to weighting the formula in favor of the low wage earner) is supposed to partially level off differences in wage scales on the basis^{of} which pensions are calculated. However, these outcomes require that minimums and maximums keep up with rising earnings: if they fall behind and stay behind for

long periods, deprivation for beneficiaries can become acute.

In sickness benefits, 100% of earnings is paid to those whose illnesses and injuries are work-connected and to working pensioners, regardless of any other conditions; to those whose illnesses and injuries are due to general causes, provided they have an eight-year or longer uninterrupted work record and are union members; and since 1975, to sick or injured by general causes who are supporting three or more dependent children, if they are union members, regardless of length of uninterrupted work record. Lack of union membership for the last two categories lowers their benefits to 90% of earnings. Benefits of less than full earnings are paid to all others ill from general causes: when employment is less than three years, 50% of earnings; three to five years, 60%; five to eight years, 80% (70% to kolkhozniki who are not union members). Benefits are calculated in the same manner when sick leave is taken to care for sick family members. For pregnancy and maternity, prior to 1973 the amount of benefit depended on length of employment and union membership and varied between two-thirds and full pay; since then benefits amount to full pay, irrespective of these two conditions. For all these benefits, amount of earnings for workers and employees is the last monthly pay or, in piece-work, average earned during last two full calendar months; for kolkhozniki, average pay for the past calendar year. Because the latter, in addition to earnings, receive payments in kind, figuring out "actual earnings" is very complicated: one scholar needed seven single-spaced printed pages to describe it.

Character of work record, especially whether or not it is "uninterrupted," continues to pose vexing problems. Detailed and lengthy instructions

about who, for how long, and for what reason is entitled to leave a job and to stay off it without "interrupting" the work record, abound. There are "respected reasons" (uvazhaemye prichiny), and others that are not respected, but neither is defined in the law; for some occupations, work in several employing establishments can be added up; for others it cannot. Special obstacles confront farmers whose kolkhozy were transformed into sovkhozy, or who left to take jobs in industry, or were transferred to kolkhozy from machine-tractor stations; for them and for fishermen non-fulfillment of production norms, except for "respected" reasons, interrupts the work record. In 1972, 42.8% of pensioners got supplements for interrupted and 9.4%, for long work records.⁴⁷ Decisions by administrators involve subjective judgments and evoke complaints from beneficiaries who are anxious to prove that theirs are "long" (ten years beyond the requisite work record) or "uninterrupted" (fifteen years of the requisite total) work records which raise pensions by 10%. This holds in sickness benefits as the character of the work record affects their size as well.

In regard to circumstances under which payments are made, two features enter in: (1) for working pensioners, the type of employing establishment and the kind of job, as well as the level of earnings; and (2) the need to separate out the "decisive" differentiating factors from the total number operating in a given situation, either in isolation or in unison with each other. The number of "decisive" factors increases or decreases depending on whether the pension awarded is minimum, based on former earnings, or maximum. For example: when a minimum pension is awarded to a Group II disabled, causes of disability are not taken into account; when the pension is based on former earnings, in addition to level of earnings, conditions of work and length of work record are taken into account;

in maximum pensions these additional factors are disregarded. Furthermore, certain maximums are applicable to several different kinds of pensions, but minimums are specific for each kind.

All Soviet writers devote many pages to "differentiation." Some want the number of factors increased even more; others plump for decreasing them slightly.⁴⁸ The stated purposes of differentiation of the "modern" type are to fulfill the "concrete social aims" (naznachenie) of the various types of pensions and benefits, to exclude an egalitarian approach to material support when this is in the interests of society or of separate categories of workers, and to create certain advantages for those who work harder, longer and under more difficult conditions.⁴⁹ The fulfillment of these purposes has been at the cost of unequal treatment of people in similar circumstances: for example, ^{given} the same Group of disability and the same former earnings, differentiation produces thirty different pension levels for Group I, fifty-four for II, and twenty-four for III.⁵⁰ I do not think that differentiation is likely to be trimmed down by re-direction in philosophy about its stimulating effects or by getting all Soviet citizens to internalize the notion that labor is a "prime necessity of life in a socialist society." What may reduce it to reasonable proportions, as well as endow it with greater capability to respond to meaningful dissimilarities in the human condition, will be the ever more insistent need to construct an effective and efficient administrative structure to handle the soviets' huge social security work load.

"Stimulating" Pensioners to Work

Under the 1956 Pension Act, a pensioner forfeited his pension if he continued to work after retirement and earned over 100 rubles per month;

if he received less than this, his pension was cut to fifteen rubles. This did not "stimulate" many to remain in the labor force. Efforts to make continuing work more attractive began in 1961 as labor shortages became more pronounced; and regulations which came into force on April 1, 1964 granted a flat 50% of full pension in addition to wages to workers and employees in many industries and occupations, if they continued to work full time. In the Urals, Siberia and the Far East, where the shortages were most acute, they became entitled to 75% of pension. In no case was the pension to be less than the minimum laid down by law, while the ceiling for pension and wage combined was set at 200 rubles per month. In agriculture, full pensions became payable. Under these arrangements, payment of pension depended on the character of work after rather than prior to pension award.

The new system did not prove "fully effective," however, having induced only some 200-300,000 persons to continue work. The explanation offered was that the great mass of working pensioners were still receiving only half their pensions.⁵¹ Consequently, at the initiation of the ninth plan in 1970, full pensions were made payable in a wide variety of occupations throughout the country, and the wage-plus-pension ceiling was raised to 300 rubles per month. These provisions are still in operation today, having been projected into the tenth plan (1976-80). If a pensioner's earnings-plus-pension exceed the 300-ruble a month ceiling, the pension is reduced accordingly. Those in uncovered occupations receive a pension of fifteen rubles if their monthly earnings do not exceed 100 rubles; to those on "privileged" conditions, either 50% of pension or fifteen rubles (whichever is higher), is added on. Those receiving partial pensions con-

tinue to be excluded, with two exceptions: kolkhozniki and workers and employees on farms are entitled to their partial pensions in full, in addition to earnings. These substantial material incentives, it was hoped, would keep many old-age pensioners at work--an army 29.4 million strong in 1976, including 2.3 million "younger" pensioners (those who retired at earlier ages on "privileged" conditions).⁵² Not much in the way of additions to the labor force was expected from the disabled: the totally disabled cannot work; of the substantially disabled, four-fifths are already working.

An unprecedented amount of attention has been devoted by Soviet scholars to analyzing the results of these "stimulating" measures. Especially illuminating is an analysis of what took place among workers and employees during the decade January 1, 1963-January 1, 1973 when the number of working pensioners rose from 631,000 to 3,616,000, that is, by 2,985,000. Of this increase, 50.8% was due to a 140.5% increase in the overall number of pensioners; 39.2%, to increase in size of pensions paid during work; and 10% to such factors as lengthened ability to work, improved working and living conditions, widening gap between level of pension and level of earnings. Increases in working pensioners did not always produce corresponding increases in the labor force: those not entitled to draw pensions concurrently with wages mostly refrained from claiming them and hence, were not counted as pensioners. Taking all this into account, it is calculated that the net gain during this decade was about 500-700,000 rather than 2,985,000. Increases took place in the years when doing so became financially advantageous; on the average, during 1964-75 increases amounted to 1.3% per year, but toward the end, despite more generous pensions, rate of increase was slowing down. By 1973, 91.4% of working pensioners from among

workers and employees were receiving full pensions, 5.7% were being paid 50% of their pensions (75% in the Urals, Siberia and the Far East), and only 2.9% were getting no pension or less than fifteen rubles a month. Yet, in 1975, "only" 24.3% of pensioners were working, that is, 4,424,000 persons.⁵³ Why these less than "effective" results? Several studies are at hand. What emerges is that poor health is the major deterrent: it keeps between half and three-quarters of the pensioners out of the labor force; ~~housework~~^{hold} duties and care of children are also important, preventing between 8-27% from working. That these must be compelling reasons is suggested by the findings that only between 1.6-23.4% do not work because they consider themselves "materially secure," and less than 1%, because they cannot find suitable work.⁵⁴

Information on kolkhozniki is much scantier. The most reliable figure indicates that in 1970, 2,010,000 or less than 20% of the total on pensions were working.⁵⁵ Writing in 1977, another scholar notes that in agriculture, the rate of labor participation among pensioners has been decreasing, and that "at present, participation among city pensioners is almost twice as high as among village pensioners."⁵⁶ He found that as eligibility conditions and pension levels for kolkhozniki move closer to those for workers and employees, the rate of labor participation among them when they reach retirement age declines. He concludes that the movement toward equating village and city in social security has to be conducted with greater differentiation than is now the case.

The current system of "material stimulation" has produced several negative side effects. It is expensive: cost of pensions for working pensioners went up from 0.5 billion rubles in 1968 to 2.5 billion in 1975, a sum which is not much less than the amount budgeted for all improvements

in the pension system during the entire ninth plan, 1970-75. Incomes of pensioners and younger workers in the same jobs have been "correlated," an "abnormal" development because there is no increase in the pensioner's productivity nor in his consumption needs. That the average pension of a working pensioner is higher than of a retired person is also unsound. Enterprises find it difficult to lay off unproductive pensioners who use all their strength to remain on the job, often to the detriment of their own health and of the productive potential of the enterprise. Because certain managerial and supervisory personnel can get pensions-plus-salaries only for two months out of a year, they leave in droves and have to be replaced by younger workers who would be more useful elsewhere. An embarrassing situation occurs in families when decisions are made about who will remain at home to raise a newborn. It is often the young mother rather than the ^{the} grandmother who is selected because ^{the} latter's earnings-plus-pension will be higher than what her daughter can earn.⁵⁷

That material gain is still the major lever is not disputed, but there is also agreement that the outer limits of stimulating by the current system of material incentives have been reached. Efforts must now be redirected toward retaining pensioners at work as long as possible, and on making their work as effective as possible--efforts that are worthwhile because studies show that 27.2% of pensioners who have been in retirement less than five years are fully capable of continuing their former jobs in normal circumstances; another 42.4% can do them but somewhat less effectively; and only 13.3%, to a limited extent and 17.1%, not at all.⁵⁸ But what must be taken into account is that although the rate of labor force participation among retired women is lower than among retired men, the "basic mass" of working pensioners are women and will continue to be in the fore-

seeable future; that the greatest potential for participation is during the first decade after reaching retirement age; that during this decade, productivity is only slightly lower than for workers of non-pensionable age and qualifications not measurably diminished, but these pensioners do find it progressively more difficult to turn out the volume of work expected of all workers, or to continue in heavy physical labor.⁵⁹

To deal with these peculiarities, it is urged that lower production norms be established for working pensioners--a measure that would be consistent with the socialist principle "from each according to his ability;" that part-time work, by the day or by the week, desired by many pensioners in many parts of the country, be made widely available; that opportunities to work at home, also wanted by many, be expanded; that ~~a~~ certain jobs, based on occupations especially suitable for the aged, be reserved for pensioners in selected employ^{ing}~~ment~~ establishments. Extra work breaks, annual leave twice rather than once a year, longer paid leaves, transfers to lighter work, regular medical check-ups for preventive purposes, single-shift work, and training for less arduous occupations are also indicated. Working pensioners must feel that they are wanted, respected, and thought of as persons who demonstrate exceptional "valor" and love of country.⁶⁰

But, it seems, many hurdles stand in the way of carrying out these ideas. Managers continue to set norms without allowances for the elderly! transfers to lighter work are not easily obtained. Part-time work is scarce: it was non-existent in Moscow industries studied in 1968-71, while the service sector offered it to only 4% of the city's working pensioners; in 1977 in Belorussia only 0.8% of pensioners were working part-time; in Minsk, a major industrial center, only 0.6% were in such employment.⁶¹ While special enterprises or special shops within regular enterprises are available

for the disabled (especially for the blind and deaf, developed by these handicapped persons' all-Union Societies), this is not the case for the aged. As for homework, in 1973 in the Russian Republic a quarter and in Latvia, a half of working pensioners were working at home; but these were the exceptions; in other Republics distribution centers from which pensioners can get their materials and assignments are still few.

