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EXECUTIVE SUMMARY

The Soviet government consistently proclaims its social welfare program to be one of the greatest advantages of the socialist system. This study examines two major segments of that program, Pensions and Temporary Sickness benefits, and assesses the level of satisfaction among their recipients. Several trends emerge.

Social welfare benefits are becoming increasingly expensive for the government to provide and administer. The total Soviet welfare budget for 1978 was 40.3 billion rubles, almost double the 22.8 million rubles in 1970. Pensions and temporary sickness benefits consumed 87% of the 1973 budget (15% for sick benefit recipients, 72% for pensioners.) Pensioners alone used up more than 7% of the national income.

The Soviet government considers these welfare programs as factors in managing labor supply trends. Adjustments in benefit amounts are geared more toward maintaining an adequate labor force than toward rewarding recipients for their contribution to the socialist state. This focus is especially pronounced in the pension system; it has led to eligibility requirements which vary according to the state's labor needs and to low benefits which often are considered more a hardship than a benefit. Because the welfare system provides neither for indexing nor for supplementation of pensions that fall below a meager and outdated poverty line, hardship remains unrelieved.

Recipients of both sick benefits and pensions are dissatisfied with key aspects of both programs; this dissatisfaction is much more widespread among pensioners. Whereas sick benefit recipients consider eligibility conditions and benefit amounts acceptable, they regard the regulations affecting the length of paid sick leave too restrictive. Among pensioners there is little satisfaction with any aspect of the pension program, especially with benefit amounts. Such alternative welfare options as institutionalization are con-
sidered totally unsatisfactory, in fact, even frightening or "tragic", because of the poor reputation of living conditions in pensioners' homes. Recipients, especially pensioners, express considerable dissatisfaction with the administration of social welfare. Administrators agree with them that benefit amounts are too low; they disagree with them on the efficiency of the system, and point to marked improvements in the quality of records necessary to establish eligibility and to the spread of automated operations which enhance accuracy and cut down on delays.

Recipients and administrators disagree on the importance of fair hearings as a mechanism for implementing beneficiaries' rights. While large majorities of both sick benefit recipients and pensioners consider it essential for the system to provide such a mechanism, only a quarter of administrators share this view. Especially among pensioners, absence of fair hearings contributes to pervasive feelings of powerlessness. They see no way of organizing themselves to bring pressure to bear on influential organs and bureaucrats.

The outlook for the Soviet welfare system is closely tied to demographic trends in the Soviet Union. Official concern over the health of mothers and children will lead to liberalization of the sick benefit system in an effort to secure a stronger working population. Concern for maintaining an adequate labor supply will work against most pensioners, however, as the government places more emphasis on using the pension system to alleviate the labor shortage. Particularly hard-hit will be women, the chronically ill, the disabled, the very old, those who live alone, and those whose occupations are deemed unimportant when they retire.
The increasingly costly social welfare system in the Soviet Union continues to be one of the most consistently proclaimed "benefits of socialism." Some elements of social welfare date to the first months of the Soviet regime in December, 1917; others are more recent. This paper examines two programs within this system: that for sick benefits and that for pensions.

While both these programs have been measurably liberalized since their inception—in coverage, eligibility conditions, and benefit amounts—current beneficiaries, especially pensioners, are largely dissatisfied with the level of income support these programs provide and, in the case of sick benefit recipients, with the duration of paid sick leave. Dissatisfaction in the pension program centers on fluid, even erratic, eligibility requirements which favor those in certain occupations, those who are physically and emotionally able to continue to work after reaching retirement age, and in the case of women, those who are relatively free of family responsibilities. Especially profound is pensioners' dissatisfaction in regard to rigidity in benefit amounts which still relate to a 1967 poverty line and produce "totally inadequate" minimums and even maximums.

These inadequacies are not so much the result of poor administration, but are, instead, integral to the government's efforts to contribute to the maintenance of an adequate labor supply by adjusting the welfare system to labor needs.

The discussion which follows is based on an examination of Soviet and western literature on the structure of the Soviet social welfare system, and on an analysis of recipients' attitudes toward that system obtained from a survey of emigre responses to questionnaires prepared by the author. The methodology and profile of the respondents surveyed is described in the Appendix.

