

POVERTY IN THE SOVIET UNION

by Mervyn Matthews

In August 1978, while visiting the Soviet Union, I decided to take the local train from Moscow to Vladimir, the capital of a former principedom some 100 miles to the east.

At Moscow's Kursk station, a rather disheveled man in his mid-30s boarded the crowded car and proceeded to address his fellow riders. "Comrades," he began, "would you help me?" He then went on to relate how, as an epileptic, he could find no steady work and was surviving on a pension of a mere 25 rubles a month—about \$37.50 according to the prevailing official exchange rate, and less than one-sixth the average Soviet wage. Ending his speech, he went around the car with hat in hand, collecting a few rubles and kopecks.

The panhandling seemed to upset none of the other passengers. But to me, a foreigner in Moscow, so open a declaration of hardship came as a surprise.

Westerners familiar with the beggars and street people of New York, Paris, or London would have trouble finding their counterparts on the broad avenues that cross the Soviet capital. People whom we would recognize as "poor" tend rather to congregate at places like the waiting hall of Kiev Railway Station, where crowds of homeward-bound peasants huddle on wooden benches, surrounded by overstuffed suitcases bound with string; or at Danilov Cemetery on the city's outskirts, where indigents stand by the gates, soliciting spare change from passers-by and keeping a watchful eye out for the local militia. None of these locales are on the visitor's standard Intourist itinerary.

Statistical evidence of poverty is equally well hidden. The official ideology is discreetly silent about its existence. Theoretically, the advent of the workers' state was to ensure the gradual elimination of social evils. During the late 1920s, Josef Stalin encouraged that belief by suppressing the publication of data pertaining to crime and other "negative" social phenomena; later, he had the compilers of the 1937 census arrested. Soviet statisticians have since been obliged to reconcile their bleak pictures of socialist reality with bland socialist theory.

As outside observers, we must consider ourselves grateful to Nikita Khrushchev, leader of the USSR from 1953 to 1964, who relaxed the censorship of some scholarly findings and al-

lowed the publication of (idealized) *minimum* family budgets. But even today, the term "poor" cannot be used in official Soviet publications to describe any social group. To avoid any embarrassing semantic problems, Soviet sociologists still rely on the euphemism "underprovision," or *maloobespechennost'*, in place of "poverty."

During the late 1950s, the Kremlin instructed a number of institutes to assess the minimum consumption requirements of a contemporary urban family. By 1965, several "minimum budgets" had been prepared. One of the later variants, published by G. S. Sarkisyan and N. P. Kuznetsova in 1967, may still serve, with reservations, as a yardstick for measuring poverty in the Soviet Union at the beginning of the 1980s.

The budget covered the monthly needs of an urban worker's family, comprising a husband and wife, both working, a 13-year-old boy, and an 8-year-old girl. With due allowance for state subsidies and services, the monthly expenses were set at 51 rubles and 40 kopecks per head.

Food purchases took up a relatively high proportion of expenses (56 percent); clothes required some 20 percent; housing and communal services, such as laundry and garbage collection, claimed only 5.4 percent, partly because they were state-subsidized and partly because provision of these services was meager.* The small sums allocated for furniture and household goods—among them a TV set and refrigerator—betokened spartan accommodations. No funds were allotted for medicine and education, since both were provided by the state at no cost. There was no provision for savings.

Sarkisyan and Kuznetsova also devised a minimum budget for the early or mid-1970s. The new version required an income per capita of 66.6 rubles but maintained roughly the same proportion of expenditures. It required two after-tax wages of 133.2 rubles each—a national average reached only by 1976. No detailed changes seem to have been made in Sarkisyan and Kuznetsova's original figures—at least, no one has published them. If we revise them by a very cautious four percent to cover inflation,

*In 1984, an average-size U.S. family (2.7 "members") with total earnings of \$10,116 (below the poverty threshold of \$10,614 for a family of four) spent 33 percent of its income on housing, 22 percent on food, 18 percent on transportation, and five percent on clothing.

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During the famed "kitchen debate" on July 24, 1959, Premier Nikita Khrushchev brushed off Vice President Richard Nixon's guided tour of an American kitchen exhibit in Moscow, saying: "Many things you've shown us are interesting but they are not needed in life."

the 267-ruble poverty threshold allowed for in the mid-1970s would rise to about 278 rubles in 1981. By then, the *average* Soviet wage had reached 172.5 rubles, or \$233 according to the (admittedly artificial) official exchange rate. After taxes, two working parents would have taken home about 310 rubles, still uncomfortably close to the earlier "minimum threshold."

The question of *how many* of the USSR's 270 million inhabitants are poor can be answered only in terms of probabilities. The Soviet Union publishes no comprehensive data on wage and income distribution. To do so would reveal the existence of a socioeconomic pecking order, a distinctly capitalist phenomenon that undermines the theory of a unified, egalitarian society.

Only by examining articles in Soviet labor journals, directors' handbooks, and the few available generalized statistics can one gain some idea of the extent of poverty in the Soviet Union. In rough fashion, these sources suggest the nature and size of those groups that cling to the bottom rungs of the Soviet income ladder, as well as those higher up.

Disparities in income between the richest and poorest folk

do not seem to be nearly so great in the Soviet Union as they are in the United States. If one were to depict the income distribution of the USSR's 114 million nonfarm labor force in the shape of a diamond, it would be much shorter on the top, much broader at its midpoint, and much longer on the bottom than its U.S. counterpart. Nonetheless, differences in income have at times been serious enough to trouble the leadership itself—including Khrushchev and Leonid Brezhnev, who both made big efforts to narrow the differentials.

At the top of the income diamond are the elite members of the Soviet "intelligentsia," a group defined broadly by Lenin in 1904 as "all educated people, representatives of mental labor as distinct from representatives of physical labor." The very pinnacle is made up of the top party and state officials, marshals in the Soviet Armed Forces, and first secretaries of artistic organizations like the Union of Musical Composers. Just beneath them, one might find directors of academic research institutes, factory managers, and slightly lower ranking military and diplomatic personnel. During the early 1970s, such people probably accounted for the roughly 0.20 percent of the Soviet citizenry that received monthly salaries of 450 rubles or more.

Poverty for 40 Percent

Moving down the diamond, one encounters professors at universities or research institutes, engineers, artists, writers, and a horde of middle-grade Party and state officials. The physical laborers most likely to earn above 200 rubles are those in mining and heavy manufacturing: Coal miners in the Kuznetsk Basin, steel mill workers in the Urals, and oilmen in western Siberia might earn anywhere from 200 to 300 rubles a month.

The Soviet labor force, however, still contains many low-skilled industrial laborers and poorly paid service sector workers (perhaps 30–40 million in 1981). Although in general most of these Soviet workers toil at less skilled tasks than their U.S. counterparts, some occupations that are well paid in the United States bring little remuneration in the USSR. A Soviet doctor, for example, might earn only 120 to 170 rubles. Less remarkable is the fact that teachers could take home from 85 to 135 rubles, or that janitors, cleaners, and doorkeepers could earn as little as 70 rubles a month.

Most surprising, however, is that so many Soviet citizens evidently received less than the 133.2 ruble single-income poverty threshold contained in the Sarkisyan-Kuznetsova budget. Counting the 13.2 million collective farm members—most of