Soviet researchers are realizing that more basic changes are needed. The trouble with the current system is that it first turns able-to-work persons prematurely into pensioners and then, by resort to material incentives, tries to return them to worker status. This happens because pensions are seen as rewards, rather than as compensation for lost earnings awarded to those no longer able to work. People should make the decision about ability or inability to work themselves; the system should encourage them to do so realistically by ~~by~~ offering an increment to the basic pension for every year of work above the "retirement age," a sort of higher compensation for "overtime" work. If, for example, the increment for each year of work is 10%, for the worker who stays on the job till age sixty-five the pension will be $1\frac{1}{2}$ times higher than for the worker who opts to retire at sixty.⁶² But no evidence is offered that such an "overtime" approach would be more "stimulating" than the present system, or that it would be less expensive, or that it would make pensioners* work more "effective," or that it would help narrow the gap between level of living before and after retirement, to the end of an individual's life.

Nobody has proposed raising retirement ages. The conclusion is inescapable that this expedient is ruled out because of political considerations--inside and outside the country. As yet, the government finds it

inadvisable to modify upward the retirement age of sixty for men and fifty-five for women (earlier for some) which, it has been proclaiming for years, is "a major social achievement of the Soviet socialist system."

Administration

The administrative pattern for social security has remained virtually unchanged since the 1930s except that it has become more complicated as new programs were added. The directing organs are the fifteen Republic Ministries of Social Security, the all-Union Central Committee of Trade Unions (AUCCTU), and the all-Union Social Security Council of Collective Farmers (Council). Within the Ministries are lodged the Medico-Labor Expert Commissions (Vrachebno-Trudovye Ekspertnye Komissii--VTEK) which play a key role in disability determinations. The Ministries' functions are to serve those no longer in the labor force, persons who require custodial care or long-term economic assistance, and many whose needs arise out of social conditions;⁶³ the AUCCTU is responsible for workers and employees active in the labor force; the Council, for farmers active in the labor force. All three exercise certain functions in each other's domain.

For administrative purposes the Ministries divide their Republics into regions (oblast and krai) and each region into districts (raiony) and ~~and~~ municipalities (goroda), to parallel governmental structure. The AUCCTU, with a membership of 113.5 million in 1977, works through its constituent unions, organized on a territorial basis as well as by branches of industry; it includes the Union of Agricultural Workers and Employees with a membership of 4.5 million. The kolkhoz hierarchy starts at the level of each farm and goes up to area, region and Republic, the latter three councils required to include representatives of the Ministries and of Finance.

Since 1955 both the AUCCTU and the Ministries have been "controlled" by the USSR Council of Ministers' Union-Republic State Committee on Labor and Social Questions (Committee).⁶⁴ In addition to serving in an advisory role to the Council, this Committee's Department of Social Security performs a key interpretive function designed to realize "a single state policy" in social security throughout the nation and to coordinate the work of the organs involved.⁶⁵ Cleared with financial, planning and other high-level government agencies, its directives are binding on both the AUCCTU and the Ministries. But while the AUCCTU deals only with the Committee, each Ministry is accountable to both the Committee and its Republic's Council of Ministers. The Ministries' departments below the Republic level similarly find themselves in a "double-subordination" position: vertically, to the higher organ in the hierarchy; horizontally, to the executive committee of the appropriate soviet of people's deputies. Theoretically, vertical relationships bring about procedural unity in implementing legislation; horizontal relationships make possible appropriate responses to local conditions. But, we are told, the problems generated by this double system--such, for example, as numerous directives from above about questions that are clearly within the purview of lower organs--are yet to be resolved.⁶⁶ Decisions in regard to social security payments are supposed to be made by committees constituted in various combinations from representatives of Ministries, unions, farm councils, financial organs, municipal, district and regional soviets, and representatives of management. Given this many-faceted structure, it is not surprising that administration of income-maintenance programs in the Soviet Union experiences practically every problem known to the science of public administration, including undercutting from vested interests both within and between the organs

involved. I shall discuss only those that seem especially important.

A major problem is the need to achieve a "correct combination" of centralized and decentralized functions in social security administration. Normative regulations are embodied in all-Union statutes; but Republic statutes regulate the procedures to be followed, the organizational forms and operational methods to be utilized. The Ministries are called upon to carry out both all-Union and Republic laws and regulations. Rather than assuring a responsive attitude to differences in local conditions, in practice decentralization has led to different rules in the fifteen Republics on how to apply the same norms--rules which have little to do with cultural characteristics or with the style of life in a particular Republic. This results in unequal treatment of persons with the same rights, a situation not measurably ameliorated by "methodological guidance" (metodologicheskie rukovodstvo) and "control," functions that are also carried out differently due to absence of all-Union criteria for undertaking them or comparing their effectiveness.

There is considerable consensus that the time is ripe for a single, all-Union normative act--an act that would spell out the major principles that should govern all forms of social security, conditions of eligibility and standard of provision for each form, principles regulating their administration, including procedural questions, basic rights of citizens and the way they are to be guaranteed. Such an act would delimit the competence of all-Union, Republic and local organs; advance coordination, uniform implementation and standard-setting; reduce the multiplicity of regulations now engulfing the system; fill in gaps; and evolve current and future plans for its development. To achieve the act's potential fully, a central directing agency for the country's entire social security system

would have to be created--without infringing on the sovereignty of Republics who would continue to administer, to explicate and "liquidate" disproportions," and engage in comparative research, with special emphasis on social security's impact on beneficiaries. A single all-Union act presupposes, however, the fusion ^{to} resources into a single fund, with clear-cut criteria to determine the share to be contributed by industry, collective farms, and the national budget⁶⁷--as well as the unification of the existing three-branch legal base into a single social security law, elevated to an autonomous status in the country's system of jurisprudence.

Another serious problem is that committees responsible for decisions about payments made by social security frequently do not function effectively, handicapped especially by shortages of trained personnel. For workers and employees, the preparation and "presenting" of pension claims to Ministries is assigned to a three-member committee composed of the enterprise's personnel inspector who acts as chairman, its bookkeeper, and a union representative. In collective farms these functions are carried out by committees appointed by the district social security councils. Since Ministries do not maintain records of earnings of covered individuals nor are such records maintained in any centralized facility, they must be developed at the time claims are made at individual enterprises and farms. When it is realized that annually claims are made by millions of people, it is easy to see that these committees' task is huge.

Theoretically, they are supposed to be able to obtain all the information they need from work books, a basic document filled in by bookkeepers throughout a person's working life. But, it seems, work books are often lost, destroyed or, the most troublesome problem, inaccurately and/or incompletely filled out. The effects of wholesale evacuations and of being

trapped in occupied territories during the War are still being felt; losses also occur when enterprises are "liquidated." Inquiries must be sent to previous employers, witnesses located, and to prove age, the judgment of medical examiners obtained. Among staff responsible for making work book entries, there are people who are not "literate," who do not know the law, and who are hamstrung by lack of legal and archival materials. Despite a stream of instructions,⁶⁸ incorrect entries abound. For example: in 1977 in Permsk oblast, 25% of 24,000 work books were incorrectly filled out, especially serious errors having been made in regard to privileged conditions. The decisions of kolkhoz committees are likewise beset by many errors and "inefficiencies," explained largely by insufficient training, a weak understanding of the law, and lack of know-how for organizing their work effectively.⁶⁹ All this brings about delays, emotional upsets, complaints, "nipping" (ushchemlenie) of rights to benefits, underpayments and overpayments.⁷⁰ It makes clear why committees are urged to draw up lists of those who plan to retire at least two-four years in advance.

In relation to working pensioners, committees are supposed to make sure that management in industries and farms notifies Ministries within five days about hiring a pensioner, giving his post-retirement occupation --as well as make sure that the reported occupation is the actual one. But all this is very often (splosh i riadom) ignored. In 1970 in Moscow, for example, 15% of supposedly retired old-age pensioners were in fact employed; neither management, nor the pensioners had notified the Ministries.⁷¹

For the disabled there is the additional process of going through VTEK, a committee composed of three doctors, one Ministry worker, and one union representative--the latter included because his knowledge of work-

ing conditions in specific enterprises and occupations is supposed to be helpful when suitable jobs for the disabled are considered. But in 1974, the Russian Republic's minister of social security castigated the infrequent and sporadic attendance of VTEK sessions by both union representatives and Ministry staff as causing serious defects in VTEK work.⁷² Many survivors experience long delays in claims processing.

These failings on the part of enterprise, kolkhoz and VTEK committees complicate the work of the three-member Ministry committees--appointed by local soviets and composed of Ministry staff, representatives of Finance and of unions or kolkhoz councils, depending on the cases being reviewed--that evaluate the validity of the "presented" claims and fix the amount of pension. They do the same for claims presented to the Ministries directly by those who had left employment prior to application, after processing by Ministry staff. Ministries also handle applications from the congenitally disabled, mothers of many children and unmarried mothers in regard to whom payment decisions are also supposed to be made by special committees--in fact, largely a paper requirement.

In varying degrees, the fifteen Ministries are concerned to raise the competence of their staff, expected not only to do the work of the Ministries themselves, but also to act as teachers, organizers and sources of information for committees in work places to which they are "attached." Because of the preoccupation with determining eligibility, the qualifications that are valued most are law and economics degrees, training in finance for bookkeepers, and specialized medical training for doctors handling disability cases. An increasing proportion of new workers come with these qualifications, and the level of education in general has been rising, but still in 1974 social security organs everywhere were expe-

riencing a "sharp need" in personnel with legal and medical education.⁷³ To beef up staff competence, Ministries undertake a variety of educational efforts: in-service training; for some key workers, paid leaves to attend courses organized by the larger Ministries or by their district and regional subdivisions (in smaller Ministries, need for training "still awaits solution"); "training letters;" articles in the Russian Ministry's monthly journal (Sotsial'noe Obespechenie) which often includes "problems" it invites readers to solve, followed by the right answers in subsequent issues; seminars on special subjects and on new laws; encouragement to take correspondence courses. The emphasis is on learning the law and how to apply it "correctly"--on "practical" knowledge.⁷⁴ Staff are not inspired to question policies and goals that come down from above. Despite these efforts, training remains insufficient and patchy, its impact diluted further by absence of job descriptions that would spell out the rights and duties for each position. Pay and prestige are low, staff turnover is quite high, and performance continues shoddy.⁷⁵ In the Soviet Union, explains a scholar, administration must have a "mutual" character: activists, as representatives of society, help government organs in their practical work by involvement in committees; government organs must constantly raise the qualifications of these helpers, organize their work, and share best experience with them.⁷⁶ That this ideal mutuality has not yet developed to the point of producing social security payments that are correct rather than approximate, and of doing so equitably, promptly and courteously is frequently noted and criticized.

The situation is not better for those active in the labor force. Sickness benefits, the largest program, are also administered by social insurance committees whose members are unpaid activists. Among them, the

most directly involved are the "social insurance delegates" whose unique function is to visit those who do not report for work. The purpose is a double one: to help the sick person recover as quickly as possible and to check up on malingerers. Delegates are also expected to intercede on behalf of those who need emergency aid, and to be able to explain to workers and farmers what they are entitled to, and how to realize their rights. The majority of delegates have always been women. Since they are not freed from their regular jobs, they must perform their union-assigned tasks outside of working hours--hardly possible to accomplish in a systematic and thorough manner given the "double-shift" lives of Russian working women. Besides, delegates are elected annually "and in the majority of cases change almost every year" which is not "efficient," because during their first post-elective year they can become only "generally acquainted" with all that they need to know and to know "in depth." The turnover problem is aggravated by continuing difficulties in providing training not only for delegates, but for all involved in social security work: often instruction for newly-elected activists is delayed so long or spread so thin over such long periods that during the major part of their tenure they are ineffectual; sometimes it is sporadic, of low quality, irrelevant, unrelated to practice. Faced with multitudinous eligibility conditions and differentiation requirements, activists often feel inadequate and unsure.⁷⁷

Allowances for children in poor families whose parents work in industry are administered by three-member committees made up of union and management representatives; on farms, representatives from Ministries, the farm's management and its social security council are included. This arrangement was instituted "because the makeup of a family and its income,"

the two items that must be investigated before eligibility can be established, "are best known" at the place of employment.⁷⁸ The impression conveyed by the literature is that in industry neither management nor unions are interested in administering this program--not surprising perhaps, given the intricacies of the law, financing of the program from general revenues with no visible tie-in to stimulating productivity, and its means-tested nature which may stigmatize its recipients.⁷⁹ In many work places the required registers of applicants are not kept, or kept inaccurately or sloppily; delays cause eligible families to lose allowances. Two years after the program's inception, we are told that many errors continue to be made, the basic reason being ignorance among all responsible for administration. Similar problems exist on farms, despite reviews and audits by Finance and Ministries.