This paper first discusses the cost of social welfare, then devotes one chapter to each of four programs (Sick Benefit, Old Age, Disability, and Survivor Pensions). A summary of conclusions and predictions for trends in the Soviet welfare program in the 1980s follows.
In 1978, the Soviet Union spent 140.3 billion rubles on all social welfare undertakings, with 28.9 billion rubles (72%) going to pensions, and 6.0 billion rubles (15%) going to temporary sickness benefits.

Welfare expenditures have been rising steadily; in 1970 they amounted to only 22.8 billion rubles. Reasons for this rise include liberalizations in most of the existing programs, as well as the adoption of a new public assistance program (in 1975) for children under eight years of age in poor families. Population growth also played a role, being the major element in increasing the cost of temporary sickness benefits. But the most important factor leading to the near doubling of welfare costs in less than a decade has been the rise in the number of old-age pensioners, from 1.9 million in 1956 to 30.8 million in 1978. The total for all pensioners (including the aged, disabled and survivors) was 46.7 million. In other words, in 1978, nearly one of every six Soviet citizens was a pensioner. It is projected that the aging of the population will continue, requiring steadily rising expenditures on old-age pensions - especially because nearly three-fourths of this contingent are women whose life expectancy at birth in 1975 was more than 10 years longer as compared to men's life expectancy at birth.
TEMPORARY SICKNESS BENEFIT SYSTEM

The temporary sickness benefit program, which by now covers the entire population, is financed through payroll taxes. It is characterized by flexible regulations to adjust for varying circumstances, with the benefit amount largely a reflection of the workers' work record and union membership. The respondents of our survey generally approved of the structure of this welfare program, although many were critical of its administration. They noted that in practice the delivery of the system's benefits is uneven, susceptible to manipulation by managers and workers through bribery, malingering, favoritism and outright failure to comply.

STRUCTURE OF TEMPORARY SICKNESS BENEFIT PROGRAM

The basic features of the temporary sickness benefit system in the Soviet Union were established in December, 1917. That system has undergone many changes over the years to include benefits for workers who become ill or who are injured, who must care for sick family members, who are absent from work due to contagious disease, who require treatment at a sanatorium, who suffer from tubercular conditions and need rest, who are changing jobs for medical reasons, or who must be fitted with prosthetic devices in a hospital.

The amount of the benefit varies between 50% and 100% of earnings according to several factors, including the duration of uninterrupted employment, the nature of the illness or injury, union membership, and the number of dependent children under age sixteen (or eighteen if in school) in the sick individual's family.
In order to receive 100% of earnings the worker must either suffer from a work related illness or injury, be a working pensioner, belong to a union and have at least an eight-year record of uninterrupted work, or belong to a union and support three or more dependent children. Lack of union membership lowers benefits by 50% in the last two categories. When the illness or injury is not work-related, the worker receives less than full earnings on the following scale:

<table>
<thead>
<tr>
<th>EMPLOYMENT RECORD</th>
<th>% OF EARNINGS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than three years</td>
<td>50%</td>
</tr>
<tr>
<td>Three to five years</td>
<td>60%</td>
</tr>
<tr>
<td>Five to eight years</td>
<td>80%</td>
</tr>
</tbody>
</table>

Sick leave of between three and six days is granted by the district doctor through a sickness certificate. After six days of leave, the Medical Consultative Commission checks the doctor's procedures and makes any decisions required about further procedures and extensions of paid leave. When it appears that the illness is likely to continue and result in work limitations, transfer to the disability pension system begins.

The system also grants paid leave to workers who must care for adult and child family members. Leave to care for adult family members may be from three to seven days. For care of sick children, the leave varies according to the age of the child: children less than 14 years old - seven days per paid leave; for children 14 or older - 3 days per leave; children under two and hospitalized - the duration of hospitalization. Unmarried, widowed or divorced mothers of children under seven may take 10 days per sick leave.
Funds for the temporary sickness benefit program come entirely from a payroll tax. Trade union committees are responsible for collecting the tax contributions and for controlling the expenditure of those taxes. They are also responsible for checking the accuracy of the sickness certificate as prepared by the doctor and processed by the bookkeeper.

DELIVERY OF THE BENEFIT SYSTEM

The delivery of the sickness benefit system functions smoothly in the establishment of eligibility for and granting of leave, but is uneven in the determination of the amount of benefit to be paid while the worker is on leave. Our respondents generally agreed that they had few problems in obtaining sick leave, but stated that irregularities are frequent in setting the leave pay. These are due both to differences in interpreting and applying the regulations and to favoritism.

