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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

**THE COST OF LIVING:  
A TALE OF THREE CITIES**

Keith Bush, director of Central Research for Radio Liberty, compared the purchasing power in 1982 of industrial workers in the capitals of the United States, France, and the Soviet Union. His calculations of how much work-time is required to buy certain items are based on average gross earnings and prices as of December 1981.

	Washington	Paris	Moscow
	(minutes of work-time)		
Loaf of white bread (one pound)	7.26	8.16	7.71
One pound of sausages	14.97	34.01	<b>72.56</b>
One dozen eggs (cheapest)	9.33	15.33	<b>55.00</b>
One pound of fish (cod)	27.66	53.51	<b>21.32</b>
One pound of butter	25.40	21.77	<b>100.68</b>
One roll of toilet paper	3.50	6.50	<b>16.00</b>
One bottle of aspirin (cheapest)	5.00	21.00	<b>246.00</b>
One pack of cigarettes (20 cigarettes)	9.00	8.00	<b>15.00</b>
One subway fare (two-mile ride)	7.00	4.00	<b>3.00</b>
	(hours of work-time)		
Monthly rent	51.00	39.00	<b>12.00</b>
Color TV	65.00	106.00	<b>701.00</b>
	(months of work-time)		
Small car	5.00	8.00	<b>53.00</b>

whom earned less than 100 rubles a month—the “poor,” as defined by Soviet statistical parameters, must have numbered no less than *two-fifths* of the entire Soviet population in 1981.

Salaries tell only part of the story. Many higher ranking Soviet citizens live not just on their official income but by means of a special network of goods and services. As journalist Hedrick Smith observes, such advantages “are beyond the reach of ordinary citizens because they are a dividend of political rank or personal achievement in the service of the state.”

A large proportion of the country’s wage earners also

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manage to supplement their income by dabbling in the illegal "second," or "black," economy: Petty bureaucrats solicit bribes; delivery men haul freight on the side; doctors, plumbers, and house painters make undeclared house calls. Having control over fewer commodities or services, poor families evidently reap fewer rewards from any illegal activities, perhaps 20 to 25 rubles a month.

Those Soviet citizens who, by hook or by crook, cannot make ends meet may turn to the state for support. Pensions are normally paid to men over 60, women over 55, and to those who are disabled, widowed, or have lost their principal means of support. (Others eligible for some state assistance include some eight million single-parent households.) In 1981, the Soviet Union dispensed 35.4 billion rubles in pension payments of various kinds. Divided among the country's 50.2 million recipients, that worked out, in crude terms, to only 58.8 rubles a month—below the 66.6 ruble per capita poverty threshold. (In addition, the minimum monthly pension for peasants was set at a mere 28 rubles.) Many elderly citizens take jobs after reaching retirement, a trend strongly encouraged by the authorities. Others survive by pooling resources with their children.

### Three Decades Behind

Such conditions mock the 1961 Communist Party Program's expansive prediction that, by 1980, the Soviet Union would boast "the highest living standards in the world." Indeed, the survey that my colleagues and I have conducted among Soviet émigrés suggests that members of the Soviet "underclass" live under significantly worse conditions than their Western counterparts. Sponsored by the U.S. National Council for Soviet and East European Research, this work drew on the responses of 348 families, all of whom left the USSR after 1977. They were chosen on the basis of their income per capita (below 70 rubles) and asked not only to describe their living accommodations but also how their lives compared with those of other Soviet citizens.

The past three decades have seen impressive gains in the *overall* Soviet standard of living. Since 1950, real consumption per capita has risen at an average annual rate of 3.4 percent—equivalent to a tripling of the goods and services purchased by the average Soviet citizen.

Yet as economist Gertrude Schroeder points out, "Soviet living standards remain drab and essentially primitive by Western standards and also compare unfavorably with much of Eastern