An increasingly urgent problem, given the huge and complicated social security work load, is the need to create a fully automated system, to do away with inefficient hand operations that now take up almost 70% of staff time in the Ministries' local offices. First steps in this direction were taken about ten years ago when some Republics began to transfer to automated centers operations involved in calculating and making payments. As yet, however, this conversion is by no means universal: even in the Russian Republic, the nation's leader in social security, centralized operations covered only half of its autonomous republics, krais and oblasts.⁸⁰ Even universal conversion would constitute only the beginning of a fully automated system--one that would require not only special technology and ⁷sizeable resources, but also a unified legal base to exclude the influence of local conditions and peculiarities; a unified and simplified administrative structure leading from district to region, to Republic, and to

an all-Union central directing organ; a classification of beneficiaries into homogeneous groups on the basis of type of money payment awarded; a few uniform basic forms for required documentation to do away with the multiplicity and variety that exist now; a "single, legally regulated mechanism" for awarding, calculating and paying the various benefits, without, however, infringing on the rights of thousands of committees.⁸¹

Judging from the slow pace of change in social security, a "non-productive sphere," in the past, it is not likely that movement in all these directions will be rapid. Resistance on the part of those who see technology as threatening "democratic centralism" is already cropping up! not all staff, freed from preoccupation with eligibility and presumably then able to strike out into the service area, to become "creative" and "organizationally skilled," may be enthusiastic about such loftier duties; how unions will react to a more "precise definition" of their status in social security that may downgrade it also remains to be seen.⁸²

Underlying these problems is the lack of meaningful research for policy formulation that has plagued Soviet social security throughout its existence. This is now being fairly widely recognized. Soviet scholars are calling for a "deep" analysis--sociological, economic and demographic--of factors that influence the structure of the population of pension age; for a scientific examination of the relationship between the development of social security and the social and economic life of society; for research into the legal aspects of social funds, especially those allocated to farmers; for investigations into the level of living provided by social security, taking into account both the interests of beneficiaries and of society; for evaluation of the methods used to "stimulate" pensioners to work that would respond to their interests, as well as to the country's

need for labor; for developing a series of minimum budgets, taking into account age, family composition, regional price differences and other pertinent factors; and for many other investigative undertakings.⁸³ To successfully carry through even a part of the "many-sided" (kompleksnye) research undertakings that are now seen as essential for the "perfecting" of social security would require not only sophisticated methodology but, more important, fearless and honest reporting of results. This, in turn, would call for a reversal of policy and, via allocation of the necessary resources, a change in values placed on serving those who only stand and wait. That all this will happen in the near future is questionable.

Level of Benefits

Of all the problems that now make imperfect their social security system, by far the most disturbing to Soviet planners is the level of benefits.

As in wages, efforts to raise pension levels have concentrated on raising minimums. The fact is, however, that while minimum wages have been raised four times since 1956, minimum pensions have been raised only once, in 1971; remaining "historical" for so long--fifteen years for workers and employees and seven for kolkhozniki--they could not prevent the gap between the level of living of beneficiaries and of the working population from widening. So it was before 1956 as well.⁸⁴ To this intractable problem I shall return. But first, how are minimum pensions fixed? This is done on the basis of the cost of an unable-to-work person's minimum budget, decreased by the cost of free services and privileges and adjusted to differences in needs by taking into account such factors as degree of incapacity, presence of dependents, and number of unable-to-work survivors.⁸⁵

What is the minimum budget and how is it constructed? Concerned with widespread poverty--a 1967 Western estimate placed 41-44% of individuals

in poor families⁸⁶--the Soviet government began research into minimum budgets in the late 1950s. The publication that defined the poverty line came out in 1967.⁸⁷ It established a minimum budget (free services and privileges having been excluded from both income and expenditures) for a family of four--the father, a machine worker; the mother, a worker in light industry; a schoolboy of 13-14; and a schoolgirl of 7-8--for the period 1965-70 (eighth plan); a minimum budget for the same family for "the coming period" (na predstoiashchii period), that is, for 1970-75 (ninth plan); and a "rational" (ratsional'nyi) budget for the same family without specifying the time period, derived from the need "to meet fully wise and scientifically established human requirements." The method for developing these budgets was to use pre-determined consumption norms and to apply them to selected goods and services--not to reflect what and how much was actually bought. The set of food items in the 1965-70 budget, which accounted for 55.9% of total budgeted expenditures, reflected the "least favorable structure of food consumption under conditions existing in the country at present, for it is composed of the cheapest food stuffs;" clothing and shoes, which accounted for 20.9% of expenditures, represented "the lowest figures on the price list" from which these items were chosen. The same tendency to minimize all expenses characterized the budget for 1970-75. Clearly, the two budgets were indeed austere--even by modest standards. The budget for 1965-70 required 51.1 rubles per person per month; for 1970-75, 66.4 rubles; the "rational" budget, 153.3 rubles.⁸⁸ Of the two minimum budgets, it is the one for 1970-75, that is, 66.4 rubles, that would come closest, but would certainly be below, the minimum budget for one person in 1976-80 (the tenth plan): Soviet writers stress that such budgets must be adjusted to each higher stage of the country's economic

development; and there is inflation.⁸⁹

What are the eight minimums for social security beneficiaries who are workers and employees? For old-age pensioners the minimum is 45 rubles; for Group I disabled, 70 rubles; for Group II, 45 rubles; for Group III disabled by general causes, 21 rubles, and disabled by work-connected causes, 25 rubles; for one survivor, 23, for two, 45, and for three, 70 rubles. If connected with agriculture, minimums are reduced by 15%. The difference between the highest and lowest minimums is 333%--a stunning effect of "differentiation".⁹⁰ For kolkhozniki the minimum old-age pension is 20 rubles per month; for Group I disabled by work-connected causes, 35 rubles, by general causes, 30 rubles; for Group II, 25 and 20 rubles, respectively; for Group III disabled by work-connected causes, 16 rubles (they are not eligible for benefits when disabled by general causes).

Looked at in relation to the current minimum wage for workers and employees, 70 rubles a month, the minimum benefit equals it in only one instance: the totally disabled who needs constant attendance for which he must pay out of his pension--a far cry, indeed, from Lenin's dictum of benefits equal to total earnings. But even when looked at in relation to a dated and austere minimum budget, 66.4 rubles a month, the same situation obtains: the minimum benefit ranges from 32% of minimum budget for Group III disabled by general causes to 68% of minimum budget for the aged. Even if one agrees with Soviet analysts that the unable-to-work do not need as much to live on as persons active in the labor force--without saying what the magnitude of adjustment ought to be--it is obvious that minimum pensions keep the overwhelming majority of beneficiaries below the poverty line, to say nothing of keeping them at a much lower level than people earning minimum wages.

That the "historical" nature of minimum pensions, as well as the historical nature of the minimum budget on which they are based, plays a major role in depressing benefit levels has been indicated. It also generates other problems: the pension of a highly skilled worker who retired at an earlier date may be lower than the pension of an unskilled worker who retires at a later date; equal pensions may be awarded workers of different skills who had received different earnings; lack of dynamism leads to an increase in the proportion of pensioners who receive amounts close to minimums; the lower, and also immovable, average pension that results likewise produces inequities between "old" and "young" pensioners; unequal treatment diminishes the role of pensions in raising productivity.⁹¹ It is no wonder, therefore, that much attention is being devoted to the establishment of "a firm, dynamic and rational correlation" between minimum earnings and minimum pensions that would not weaken the "according to work" principle. So far, Soviet policy makers have not developed such a correlation--a problem considered by them of primordial importance now and for the future.

In contrast, there is relatively little discussion about maximums. In old-age pensions for workers and employees, the maximum has remained unchanged since 1956--120 rubles a month; in disability, maximums were raised at the end of 1974 to 120 rubles for Groups I and II, and to 70 rubles for III. For kolkhozniki, maximums for old age and disability were equated to those for workers and employees in 1971--always lowered by 15% because of rural connection. In sum, maximums are considerably below the "rational" budget, set at 153.3 rubles a month in 1967, in relation to which they are supposed to be calculated.

It is a noteworthy fact that the Soviet government does not publish

statistics on the size of any social security payments. It is possible, however, to estimate average pensions. In 1975, for all pensioners, the average per pensioner per month was 46 rubles (24.441 billion rubles spent on 44.410 million pensioners), a rise of six rubles since 1972.⁹² For workers and employees, the average in 1975 was 50 rubles (17.761 billion rubles spent on 28.640 million pensioners);⁹³ for those who continued to work, it was 48 rubles (2.5 billion rubles spent on 4.424 million pensioners). In other words, the average pension is very close, indeed, to the minimum old-age pension (the basic one in relation to which the others are fixed) and is, therefore, substantially below a 1970 poverty line. For kolkhozniki, the average pension was 26.6 rubles in 1971.⁹⁴ Assuming a rise of six rubles (the same as for workers and employees), it probably amounted to 32 rubles in 1975. To think that aged and totally disabled farmers can significantly alleviate their situation by realizing as much income from their private plots as do younger families (about 30% of total income) is clearly unrealistic--as it is to assume that these rural pensioners usually have children of working age in their own households, given the continuing exodus of young people from the country-side.

To convey some notion of what average pensions of this size can buy, it may be useful to explain that in general hospitals, food (notoriously of poor quality and devoid of fruits, vegetables and proteins) per person per day costs one ruble or 30 rubles per month.^{94A} A person living in the community undoubtedly spends more on a subsistence diet--at least 35 rubles a month. From what is left, the pensioner must pay for rent and utilities (perhaps 5-7 rubles a month), for clothes and shoes (very expensive items, shoes, for example, costing at least 20 rubles), for about half of the medicines he may need, and for everything else other than medical care. This adds up to a meager existence.

In addition to kolkhozniki, the especially disadvantaged are women, the disabled and their survivors. Women predominate in low-paid occupations and therefore earn 40% less, overall, than their male counterparts, and their jobs (with few exceptions) do not confer a privileged status; as unable-to-work dependents of retired workers and employees, they receive supplements amounting to only 10% of the breadwinner's basic pension; as dependents of kolkhozniki, they receive nothing; on average they live ten years longer than men and consequently, predominate among survivors who get the lowest minimum pensions. As for the disabled and their survivors, between 1956 and 1975 most had to live in severely deprived circumstances: it was not until the end of 1974 that a new decree brought pensions for Groups I and II almost in line with those for the aged and changed supplements for dependents from percentages of basic pension to flat amounts, ranging from ten to 30 rubles a month, in some cases raising them almost 300%.⁹⁵ This change was motivated by findings that the proportion of disabled with dependents was three times higher than among the aged, and that 86% of these dependents were children. Pensions for families with two or more survivors also went up, but nothing was done for those with one eligible survivor, nor for Group III disabled, the largest contingent, except that their maximum pensions were raised from 40 to 70 rubles. All this demonstrates how miserly the provisions were until 1975--not how adequate they are now.

What is the level of payments in status-oriented programs? Monthly allowances--starting with the fourth child at age one and continuing to age five--increase with succeeding children: from four rubles to 15 rubles for the eleventh and subsequent children. For illegitimate children, payments start at birth and continue until age 12. "One-time" allowances, paid at birth, range from 20 rubles for the third child to 250 for the eleventh and subsequent children. These levels were fixed in 1947 (when prior levels were cut in half); their meagerness and short duration need no com-

ment. Yet, these mothers and children--2,605,000 mothers and at least $14\frac{1}{2}$ million children in 1975--⁹⁶ are always referred to as for the most part, poor.