One interesting trend in the granting of sick leave is increased government concern for adequate child care. In view of the recent alarming increases in mortality rates among infants and young children the state has become more generous in granting leave for child care. It is proposed, as well, that the number of days of paid leave to care for sick children be increased during the 11th Five Year Plan. Probably in response to another alarming trend, the rise of alcoholism in the Soviet Union, the state denies sickness benefits to alcoholics. Interestingly, our respondents believed that this exclusion was justified and should continue, even when the alcoholic has a family and children.
The local union committees play a significant role in determining benefit amounts. Our respondents believed that favoritism is widespread in the unions' determination of benefit amounts, with better benefits going to those high in the union hierarchy, Party members, workers of high rank and with outstanding work records. The respondents also believed that the union committees are overly concerned with saving money for the insurance fund.

The most glaring examples of irregularities in setting the benefit amount occur when the worker's disease or injury is work-related and legally qualifies for 100% of earnings while on sick leave and for a higher disability pension if he or she is transferred to the disability category. Both management and the union committees tend to be derelict in carrying out the legal regulations pertaining to such cases. Incidents of collusion seem not to be infrequent and have led workers to accuse the unions of knuckling under in cases of disagreement with management on a variety of issues. Failure to fulfill the legal obligation to supply the 100% earnings level of sick pay is part of the whitewashing and deception to avoid fines for failure to institute and/or enforce required safety measures.

The district doctor is also a prominent player in the delivery of the sickness benefit system. Our survey provided some insight into the doctor/patient relationship in general, and as it involves the sick leave program in particular. Doctors have two roles in the system: first, to treat the illness or injury and second, to prevent fraudulent requests for sickness certificates. Few respondents found their doctors' care adequate, much less satisfactory.
Most complaints center around the patients' lack of confidence in the doctors' expertise and around the suspicion with which the doctor met their request for sick leave. Only half of our respondents considered their district doctors to be competent, while many pointed to the superficial care they received as a result of the doctor being overworked and underpaid.

There is also evidence of bribery and a species of a medical "second economy" on a large scale, leading to less than honest reporting by the doctors. It is not surprising that district doctors are vulnerable to the second economy, because they earn a low wage (by Soviet standards) during the first five years after completion of training, and earn only an average wage for the rest of their careers.

As for the doctors' suspicious attitude toward requests for sickness certificates, there is justification for suspicion because malingering continues to be a problem for the Soviet labor force. The reasons for this phenomenon are many. The two reasons most often cited as motivating people to malinger reflect social conditions rather than personality traits - "difficult living conditions accompanied by inadequate daily life services - a combination that leaves insufficient time to fulfill family responsibilities," and work settings in which "people work hard, get tired, and do not have enough time to rest." But quite a few people malinger because they do not like their jobs, find themselves too heavily involved in "volunteering", want to have free time to enjoy themselves or to earn extra money, and simply to escape from it all because they do not like to work. In view of the frequency of malingering, it is not surprising that doctors often
consider requests for sickness certification to be suspect.

In conclusion, therefore, the temporary sickness benefit pro-
program - despite falling prey in its delivery to irregularities,
collusion between unions and management, and favoritism - does repre-
sent a solid achievement for the workers' state. Policies follow
state concern over demographic trends, and act as a reward for the
workers' contribution to the state through the graduation of bene-
fits according to employment record.
The pension system in the Soviet Union covers three groups: old age pensioners, disabled pensioners, and survivor pensioners. The basic program/began in 1956 through the Pension Law and has been modified several times since then. The 1956 law did not include Kolkhoz members; only in 1964 did they receive coverage through the Law on Pension and Benefits for Collective Farm Members. The following sections discuss the programs available to each of the three groups of pensioners and their perception of the services they received.

As with the Temporary Sickness Benefit system, the Pension system contains several variables affecting eligibility and benefit amount. The State manipulates the system to encourage workers in areas of labor shortage to remain in the work force past pension age.