Status-oriented grants are now counted in as income when a family's eligibility for allowances for children in poor families is considered--the latter being a means-tested program created at the end of 1974. What is the level of payments it provides? A supplement of twelve rubles a month is paid for each child under eight in families in which the average "total income" per family member does not exceed 50 rubles a month. "Total income" includes payments in cash and in kind from every conceivable source; the 50-ruble a month level does not quite reach the 1965-70 minimum and falls below the 1970-75 minimum by 16.4 rubles so that by now it cannot provide more than 75% of what is needed for a meager minimum subsistence. The poorest among poor families, those in which per capita income is below 38 rubles, will not be brought up even to the 50-ruble level. Poor families whose children are older than eight will receive nothing. Budgeted for 1.8 billion rubles for $12\frac{1}{2}$ million children in 1975, the program actually paid out 1.219 million, probably because of administrative failure to reach all eligible children.

What is the level of public assistance payments for persons not covered by any other program? For workers and employees such payments have been available since 1956; for kolkhozniki, since 1965. But the only ones eligible are the totally disabled (in all fifteen Republics) and the aged (in only nine Republics)--there is no public assistance for anyone else. The tough eligibility conditions require complete destitution--"absence of any means for existence"--as well as absence of relatives legally responsible for support. As for the level of assistance, it is indeed a blot

on "socialist humanism:" for residents of urban communities, ten Republics provide ten rubles a month; one, twelve rubles; two, up to fifteen rubles; one (Estonia), sixteen rubles. For those living in rural communities, eleven Republics provide 8.5 rubles a month; two, up to ten rubles; one, ten rubles; Estonia pays sixteen. This averages out to 10.30 rubles a month in urban communities, and to 9.23 rubles in rural villages.⁹⁷ How these people survive is not explained. Nor do we know how many of them there are. But it should be remembered that the potential number is the 4.665 million persons we estimated as "uncovered" among the aged in the population. Let us hope that not all of them need public assistance.

The inadequacy of support levels throughout the social security system is manifest. This is all the more serious because no supplementation on a regular basis exists, "mutual assistance" is limited, and institutional care is available for relatively few. It is also noteworthy that no mention is ever made of savings which beneficiaries could use to improve their lot: on the contrary, it is repeatedly stressed that "the living standards of old people depend above all on the national pension scheme," that "a pension, as a rule, is the only means for existence."⁹⁸ In 1959 pensions constituted the basic source of subsistence for 62% of beneficiaries; by 1970, this was true for 82%.⁹⁹ If this trend has continued at roughly the same rate, by 1977 perhaps as many as 93% of pensioners are relying on pensions for their basic support--not an indication that by easing the dependency load on the younger members of society, they are themselves living at a decent minimum level.

As for "mutual assistance," unions are said to include in their budgets some funds for "one-time assistance" in cases of dire necessity--~~an~~ how much and in how many unions is not elaborated. "Model regulations"

(primernyi ustav) for kolkhozy urge that they establish "mutual material-assistance funds" (a throw-back to the system that existed before 1964). In 1970, 10,000 kolkhozy had them; more than two-thirds of the total number of kolkhozy did not. Assistance totalled 279 million rubles, distributed among almost five million persons; hence, no one was likely to receive more than a pittance. The single largest item, 192 million, was spent on 3,584,000 persons who needed help because of sickness, pregnancy and maternity. The reason for this seemingly contradictory situation was that for kolkhozniki no pension is paid for substantial disability from general causes: sickness benefits can continue for four months; after that, if the kolkhoz member has not been declared totally disabled, he/she gets nothing--even though still sick. To pregnant women and mothers help was given probably because their benefits under the general system were too low or they were ineligible. The second ^{largest} item was "one-time" assistance to the needy on which 45 million rubles was spent for 888,400 persons (a rise of 150%, respectively, compared to 1965). Fifteen million was spent on "pensions" for 161,700 persons, that is, less than eight rubles per month per person; and 23 million on additions (doplaty) to pensions already being received by 284,000 persons, probably to those with several unable-to-work dependents for whom supplements from the general system are not paid.

Despite steady growth, in 1975 the country's 1,520 institutions accommodated only 315,000 aged and disabled--¹⁰² when there were 41.4 million pensioners (excluding veterans). Of these, a majority have always been located in the Russian Republic (878 in 1977) which now contains more than 52% of the population. Waiting lists for the destitute--as well as for others--are long in most Republics.

And finally, there are the monthly payments to the destitute totally disabled and to some aged and the "emergency once-time assistance," disbursed by the Ministries from national budget funds. In 1975 this amounted, I estimated, to about one billion rubles for the entire country--a sum that undoubtedly, could relieve only the severest need.

It seems clear that for a majority of those no longer active in the labor force or those burdened by "additional" responsibilities, the Soviet income maintenance programs do not as yet make possible a decent minimum level of living. A better situation obtains for those who are working or bearing children: for them, sickness, pregnancy and maternity benefits by now replace from half to full earnings.

Fair Hearings and Confidentiality

As is generally recognized, the appeals process yields insight into how well a program of benefits serves the people for whom it was intended by revealing the impact of its provisions and procedures on the daily lives of applicants and recipients. Until recently, discussion of appeals was practically non-existent in Soviet literature. Now Soviet scholars are saying that too little attention has been devoted to the subject of "rights."

Under Soviet arrangements, two types of appeals are possible: the first is in regard to certain facts which are essential for establishing eligibility; the second, in regard to decisions made on the basis of these facts. In relation to facts--age, marital status, family composition and family relationships, dependency, work record, character of work--the individual's first recourse is to agencies in charge of pertinent documents, namely, registry offices (ZAGS), housing managements (ZHEK), employing establishments and collective farms. If the individual disagrees with the facts as contained in these documents, he has the right to take his case to court, a right granted in 1966.¹⁰² Such court cases, if they exist, have

not been mentioned in the literature. Administrators, usually vague on this subject, say that explanations finally convince the disagreeing individual so that court review becomes unnecessary.

In contrast, complaints about decisions which involve inefficient work and illegal acts on the part of staff and of activists in committees and which result in trampling individual rights, abound--but nowhere is it shown how many and what the final outcomes are for the beneficiaries.¹⁰³ The most common forms of violations of procedural regulations by Ministries are (1) failure to assist applicants in gathering and putting into official form the documents needed to apply; (2) failure to observe the sequence of steps to be followed in preparing and conducting cases. For example, in some oblasts it takes 4-6 months to prepare a case instead of the ten days mandated by law; disregard of the requirement to register and storage documents sometimes means that documents are destroyed too soon, causing aggravation and delays for applicants; (3) failure to adhere to regulations in making decisions. For example, applicants are quite often denied by heads of social security departments rather than by committees, schedules of committee meetings are ignored causing delays, committee decisions are not presented in the prescribed form; (4) failure to adhere to procedures governing review of complaints, that is, violating the 10-day limit in which reviews must be completed, sending complaints for review by staff members about whom the complaints are made.¹⁰⁴ All this is particularly reprehensible, writes a Soviet scholar, because the majority of the Ministries' clientele are elderly, sick, unable-to-work individuals who, besides, are not well informed of their rights. This means that the Ministries' staff must be especially sensitive, attentive and tactful, and that it must be well versed in the intricacies of applicable laws and

skilled in explaining these laws to their clients--an ideal situation that, it is suggested, is not prevalent.¹⁰⁵

Clearly, many applicants and recipients are unable without help to define their social security rights, or to decide whether denials are justified, or to figure out whether the amounts awarded are correct. And it is manifest that staff is not strongly motivated to help clients realize their rights by appealing through channels which are confined to administrative review--there is no exit into the court system. Yet, many try to redress injustices which they believe have been meted out to them.

The administrative route for pensioners is to the executive committee of the district soviet if they allege that the law has been ignored. But because committee members do not have the necessary knowledge of pension law, the overwhelming majority of these cases are sent on to higher organs within the Ministries' hierarchy; the latter do not have the right to reverse decisions or to oblige, rather than merely advise, the Ministries' committees to review the pertinent documents again. The route for appeals that charge "erroneous activities" by particular workers is directly to the Ministries' higher organs. Largely because of the great number of appeals, higher organs are unable to review them all, or to take appropriate measures, or to answer complainants in substantive rather than general terms. Apparently, many appeals that concern the activities of staff at echelons below the local department's director are returned to the director for disposition.¹⁰⁶ Appeals from municipal, district, inter-district and specialized VTEKs are either to the local departments or to VTEK in which the disabled had his initial examination. The directors of these two organs forward them to krai, oblast, Republic, Moscow or Leningrad central VTEK which requests the disabled person to present himself for an

re-examination. ~~THE~~ Decisions of higher VTEKs are final. For those dissatisfied with family allowances and allowances for children in low-income families appeals are to the executive committees of the local soviet and its decisions are final.¹⁰⁷ Public assistance payments and one-time emergency aid are at the discretion of local departments and there is no appeal from them at all.

In the social insurance system for those active in the labor force, the appeals route for those dissatisfied with decisions in regard to sickness, pregnancy and maternity benefits is through the trade union hierarchy within and outside the factory, up to the Republic union council. If the complaint is against a doctor, it goes to the chief physician within the employing establishment or, if there is a health department in the area, to it. If the latter cannot resolve the conflict, the chief doctor appoints a special commission. Its decision is final. If the worker's complaint is about management--for incorrect or delayed payment of benefit--he appeals to the union committee in the place of work, no further.¹⁰⁸

For kolkhoz members, appeal is to the district social security council whose decisions are final. According to Soviet scholars, this is actually illegal--but still remains to be changed fourteen years ~~after~~ ~~of~~ ~~being~~ ~~in~~ operation. If the district council produces materials to show that the decision by the farm committee was incorrect, the latter is obliged to review the case.

Suggestions for improving what is now seen as an inadequate system of fair hearings concentrate on the need to equip members of the many committees involved in decision making with more knowledge and to make them liable for illegal decisions; on the desirability of limiting the review activities of local soviets to complaints about the work of social security

departments (including the work of particular staff members) within their jurisdiction, to the end of "liquidating transgressions" on the rights of citizens connected with local conditions; on freeing higher organs in the social security hierarchy to concentrate on errors in implementing the basic laws and on poor practices in the work of VTEKs and institutions; on the need to open up the social security system to court review--as is now true in regard to conflicts in labor relations--given the primordial importance of pensions, especially, as means of subsistence. The necessity for a "most serious guarantee for the realization of constitutional rights" of eligible individuals would require a larger court apparatus in the short run; but because it would exert a benign influence on the quality of work in local departments, presumably the number of appeals would decrease in the long run.¹⁰⁹

As might be expected from the huge number of committees involved in award decisions for millions of people, as well as from the collectivist philosophy approved by the government which often impinges on privacy in daily life, confidentiality in social security operations is not easy to preserve. That intrusions on privacy have long been resented surfaced in 1976 when Literaturnaia Gazeta finally published a letter from one Zaitsev (similar letters received in the past had not been published) in which he asks: "Must an employee divulge the nature of his medical problems?" Current procedure, he writes, requires the signature of several co-workers on the sickness certificate before the benefit can be paid so that "medical secrets inevitably become public knowledge." He thinks that this is unethical and illegal: co-workers do not need to know, for example, that a person had been treated for venereal disease or in a neuropsychiatric clinic (the latter could label him as "psycho" and might bring about dis-

missal, on some pretext). Most readers agreed heartily. Just how "public" the knowledge becomes is shown by a personnel official who writes that in her enterprise certificates routinely move from the personnel department (four employees) to the union committee (12 employees) to the accounting office (ten employees)--a total of 26 persons. Two doctors in their letters stress the psychological trauma patients now suffer, especially if they work with small groups and there is something "juicy" about their ailments. A man explains that lack of confidentiality forced him to change jobs after recovery from a nervous depression: his fellow employees continued to consider him a "mental case." Women treated in gynecological departments express dismay at the prospect of having their certificates read at work; alcoholics claim that they are deterred from seeking treatment by the fear of being exposed to co-workers; others eschew doctors to escape being labelled "psychos." Among the few who disagreed, one emphasizes that clearly stated diagnoses in certificates are essential for preventive work by medical personnel and unions; another comments that the only embarrassed workers are 18-to-20-year-old women having their first abortions. The USSR Ministry of Health and the AUCCTU, while unwilling to change existing procedures, conceded that the number of persons with access to certificates should be restricted and that confidentiality should be strictly observed.¹¹⁰ I cannot help wondering how many among the most disadvantaged--poor families with children, unmarried mothers, the destitute among aged and disabled--also harbor resentment toward the many activists and government workers who invade their family privacy and make "public" their family "secrets" as do the administrators of sickness benefits in relation to medical "secrets."

Conclusions

As in many other areas of Soviet life, in social security the revolution is no more. While the ideological soundness of the communist precept "from each according to his ability--to each according to his need" is not officially denied, it is considered impracticable, its achievement constantly put off to some vague and distant future. What is in place is a social security "totality" within which social insurance, a "capitalist invention" that provides wage-related benefits, is the major program, but in which means-tested assistance has become a "special" type of support. The early post-Revolutionary expectations that socialism would automatically eliminate poverty, once and for all, have not materialized--despite full employment since the 1930s. At this stage of their development, the dual purpose of Soviet income maintenance programs is not different from what these programs aim to accomplish in Western democracies, namely, to provide a level of living commensurate with the general living standards of the country and for those who have made their exit from the labor force, with the standard they themselves enjoyed when still at work--and to do so without destroying the incentive to work.

As elsewhere, policies directed toward the fulfillment of these two purposes have produced unintended consequences, contradictions, and ambiguities; decisions to "perfect" the social security system have generated new issues, new costs, new residual effects. Lenin's blueprint influenced "tendencies," but has been unable to advance egalitarianism or to protect the system's welfare features from unremitting pressures by Party, bureaucracy and "profitableness," all demanding that it "face production" in the country's drive to wealth and power. Orthodox ideology has been hard put to it to defend social security from the rules imposed by industrialism. Workers have been hard put to it to develop a "communist" attitude toward labor, to internalize the need to work as intrinsically the best

means for self-expression, for simultaneously enhancing creativity and raising productivity. This is because the content of work has not been on a "high plane" and "an optimum structure of value orientations" has not been formed.¹¹¹ Failing to create "a new Soviet man," the soviets have had to rely on material incentives to get people to work harder and better-- thereby, however, contributing to a rise of consumerism and a decline of the work ethic.

Underlying many of the persistent problems in the Soviet social security domain is the unresolved conflict between the goals of individual equity and social adequacy. The former requires that each covered individual receive benefits directly related to his contribution to social production, as expressed in wages and salaries; the latter, essentially a welfare approach, that benefits provide a certain level of living for all covered individuals.¹¹² From an ideological standpoint, the social adequacy goal, as closer to the communist ideal, should be the winner; but in reality it is the individual equity goal, in the shape of "to each according to his work" principle, that has predominated. To be sure, efforts to deemphasize individual equity, relying primarily on a benefit formula weighted in favor of the low wage earner, on supplements for dependents and, especially heavily, on minimums, have not been absent. But so far the impact of these efforts has been too weak to move the system decisively or consistently toward social adequacy, chiefly because minimums are not efficient welfare devices.¹¹³ Currently, the average pension is below the average wage, below the minimum wage, and ^{25%} below a stingy poverty line established for the period 1970-75 and by now made even more meager by inflation.¹¹⁴ "Differentiation," centered on stimulating productivity in sectors of the economy considered particularly important at a given point in time, has helped some pensioners, but at the cost of aggravating the system's non-egalitarian

nature. Among pensioners who continue to work, many do temporarily believe the frugality of their economic situations. But paying full pensions concurrently with wages is costly, drains too great a share of the system's resources for the benefit of a few, and minimizes the possibility of raising support levels for the majority who cannot work. Add to this the fact that for an overwhelming "mass" of beneficiaries, pensions are their sole source of material support, and it becomes clear why the pension system has not and cannot take most of the aged, disabled and survivors out of poverty. Yet the hardships that must be endured by large contingents of pensioners pale into insignificance when compared to what is faced by the destitute aged and disabled who are not eligible for pensions and for whom there is no room in institutions. For them, it seems to me, even bare survival is problematic.

Unwillingness to introduce means-tested supplements for pensioners and decent public assistance for the ineligible is probably motivated by difficulties in coming up with an acceptable ideological base for such measures; fear that they will undermine productivity and the desire to continue working past retirement, and the expense that would be involved. There is also the fact that two-thirds of the pensioners are women and that the status of women in the Soviet Union is still inferior to that of men in many areas of life, including social security. The "inter-class and intraclass inequalities" about which Soviet social security experts are now writing have also had a particularly harsh effect on the totally disabled whose benefits remained pitifully low until 1975, and on collective farmers whose benefits are still at the bottom of the benefits hierarchy.

Insufficient material support for those no longer in the labor force continues to reflect a value system--especially disastrous for workers and employees prior to the passage of the National Pension Act in 1956 and for

collective farmers prior to the passage of The Law on Benefits in 1964-- upon which Soviet policy has been based since the 1930s, namely, that until resources become "abundant" under "full" communism, those who are working and especially those who are bearing children, the future workers, must be treated more generously than those who are no longer productive. In pensions, Lenin's dictum that benefits should equal total earnings has been almost entirely ignored; but sickness benefits by now range from half to full earnings; while pregnancy and maternity benefits equal earnings.

That the treatment of the no-longer-productive raises serious questions about "socialist humanism" is obvious. But it must also be noted that concern for parents and children, current and future producers, has experienced its most significant transformation into policy only in recent years: pregnancy and maternity benefits entitling women to full pay, irrespective of length of employment or union membership, were legislated in 1973; higher benefits for the totally disabled did not become available until the end of 1974--after research revealed that 86% of their dependents are children; liberalizations allowing mothers a maximum of seven calendar days of paid leave (instead of the former three) for taking care of sick children under 14 and a maximum of ten days for unmarried, widowed and divorced mothers, if the child is under seven, also did not become effective until December 1974; sickness benefits amounting to 100% of earnings for those sick or injured by nonoccupational causes who are supporting three or more dependent children, if they are union members, regardless of the length of their uninterrupted work record, did not exist until December 1975; and the most innovative measure--an unequivocally means-tested program for children in poor families designed to lift them to a pre-determined level of well-being--did not become operative until Ja-

nuary 1975. To be sure, the supplements this program pays still keep these families below a 13-year-old poverty level, does nothing for ~~the~~ children above eight years of age, and makes ineligible families whose incomes cover three-quarters of the poverty budget. But the program is attempting to respond to research findings that dependents in poor families constitute a higher proportion than in families with average and high incomes, and that poor families are behind the better-off in the size of money payments they receive from social funds.¹¹⁵ Surely, these findings do not represent new knowledge. Why did they elicit a response in 1975? Why the other measures to improve the lot of children, introduced since 1973? Why a rising crescendo of expert opinion--held for some time but not articulated earlier--that to be brought up by their mothers "in domestic conditions" rather than in nurseries during the first year of life is better for children?¹¹⁶ The major reason, it seems to me, is not to exhibit "socialist humanism" but to cope with what are considered low birth rates among the European segments of Soviet population (and with rising infant mortality rates throughout the country--phenomena which intensify labor shortages and which, on their social side, are influenced by poverty and its attendant ills. To some degree all the undertakings enumerated above, and especially the allowances for poor children, will deemphasize individual equity--will stimulate movement toward social adequacy.

Logically, this movement should be facilitated by the Soviet pattern of social security financing from social funds, that is, from general revenues. And because its social security system is part of Soviet society's overall distributive program, reliance on the use of social funds should be expanding. And, indeed, it has expanded (the tempo of growth of social funds is overtaking the tempo of growth of the wage fund), hailed by some as proof that eventually the communist ideal "according to need" will be

achieved. At the same time, there is considerable alarm at this development even among its supporters. Warnings abound that unless carefully controlled--unless people are constantly discouraged from thinking that no matter how poorly industry and agriculture perform, the national budget will make up all deficits--expansion will have a chilling effect on productivity. Recommendations are made that until communism is attained, payroll taxes ought to cover a larger share of social security costs than they cover now, this increase to be realized by revamping tax rates upward. Since payroll taxes are regressive, heavier reliance on them would tend to lessen the system's social ~~de~~ adequacy component and to diminish its potency as a redistributive mechanism.

These inconsistencies and ambivalences, as they feed into the perpetual anxiety about work incentive, are certain to pose difficult problems for Soviet policy-makers and administrators in relation to an income-tested program that aims to assure a minimum of economic wherewithal primarily for able-bodied parents. Nonetheless, there is little doubt that a coalescing family policy is creating the Soviet version of a guaranteed minimum income, its main purpose at this point in time to raise the birth rate and to make possible better up-bringing for children. Nor is there any question that on its economic side, this policy will rely on improved health-oriented benefits for mothers and children provided by social insurance and on more generous allowances for more poor children provided by a means-tested program. When first introduced, these allowances were expected to lift 12.5 million children--more than 37½% of all under age eight--out of the worst poverty. This I view as a first step. Gradually the contingent of eligible children will be broadened and the poverty line against which allowances are measured, will be made more contemporaneous with the country's general living standards. Perhaps personal social services, for which some Soviet experts are predicting a flourishing future, will advance as well, as families ask for them and as Soviet administrators voice a growing

conviction that money alone, although essential, is not always enough to help families stay together and do a good job of raising the next generation of workers.

For the no-longer-productive, an income-tested method of providing a decent guaranteed level of living, "factual security" (fakticheskoe obespechenie), is likely to be postponed as long as possible. In the interim reliance will continue to be placed on raising minimums and on relating them to an absolute poverty line--in contrast to a relative one-- even though such an approach has not been effective in dealing with poverty in the past. If pensions are not to remain too historical and too low for too many, Soviet experts will have to establish a "dynamic" relationship between wages and benefits that will somehow extend to "additional burdens" generated by life's infinite variety and at the same time will produce a "final income" capable of consistently fulfilling essential requirements at a level commensurate with the general living standards of the country. That they will succeed is doubtful. Eventually, pensions will also have to be bolstered by income-tested supplements tailored to individual circumstances.

In administration, emphasis on individual equity has generated what may be called a negative and excessive individualization, that is, the application of the entire galaxy of legal stipulations to each case as narrowly and strictly as possible. This has tended to bring about unequal treatment of people in similar circumstances, a result magnified by excessive administrative decentralization--to each factory, office, farm--by differences in the way the law is interpreted in the 15 Republics, and

by the use of unpaid activists who cannot be held to a standard of acceptable performance, especially when training is patchy, inadequate or altogether absent. I think that this administrative structure is dictated not so much by the officially proclaimed desire to be "democratic," as by the low level and the outright absence of technology needed for managing effectively the huge and difficult social security work load, and certainly, by the desire to lower costs. From the point of view of beneficiaries, this type of democracy, while often patronizing and condescending, is not always benign, especially when channels for rectifying its numerous "errors" do not permit exit into the court system.

There can be no question that expanded application of modern technology to social security, to make possible fully automated operations, is only a matter of time. That this development will bring about centralization of functions, a more uniform application of the law, and primary dependence on trained professionals--starting with pensions and then spreading to the entire system--is also inevitable. What is not clear is how long it will take to attain genuine implementation of human rights in social security--the freedom of beneficiaries to challenge their government when they consider the legislated norms and the decisions based on them, unjust, harmful to their well-being, and demeaning.

That advances made by the Soviet Union in social security since 1917 are real and substantial--there is no doubt. But it is equally true that these advances have not gone beyond the progress achieved under Western capitalism. As a matter of fact, our own ^{income maintenance} ~~social-security~~ system has been more effective, generous and humane in preventing and alleviating poverty than the Soviet system. What is particularly important is that in 60 years, Soviet policy makers have not evolved any theories, forms or methodology

for dealing with poverty that are unique or essentially different from those we have practiced or are in the process of exploring. Nor is there any evidence to suggest that revolutionary new ideas will be forthcoming in the future, or that progress will be sudden and rapid rather than gradual ^{and} incremental. In a larger perspective, as an institution in a maturing industrial society, Soviet social security faces a decreasing number of options--despite the distinctiveness of the political system that plans and directs the modernization process of which it is a part.

What is more promising is that in social security, as in other social problem areas, Soviet experts, researchers and administrators are now studying the existing and emerging problems more seriously and are discussing them more openly and incisively than in the past. They are much more aware of the need for valid and many-faceted data for sound policy formulation. As a result, while statistics are still fragmentary and rhetoric overflows, the issues raised are more meaningful and pertinent and the quality of information is higher. The increasing concern among Soviet scholars about the welfare impact of their system's provisions is in itself an element of modernization--one that is likely to make it increasingly possible to share and exchange ideas with their counterparts, wherever they may be found.

References and Notes

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2. E. Astrakhan, Razvitie Zakonodatel'stva o Pensiakh Rabochim i Sluzhashchim. Istoricheskii Ocherk, 1917-1970 g. (Moscow: "Iuridicheskaiia Literatura, 1971), p.30.
3. IA.M. Fogel', "Regulirovanie Pensionnogo Obespecheniia," Sovetskoe Gosudarstvo i Pravo, no.2, 1976, p.43; and M.S. Lantsev, Sotsial'noe Obespechenie v SSSR. Ekonomicheskii Aspekt (Moscow: Ekonomika, 1976), p.5.
4. Konstitutsiia (Osnovnoi Zakon) Soiuza Sovetskikh Sotsialisticheskikh Respublik, ^{Article} ~~I, section~~ 16.
5. V.A. Acharkan, "Tekushchie i Perspektivnye Problemy Sotsial'nogo Obespecheniia," Sovetskoe Gosudarstvo i Pravo, no.4, April 1977, p.21.
6. Alistair McAuley, "The Distribution of Earnings and Incomes in the Soviet Union," Soviet Studies, vol. xxix, no.2, April 1977, pp.233-34.
7. A.S. Krasnopol'skii, Osnovnye Printsipy Sovetskogo Gosudarstvennogo Sotsial'nogo Strakhovaniia (Moscow: 1951) pp.64-5; M.L Zakharov, "Razvitie Edinoi Sistemy Pensionnogo Obespecheniia v SSSR," Sovetskoe Gosudarstvo i Pravo, no.11, 1975, p.27.
8. Victor Perevedentsev, "Obshchestvennye Fondy Potrebleniia," Zhurnal ~~ist~~, no.9, September 1974, p.50.
9. Lantsev, op.cit., p.15.
10. Lantsev, op.cit., p.18.
11. V.I. Maksimovskii, Upravlenie Sotsial'nym Obespecheniem (Moscow:

- 1974), p.22.
12. Lantsev, op.cit., p.22; V.S. Andreev, Sotsial'noe Obespechenie v SSSR, Pravovye Voprosy (Moscow: 1971).
 13. A. Kolesnikov, "Aktual'nye Problemy Sotsial'nogo Strakhovaniia," Okhrana Truda i Sotsial'noe Strakhovanie, no.8, 1974, p.32; V. Acharkan, "Problemy Sotsial'nogo Obespecheniia. Obzor Literatury," Sotsialisticheskii Trud, no.4, 1973, p.144.
 14. Acharkan, "Problemy Sotsial'nogo etc.," op.cit., p.143.
 15. V. Acharkan, "Pensionnoe Zakonodatel'stvo i Problema Zaniatosti," Sotsialisticheskii Trud, no.1, January 1971, p.122.
 16. Astrakhan, op.cit., p.209; this sentence is attributed to V.S. Andreev in Acharkan, "Problemy Sotsial'nogo etc.," op.cit., p.143.
 17. I.A.M. Fogel* , Pravo na Pensiiu i Ego Garantii (Moscow: 1972); Acharkan, "Problemy Sotsial'nogo etc.," op.cit., p.144; Zakharov, op.cit., p.27.
 18. Andreev, op.cit.; V.S. Andreev in "Nauchno-koordinatsionnoe soveshchaniie po problemam trudovogo prava i sotsial'noe obespechenie," Sovetskoe Gosudarstvo i Pravo, no.4, 1975, p.158; V.V. Karavaev, ibid., p.158; Acharkan, "Problemy Sotsial'nogo etc.," op.cit., p.146.
 19. M. Lantsev, "Sovershenstvovanie Sistemy Sotsial'nogo Strakhe Obespecheniia v Usloviakh Razvitogo Sotsializma," Sotsialisticheskii Trud, no. 9, 1974, pp.128-37.
 20. V. Acharkan, "Sotsialisticheskii Printsip Raspredeleniia po Trudyu i Sotsial'noe Obespechenie," Sotsialisticheskii Trud, no.11, 1974, pp.123-24.
 21. Zakharov, op.cit., p.28.

22. Iantsev, Sotsial'noe Obespechenie v SSSR, op.cit., pp.23 and 21; Acharkan, "Problemy Sotsial'nogo, etc.," op.cit., p.144.
23. There are also one time allowances at the birth of children into needy families among workers and employees. Their parents, to be eligible, must have a work-record of at least three months and earn less than 60 rubles a month. Since the minimum wage has been raised to 70 rubles a month during 1973-78, almost none, we are told, are now eligible.

Unemployment compensation was repealed in 1930 and has not been reintroduced. That some unemployment exists is indicated by scattered sources. For example: in March 1970, the Uzbek Supreme Soviet Presidium stiffened punishment for vagrancy and begging among able-bodied men between 18-~~7~~60 years of age and women, 18-55. These persons, it seems, led an anti-social, parasitic life and shunned socially useful labor for more than four months (Uzbek Soviet Moves Against Habitually Unemployed. Tashkent, Pravda Vostoka, March 28, 1970, p.3L. Unattributed Report: "In the Uzbek Supreme Soviet Presidium"). Seasonal fluctuations in ^{employment} agriculture have not been resolved so that, presumably, in winter quite a number of people are available for work who are not working because there is nothing for them to do in their own communities (Planovoe Khoziaistvo, 8/71, pp.29-35). A sizable problem is present among young people who, at graduation from 8th grade, are below the sixteen-year legal age for employment; some trade schools also exclude those under sixteen; they can neither continue education nor work. These unemployed youth constituted 1-2% of all youth who either continue education or work; but in

absolute terms, their number is significant. This number does not include drop-outs; in fact, therefore, the number of unemployed youth is higher (T.R.Arikhta, "Sotsial'no-ekonomicheskie aspekty trudoustroistva molodezhi," in A.Z.Maikov, ed., Problemy ratsional'nogo Ispol'zovaniia trudovykh resursov, Moscow, 1973, pp.342 and 345).

24. Natsional'nyi dokhod is not identical with GNP, a concept that is lacking from official Soviet statistics. According to Gregory Grossman, Professor of Economics at the University of California, Berkeley, GNP at factor cost, Western concept, was probably at least 420 billion rubles in 1975 and possibly as large as 470 billion, depending on the particular methodology chosen. Dr. Grossman knows of no exact calculations by Western economists yet, however.

In the United States, in 1975, 10.8% of GNP was spent on social security and welfare programs from public funds alone. The comparable percentage for the Soviet Union was 9.5% of national income. If GNP at factor cost, Western concept were used, the Soviet percentage would be lower (for Soviet data, see Narodnoe Khoziaistvo SSSR v 1977 g., p.744; for U.S. data, see Alfred M. Skolnick and Sophie R. Dales, "Social Welfare Expenditures, Fiscal Year 1976," Social Security Bulletin, vol. 40, no.1, p.10).

25. Funeral benefits range from five to ten rubles in rural areas and from five to twenty in urban communities, depending on the age of the deceased.
26. V. Krulikovskaia, P.Kiseleva, A.Gorbunov, Planirovanie Biudzheta Sotsial'nogo Strakhovaniia (Moscow: Profizdat, 1959), p.17; Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., p.42.

27. M.Lantsev, "Progress in Social Security for Agricultural Workers in the USSR," International Labour Review, vol. 107, no.3, March 1973, p.252.
28. G.S. Simonenko, Sotsial'noe Strakhovanie Kolkhoznikov (Moscow: 1974), p.14. For example, national budget funds for allowances for poor children and for the congenitally disabled must be transferred to the social insurance budget for workers and employees and to the Central all-Union Fund for Collective Farmers. In both ~~it~~^{they} must be kept separately from all other accounts.
29. Lantsev, "Progress etc.," op.cit., p.250.
30. The national budget also absorbs the total cost of pensions for former military personnel and their survivors, and for personnel in state agencies equated to the military--except the working partially disabled: their pensions are paid out of designated funds in the systems for workers and employees and for kolkhozniki, respectively. All expenditures on maintaining institutions for aged and disabled are also covered by the national budget.
31. A.E. Kozlov, "Razvitie funktsii mestnykh Sovetov v oblasti sotsial'nogo obespecheniia," Sovetskoe Gosudarstvo i Pravo, no.1, 1972, p.95. For example, in 1972 in Moscow, only 1.2% of expenditures on pensions came from local funds.
32. Simonenko, op.cit., p.14.
33. Astrakhan, op.cit., p.211.
34. Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., p.45.
35. M.Lantsev, "Sotsial'noe Obespechenie v Novoi Piatiletke," Sotsialisticheski Trud, no.6, June 1974, p.9.

36. Aaron Vinokur, Monograph. Average Net Monetary Income of Worker and Employee Families in the USSR from 1964 to 1973. Research Paper No. 17 (Jerusalem: The Hebrew University of Jerusalem, the Soviet and East European Research Center, August 1976), Table 2, p.9 and Table 4, p. 11. Vinokur notes, on p.16, that "in recent years 80-81% of the payments and benefits provided by the social funds have been extended to workers and employees and their families, the remaining 19-20% of the money being used for payments and benefits to collective farmers and other sections of the population." These proportions correspond approximately to the size of these social groups in the population.
37. Namal'tsev, Problemy Raspredelenia v Razvitom Sotsialisticheskom Obshchestve (Moscow: Ekonomika, 1976), p.85. He refers to Planovoe Khosiaistvo, 1972, no.12, p.107; and to Kommunist, 1972, no.8, p.41. Specifically, social funds are used for pensions, benefits and allowances; medical care and physical culture; education and cultural activities; operating costs of state-owned housing which are not reimbursed by rents; paid leave for workers, employees, and collective farmers. They do not cover expenditures on science, press, art, TV and radio, capital investments and repairs (Sovet Ekonomicheskoi Vzaimopomoshchi, Sekretariat. Statisticheskii Ezhegodnik Stran-Chlenov Soveta Ekonomicheskoi Vzaimopomoshchi, vol. 7, 1976, pp.457-58, Moscow, Statistika). Western economists note that social funds do not include subsidies for consumer goods, particularly food, which could add 25% to the reported total. In our terminology, social funds consist of transfer payments, plus free services, plus subsidy for the operating costs of state-owned housing.
38. Kolesnikov, op.cit., p.32.

39. Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., pp.57-58; and Lantsev, "Progress, etc.," op.cit., p.243.
40. M. Zakharov and K. Protsenko, Profaktivu, o Pensionnom Zakonodatel'stve (Moscow: Profizdat, 1972), pp.13-14.
41. Simonenko, op.cit., pp.11-12.
42. This range is suggested by the following calculations: if for 1975, we take the 18,241 million old age pensioners from among workers and employees and add to them the 10,594 million from among kolkhozniki, we get a total of 28,835 million beneficiaries (see Vestnik Statistiki, no.8, 1974, p.95). In 1975, 12% of these beneficiaries from among workers and employees were receiving pensions at ages below the normal pensionable age (see, Lantsev, Sotsial'noe Obespechenie v SSSR, p.52). If these younger pensioners are deducted from the total number of pensioners, we get 26,646 million beneficiaries of pensionable age. We know that in 1975, there were in the Soviet population 10,573 million men and 28,302 million women of pensionable age, a total of 38,875 million potential pensioners (see Foreign Demographic Analysis Division, Bureau of Economic Analysis, U.S. Department of Commerce, Table 4, "Estimated and Projected Population by Single Years of Age and Sex: January 1, 1970 to 2001, prepared in March 1977). If from this number we deduct the 25,757 million of pensionable age who were beneficiaries, we are left with 12,229 million or ~~31~~ 31.4% of pensionable age who were not receiving pensions. It is likely, however, that some of these aged persons were receiving pensions as veterans or as veterans' survivors. If we assume that these two groups were themselves of pensionable age in 1975 (given the 34 years that have elapsed since the German attack on the Soviet Union),

and deduct their number, 3,647 million, from the 12,229 million, we lower the number of those not receiving pensions to 8,582 million. It is also likely that some aged persons were included in the global category of recipients of "disability, long service, survivor, personal and other pensions" which numbered 10,399 million in 1975. How many were aged must be considered in the light of the following: (a) long service and personal pensioners, always aged, are a small group; (b) among disabled pensioners, the largest group are Group III who are working and whose average age is 41 years (see V. Maslenikov, "Trud invalidov na spetsializirovannom predpriatii," Sotsialisticheskii Trud, no.9, 1973, p.35); (c) among survivors, the largest number are probably children and adolescents: these youngsters constitute 86% of the dependents of disabled pensioners and about 29% of the dependents of old-age pensioners; consequently, they cannot be aged by the time they become survivors. In short, it is likely that only about 33% of the global number were themselves aged; the outer limit would be about 50%. These percentages yield a range of 8.9% to ~~13.2~~ 13.2%, with the higher percentage being the more realistic. Even this is much lower than the only published percentage of the "uncovered" that I found in the literature--28% in Moscow in 1970 (see V. Kogan, "Otnoshenie lits Pozhilogo Vozrasta k Uchastiiu v Obshchestvennom Proizvodstve," in D.I. Valentii et al., editors, Narodnoselenie i Trudovye Resursy (Moscow: Statistika, 1973), p.71). But it is not likely that Moscow, with its considerable contingent of relatively affluent officials whose wives may not be very active in the labor force and of persons not working on labor contracts, can be considered as representative of the country as a whole.

43. Astrakhan, op.cit., pp. 208 and 161.
44. L. Rzhantsyna, "Obespechenie vysokogo urovnia zhizni vsem trudiashchimsia," Sotsialisticheskii Trud, no.8, 1971, p.12; Lev P. Yakushev, "Old People's Rights in the USSR and Other European Socialist Countries," International Labour Review, vol.113, no.2, March-April 1976, p.246; Janet Chapman, "Recent Trends in the Soviet Industrial Wage Structure," a paper presented at the Conference on Problems of Industrial Labor in the USSR, Kennan Institute for Advanced Russian Studies, Washington, D.C. September 27-29, 1977, pp.1-4, 10, 23.
45. Acharkan, "Tekushchie etc.," op.cit., p.23.
46. Acharkan, "Pensionnoe Zakonodatel'stvo etc.," op.cit., p.124.
47. Acharkan, "Problemy Sotsial'nogo etc.," op.cit., p.143. He gets these percentages from Fogel', Pravo na Pensiu etc., op.cit.
48. For example: some urge that length of work record for the totally disabled by work-connected causes be taken into account: to continue to do otherwise is to invite dire consequences--discourage early entry into the labor force, disrupt labor discipline and exert a negative influence on the moral upbringing of youth. Further, amounts ought to be differentiated in relation to differences in the cost of living in different parts of the country: cost of living for one worker (without taking into account taxes and family) is 13% higher in Urals than in the central districts, whereas the pension is 95% of that in central districts; in Arkhangel'sk, cost of living is 29% higher while the average pension is only 13% higher; and among kolkhoz pensioners in Arkhangel'sk, the pension constitutes 97% of those in central districts; in Yakut the cost of living is 72% higher, but the average pension for workers and employees is 40% higher.

In survivor pensions, age and degree of loss of work ability should be taken into account; amounts should be differentiated for mothers of many children. On the other hand, some believe that "rural norms" should be abolished: they place at a disadvantage workers and employees who live in rural communities and are connected with agriculture, in comparison with those on state farms whose pensions are calculated on the basis of higher "urban norms" even though they are also "connected" with agriculture (see, Acharkan, "Sotsialistiches-kii Printsip, etc.," op.cit., pp.124 and 126-27; Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., pp.113-15).

49. M.L. Zakharov, Sovetskoe Pensionnoe Pravo (Moscow: 1974), p.39.
50. Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., pp.90-95; and Zakharov, Sovetskoe Pensionnoe Pravo, op.cit., pp.160-85.
51. It was pointed out that when full pensions were payable before 1956, 60% of pensioners worked. But this is a misleading argument for two reasons: (1) prior to 1956, average pensions were $3\frac{1}{2}$ times lower than average earnings, so that the low pension level was in itself an incentive to continue work; (2) the 60% was the overall percentage. Actually, 88% of it came from a privileged group who were granted "raised pensions" at ages 5-10 years lower than normal pensionable ages so that many were fully capable of continuing work--especially since the higher pensions were not related to conditions of work, but rather to the importance of a department, shop or industry to the economy at a given point in time (Acharkan, "Pensionnoe Zakonodatel'stvo, etc.," op.cit., p.118).
52. Soviet demographers forecast that by 1980, there will be forty-three million persons of pensionable age in the Soviet Union; by 1990,

fifty-three million, and by the year 2,000--eighty million.

53. Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., pp.136-39.

~~53.~~
54. A 1968 investigation by the Central Scientific Research Institute for the Determination of Work Ability and Organization of Labor for the Disabled found that 52.7% of non-working pensioners gave their reason for not participating as poor health; 23.4%, material security; 23.1%, being busy with housework; and 0.8%, as unable to find suitable work (see Acharkan, "Pensionnoe Zakonodatel'stvo, etc.," op.cit., p.119). A 1970 Moscow study compared its findings with those of an investigation conducted by the Institute of Labor Resources of the Russian Republic in a number of the Republic's regions. The reasons were: poor health, 76% (Republic findings, 70%); housework and care of children, 16% (8%); material security, 4% (1.6%); unable to find suitable work, 0.9%; other, 3% (see Kogan, op.cit., pp.71,72, 75 and 76). An investigation by the Leningrad Institute for the Determination of Work Capacity and the Organization of Work for the Disabled (date not given, but probably in the 1970s) which surveyed 15,000 persons in various parts of the Soviet Union, found that the main reasons for giving up work were health,^{57%} and family problems, 27%. The pensioner's subjective assessment of his state of health was fully borne out by clinical examination in 21% of cases, and partly confirmed in 47% (see S.Smirnov, "The Employment of Old-Age Pensioners in the USSR," International Labour Review, vol. 116, no.1, July-August 1977, p.89). In Kursk, one-half of non-working pensioners were in poor health in 1977 (see Pavel Demidov, "Comrade Pensioner," Izvestia, June 14, 1977, p.5). Yakushev

refers to country-wide surveys which show that "one person out of ten in the 60-64 age group, and one out of two among the over-80s, needs systematic home care. Similarly, there is everywhere a substantial increase in the number of persons needing admission to hospital and, with increasing age, the period of hospitalization generally lengthens" (Yakushev, op. cit., p.244).

55. Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., pp.119 and 137; see also Acharkan in "Pensionnoe Zakonodatel'stvo etc.," p.118, who L.I. gives 19% for 1968. The figure of 4.2 million given by Zaitsev and I.D. Rashchikov, Sotsial'noe Obespechenie Kolkhoznikov (Moscow: Kolos, 1972), p.61, for 1970 is clearly incorrect.
56. Acharkan, "Tekushchie, etc.," op.cit., p.25.
57. V.A. Acharkan, "Sotsial'no-Pravovye Aspekty Truda Pensionerov," Sovetskoe Gosudarstvo i Pravo, no.11, 1973, pp.43-44.
58. Smirnov, op.cit., p.88.
59. This was found to be the case in a study of 500 working pensioners in several large machine-building plants in Leningrad who had retired 5-10 years earlier. Loss of work time among them because of sickness was not higher than among all other workers, while discipline on the job was much higher. None were unable to fulfill required work norms (see A. Sharapanovskii and A. Dyskin, "Ob Effektivnosti Truda Pensionerov na Promyshlennykh Predpriatiakh," Sotsialisticheskii Trud, no.8, 1974, p.134). A survey of 412 pensioners in one enterprise found that their average productivity index worked out at 96% of the over-all average for the enterprise. An investigation of 1,003 Leningrad pensioners employed in metal working, light industry, commerce and retail distribution found that sickness was significant-

ly rarer among working pensioners than among persons of non-pensionable age (see Smirnov, op.cit., p.90). V. Slobozhanin, in "Work to Production Veterans' Liking," Izvestiia, July 26, 1977, p.2, refers to a "sociological and economic" study conducted by the Belorussian branch of the Labor Research Institute in thirteen enterprises of the Republic's light, food, and meat-and-dairy industries.

60. Existing legislation permits agreements for part-time work to be concluded between individual pensioners and managers, without waiting for approval by higher organs; remuneration is on the basis of output or time worked. Since 1970, part-time work can be included in the general work record which establishes eligibility for pension (see V. Silaev, "Nepolnyi Rabochii Den' i Nepochnaia Rabochaia Nedeliia," Sotsialisticheskii Trud, no.2, 1970, p.140). Special enterprises for the handicapped are granted extra advantages such as being permitted to spend up to 50% of profits for improving their workers' socio-cultural and living conditions. These privileges would be extended to special facilities for work of the elderly. It should be added that neither pensioners nor managers are interested in reintroducing special cooperatives (abolished in 1960) for the aged and the disabled--the "cooperative spirit" has evaporated. Pensioners say that they would not be willing to pay the dues, are convinced that cooperatives would not be profitable and that sooner or later, younger people would have to be brought in if they were to survive at all (Acharkan, "Sotsial'no-Pravye etc.," op.cit., pp. 38-40.
61. T.Skal'berg, E. Martirosian, L. Kuleshova, "Trudovye Resursy i Podgotovka Rabochikh Kadrov na Proizvodstve. Rabota s Nepolnym rabochim

- Dnem--Vazhnoe sredstvo Privlechenia Trudovykh Resursov," Sotsialisticheskii Trud, no.2, 1977, p.105.
62. Lantsev, "Sotsial'noe Obespechenie v Novoi Platiletke," op.cit., p.13; and Lantsev, "Sovershenstvovanie Sistemy etc.," op.cit., p.136.
63. The Ministries' functions in relation to these categories of beneficiaries include not only those whose rights to benefits and pensions are embodied in labor law and kolkhoz law, but also those who come under administrative law, that is, members of armed services whose cash payments are financed out of allocations from the national budget. The Ministries also supervise the all-Union Societies for the Blind and the Deaf.
64. The Committee was given this title in August 1976. Before that it was called the USSR Council of Ministers' State Committee on Questions of Labor and Wages.
65. Editorial "Sotsial'nye Faktory Razvitiia Proizvodstva," Sotsialisticheskii Trud, no.10, 1976, p.4.
- 66/ Maksimovskii, op.cit., p.90.
67. M.L. Zakharov, V.I. Maksimovskii, and IA.M. Fogel', "Sotsial'noe Obespechenie: Tendentsii Razvitiia, Organizatsii i Upravleniia," Sovetskoe Gosudarstvo i Pravo, no.2, February 1973, pp.27-30.
68. M. Rumiantseva, "Trudovaia Knizhka," Sovetskie Profsoiuzy, no.1, January 1975, pp.43-46; V. Silaev, "Trudovye Knizhki," Sotsialisticheskii Trud, no.9, 1974, pp.141-46 are only two examples.
69. Maksimovskii, op.cit., p.33.
70. G. Shakhov, "Zapis' v Trudovoi Knizhke," Sotsial'noe Obespechenie, no.3, March 1977, pp.25-27. For a detailed discussion of the administration of social security benefits by unions, see my paper

"The Role of the Trade Union Committees in the Administration of Welfare Benefits," presented at the Conference on Problems of Industrial Labor in the USSR," Kennan Institute for Advanced Russian Studies, Washington, D.C., September 27-29, 1977--scheduled to be published in 1978. Workers and employees, in industry and on farms, selected by unions as members of pension and VTEK committees retain average pay prevalent in their work place while performing these duties (see M. Kuchma, "Novye Kodeksy Zakonov o Trude Soiuznykh Respublik, Garantii i Kompensatsii," Sovetskie Profsoiuzy, no.7, 1975, pp.43-46.

71. Kogan, op.cit., p.73.
72. See my paper described in footnote 8-~~ab~~ 70 ~~ab~~ above.
73. O. Bykova, Sotsial'noe Obespechenie Trudiashchikhsia Moldavii, 1972, p.22; and Maksimovskii, op.cit., p.163. By the end of 1970, in Moldavia, workers with higher and secondary education made up 92% of staff, in contrast to 1966 when more than 35% did not have even secondary education. In 1972, in the Russian Republic there were 21,000 specialists, of whom 5,742 had higher education, but by 1976, 10,000 more specialists would be needed.
74. In the Russian Republic at the end of 1976, 1,000 persons were said to be taking correspondence courses, but every year 18-20% drop out (see N. Iudin, "Zaochnomu Obucheniiu--Zelenuiu Ulitsu," Sotsial'noe Obespechenie, no.11, November 1976, pp.11-14; Bykova, op.cit., p.25; I.S. Topchiev, Organizatsiia Raboty Organov Sotsial'nogo Obespecheniia, 1971, p.86.
75. Maksimovskii, op.cit., p.35; an audit carried out in 1972 in the Russian Republic uncovered 4,600 "errors" that led to overpayments.

76. Maksimovskii, op.cit., p.33.
77. Some notion of what is involved in administering the work-connected provisions may be gained from the fact that this designation for workers and employees covers not only injuries, accidents and diseases sustained on or resulting from the job, but also those sustained while doing something "in the interests" of the employing establishment even though this activity was not requested by the administration; on the premises of the employing establishment or "near" it or "in some other work place" during working hours and permitted work breaks, "if being at this place does not conflict with the establishment's rules governing the internal disposition of the work force;" whether the establishment or the worker was responsible: if the worker was drunk, he is refused a work-connected status. Even the relatively simple administrative process in pregnancy and maternity benefits can become complicated, especially in cases of women whose earnings are not regular wages, but are paid in commissions, in kind combined with cash, or on the basis of piece-work/ (see "Pered Ukhodom v Otpusk," Trud, March 3, 1974, p.4.)
78. Ministries administer this program for all other children, that is, children of parents ^{who} ~~enumerated-in~~ are members of creative unions (writers, composers, painters, etc.), are in the military, in rank-and-file and lower echelon administrative jobs in the USSR Ministry of Internal Affairs and the USSR and Republic Ministries of Communications, workers on guard duty in ministries and departments, non-working wives of drafted servicemen, non-working unmarried mothers, widows and divorced women, persons working for individual citizens or groups of citizens, non-working women whose husbands live in a

different location--as well as children of retired workers, employees and kolkhozniki (see Acharkan, "The Social and Legal Nature of Children's Allowances for Low-Income Families," Current Digest of the Soviet Press, vol.xxviii, 1976, no.5, pp.14-15; G. Simonenko, "Posobia na Detei," Okhrana Truda i Sotsial'noe Strakhovanie, no.3, March 1975, pp.36-38; V. Mikhailkevich, "V Interesakh Naroda," Sotsial'noe Obespechenie, no.12, December 1974, pp.7-9.)

79. A few of the "certain questions" stymieing the committees (much more intricate ones have to be resolved by the Ministries) were revealed in a 1976 survey by the Russian Social Security Ministry: "is it permitted to grant allowances to the guardians of children whose parents fail to make the legally required support payments? Only after investigating the parents' income or initiating such an investigation;" "is it possible to award allowances to a woman whose marriage has been registered, without taking into account the income of her husband who is not living with the family? No, the income of the husband must be ascertained;" "does 'income' include rent for space in a city dwelling? No, in dachas it does;" "should the husband's income be counted in under the following circumstances: parents' divorce and application for allowances occurred in the same year; during part of the preceding year the husband was making support payments by order of the court? Yes," in line with a detailed formula that requires, among other things, knowledge of exact amounts paid and the number of "full" months during which payments were made (see Editorial, "Nekotorye Voprosy Naznacheniia Posobii na Detei Maloobespechennym Sem'iam. Po Materialam Obzorov Glavnogo Upravleniia Pensii i Posobii Ministerstva Sotsial'nogo Obespecheniia RSFSR,"

- Sotsial'noe Obespechenie, no.4, April 1976, pp.47-48; G. Samonenko, "O Nekotorykh Oshibkakh pri Naznachenii Posobii na Detei," Okhrana Truda i Sotsial'noe Strakhovanie, no.6, July 1976, pp.31-2. If the parents of a child in a kolkhoz family did not fulfill the minimum work norms during the preceding year and were unable to justify this failure by "acceptable reasons," the child is ineligible.
80. M.Kravchenko, "Vstupaiia v God Shestidesiatyi," Sotsial'noe Obespechenie, no.11, November 1976, p.3.
81. Lantsev, "Sovershenstvovanie, etc.," op.cit., pp.136-37; Maksimovskii, op.cit., p.162.
82. Zakharov, Maksimovskii, Fogel', op.cit., pp.30-32.
83. Ibid., pp.32-33.
84. During 1946-56, pensions did not keep up with rise in earnings: the latter went up from 481 rubles a month in 1946 to 718 rubles in 1955, but maximum for pensions remained at 300 rubles, established in 1932 when average earnings were 91 rubles amonth. The resulting pensions for most pensioners, those who were not on "privileged" conditions not only because they were not in "leading" industries but also because they were without political pull with the bosses, were so low as to barely sustain life (Astrakhan, op.cit., p.137).
85. Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., p.95.
86. Alistair McAuley, "The Distribution of Earnings and Incomes in the Soviet Union," Soviet Studies, vol. xxix, no.2, April 1977, pp.233-234. He estimates that "more than 54% of kolkhozniki lived in families with per capita incomes of less than 50 rubles per month" (p.232).
87. G.S. Sarkisian and N.P. Kuznetsova, Potrebnosti i Dokhod Sem'i

- (Moscow: Ekonomika, 1967); see also D.N. Karpukhin, N.P. Kuznetsova, "Dokhody i Potrebleniia Trudiashchikhsia," in Trud i Zarabotnaia Plata v SSSR (Moscow: Ekonomika: 1968), especially p.423 and 108 for time spans included in the "current period" and the "coming period;" and pp.166 and 133 for defining the "rational budget" without relating it to a particular period.
88. Throughout this paper the ruble is equated to \$1.10. Studies show that even in 1967-68, a mean monthly net income of 51 rubles per family member was regarded as much below normal by a vast majority of workers; and that in 1970, a net monthly income of 70 rubles per family member was evaluated this way (see, Aaron Vinokur. Monograph, Industrial Workers' Evaluations of their Families' Actual Monetary Income in the USSR, Research Paper no.20, the Hebrew University of Jerusalem, the Soviet and East European Research Center, Jerusalem, January 1977, pp.18 and 26).
89. Money wages for industrial workers grew by 21% between 1970-75. Deflated by the official index of retail prices, the increase in real wages was 20.6%. If instead the Schroeder and Severin index of the cost of living is used, the rise in wages is not quite 12% (see, Chapman, op.cit., pp. 42 and 43).
90. Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., p.98. Even these differences represent a decrease since 1960.
91. Ibid., p.112.
92. Perevedentsev, op.cit., p.51.
93. That these estimates may be somewhat high is suggested by the statement of a Soviet analyst to the effect that if payments and privileges received by old-age pensioners from social funds are coun-

- ted in, the total minimum income of an old-age pensioner from among workers and employees living alone in 1975 was somewhat above 50 rubles per month. (see Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., pp.86-87.
94. Zaitsev and Rashchikov, op.cit., p.45 and 10-11.
95. D. Komarova, "Novoe Proizavlenie Zaboty o Blage Sovetskikh Ludei," Sotsial'noe Obespechenie, no.1, January 1974, pp.3-8.
96. Narodnoe Khoziastvo SSSR v 1975 g., p.603. For a discussion on social services for women in the Soviet Union, see my paper, "Social Services for Women: Problems and Priorities," pp.307-333 in Atkinson, Dallin and Lapidus, editors, Women in Russia (Stanford, California: Stanford University Press, 1977).
97. Zakharov, ed., op.cit., pp.407-413.
98. Yakushev, op.cit., p.249; V.A. Tarasova, "Okhrana Sub"ektivnykh Prav Grazhdan v Oblasti Pensionnogo Obespecheniia," Sovetskoe Gosudarstvo i Pravo, no.8, 1976, p. 134.
99. Acharkan, Sotsialisticheskii Printsip, etc., " op.cit., p.121.
100. Zaitsev and Rashchikov, op.cit., pp.18 and 104; Narodnoe Khoziastvo SSSR, v-1977-g., p-350-za 60 Let (Moscow: Statistika, 1977), p.350 shows that in 1970 there were 33,600 kolkhozy; Simonenko, op.cit., p.35.
101. Lantsev, Sotsial'noe Obespechenie v SSSR, op.cit., p.78.
102. V.A. Tarasova, Iuridicheskie Fakty v Oblasti Pensionnogo Obespecheniia, (Moscow: 1974), pp.85-86.
103. I. Poida, "Svoevremenno Oformit' Pensii," Okhrana Truda i Sotsial'noe Strakhovanie, no.11, November 1976, pp.6-7; I. Razumov, "Deluchastichku Dushi," Sotsial'noe Obespechenie, no.1, January 1974, p.18.
- 94A. A.G. Safonov, E.A. Loginova, eds. Osnovy Organizatsii Statsionarnoi Pomoshchi v SSSR (Moscow: Meditsina, 1976), p.251.

104. Tarasova, "Okhrana, etc.," op.cit., pp.135-37. If a member of a committee is not in agreement with the decision of the majority, he may write to the city or district executive soviet (E.S. Topchiev, Organizatsiia Raboty Organov Sotsial'nogo Obespecheniia, Moscow, 1971, p.21).
105. Maksimovskii, op.cit., pp.26 and 35.
106. Maksimovskii, op.cit., p.105; Topchiev, op.cit., p.107.
107. V.A. Paikin and G.P. Smirnova, Kommentarii k Polozheniiu o Poriadke Naznacheniia Vynlaty Gosudarstvennykh Pensii (Moscow: 1974), p.95; E. Azarova, "Gosudarstvennye Posobia Mnogodetnym Materialam," Sotsial'noe Obespechenie, no.6, June 1976, p.50; M. Kaziev, "V Intere-sakh Materi i Rebenka," Okhrana Truda i Sotsial'noe Strakhovanie, no.12, December 1974, pp.33-34.
108. Sotsial'noe Strakhovanie v SSSR (Sbornik Ofitsial'nykh Materialov. Izdanie vtoroe, pererabotannoe, Moscow: profizdat, 1976), pp.47-48 and 76.
109. Maksimovskii, op.cit., pp. 105, 115, 124.
110. "Letters to Department of Social and Everyday Problems: Certificate of Illness Should be Confidential," Literaturnaia Gazeta, October 27, 1976, p.12, in Current Digest of the Soviet Press, vol. xxviii, no.47, p.17; "Privacy in the Medical Certificate," ibid., December 8, 1976, p.12, in CDSF, vol. xxix, 1977, no.2, p.15.
111. A.G. Zdravomyslov, V.F. Rozhin, V.A. IAdov, eds. Chelovek i Ego Rabota, Sotsiologicheskoe Issledovanie (Moscow: Mysl', 1967), pp. 290-96.
112. Robert J. Myers, Social Security (McCahan Foundation, 1975), p.9. This author notes that worldwide, social security systems usually

"have a benefit basis falling somewhere between complete individual equity and complete social adequacy."

113. Alicia H. Munnell, The Future of Social Security (Washington, D.C.: The Brookings Institution, 1977), p.52.
114. Editorial, "Vstupaiia v Pervyi God Novoi Piatiletki," Sotsialisticheskii Trud, no. 1, 1976, p.6.
115. L. Rzhantsyna, "Obespechenie Vysokogo Urovnia Zhizni Vsem Trudiasshchimsia," Sotsialisticheskii Trud, no.8, 1971, pp.14-15; and same author, "Obshchestvennye Fondy Potrebleniia--Vazhnyi Istochnik Rosta Blagosostoianiia Sovetskikh Liudei," ibid., no.7, 1973, p.83. The program of allowances to mothers of many children and unmarried mothers is, of course, for poor children since these mothers earn less than average wages for the most part. The same holds true of payments to congenitally disabled children. But none of these relate payments to a pre-specified level of living and by the same token, do not apply a uniform means-test.
116. G. Sarkisants, "Vysshiaia TSel' Ekonomicheskoi Strategii Partii--Naibolee Polnoe Udovletvorenii Potrebnosti Sovetskikh Liudei," Sotsialisticheskii Trud, no.6, 1976, p.13.