There is little satisfaction with the pension system because pensioners find the amount of their benefit inadequate to maintain their pre-pension standard of living, and often find the pension too low to meet their basic living needs. The major cause for the low pension amounts is the lack of indexing in the pension system - leaving pensioners with a fixed level of benefit for the duration of their pension, regardless of changes in the cost of living.
OLD AGE PENSION SYSTEM

Structure of the System

Since passage of the Pension Law of July 1956, male workers and employees have been eligible for pensions at age 60 after a minimum of 25 years of employment; female workers at age 55, after 20 years of employment. However, certain categories are entitled to pensions under "privileged" conditions; that is, they are either exempt from the general age and work record requirements, or are entitled to larger pensions than other workers, or both. These categories include workers who toiled at underground or hazardous jobs, or who labored under difficult or arduous conditions for at least half the working period; those with 15 years work experience in the Far North, or 20 years when a shorter period in the Far North is added to work performed "in equivalent" regions. Women with a 20-year work record in "intensive" textile occupations, women whose 20-year work record includes a 15-year stint as machine operators, and women who have worked 15 years while raising five or more children to age eight are also entitled to pensions under "privileged" conditions, as are blind workers and dwarfs.

The Law on Pensions and Benefits for Collective Farm Members was not passed until July 1964. Retirement ages were based on sex only: 65 for men and 60 for women; they were lowered in 1967, equating them with ages for workers and employees. The work record requirement was not adjusted according to working conditions or the physical condition of the individual: it was 25 years for men and 20 for women. But
women who had worked at least 15 years while raising five or more children to age eight, were entitled to pensions at age 55. Kolkhozniki who worked in the Far North and in "equivalent" regions became eligible for pensions under "privileged" conditions in 1971. Since January 1980, it has been possible for former kolkhoz members to combine their work on collective farms with their work in state and other enterprises for pension purposes, which they then receive on conditions and according to norms mandated for kolkhoz members. Up to 1980, combining was not permitted, a prohibition that deprived many of pensions because they lacked the required length of farm employment.

Pension amounts are set according to past earnings. A worker or employee can choose any five successive years of earnings from the 10 that precede application, or earnings during the year preceding application, the latter being more advantageous if they include raises in pay. A collective farmer, however, has only the first alternative. The basic pension for workers and employees varies between 50% and 100% of former average earnings, with the formula weighted in favor of the low-wage earner. The basic pension is increased by 10% if the worker's or employee's work record was "uninterrupted" for 15 years or if he worked 10 years beyond the minimum qualifying period. Non-working pensioners with a dependent who is unable to work are eligible for a 10% supplement which is increased to 15% when there are two or more such dependents. No supplements are available for able-bodied dependents. Nor is a maximum pension receiver entitled to any increase or supplements for dependents.
A partial pension for those who have worked a minimum of five years is payable at the normal retirement age, provided employment and retirement occur within specified time limits. Partial pensioners are not entitled to payments under "privileged" conditions nor to supplements for dependents. Their pensions are based on what the full pension would have been, in proportion to the number of years worked. In the overwhelming majority of cases, partial pension recipients are women who for a considerable period did not participate in national production because they were taking care of children and managing a household.

For collective farmers, the amount of the monthly pension is equal to 50% of the first 50 rubles of average monthly earnings, plus 25% of earnings above 50 rubles. There are no supplements for unable-to-work dependents.

Pension amounts are subject to minimum and maximum limitations. For workers and employees the current minimum is 45 rubles a month (raised from 30 rubles in 1956 to this level in 1971); the maximum has remained 120 rubles. For collective farmers the current minimum is 28 rubles; the maximum is 102 rubles. There are only two ways a pension can be raised above the maximum: by special largess (requiring the decision of high-level authorities) for outstanding service; or by regulations decreed for a particular class of workers. For example, in 1977, maximum pensions for workers in ferrous metallurgy were raised to 140 rubles a month for a work record of 15-20 years, and to 160 rubles for a work record longer than 20 years.
The Soviet pension system (unlike those of most industrialized countries) does not provide for indexing - a device that helps pensioners to cope with inflation; there is no supplementation of low pensions; and the principle of retroactivity does not operate. In other words, once a pension amount has been fixed, it will not be changed no matter how long a person receives it.

The current financial structure in the pension domain for workers and employees dates back to 1956. The contribution rates established then still apply today. Enterprises are graded according to the degree of hazard which employment in them entails and their contributions range from 4.4% of payroll on state farms to 9% of payroll in coal mining. Although all enterprises in a particular industry pay the same percentage, each branch of the economy has a different tariff. The intent was and still is to tie pensions squarely into productivity: when productivity rises, it was reasoned, so does the payroll, and so do contributions into the pension fund. Subsidies from the national budget would be minimal. This has not been the case; at present, more than half of expenditures are covered by such subsidies, that is, from general taxation.

The financial structure for collective farmers dates back to 1964 and to regulations promulgated in 1970. Two arrangements exist: pensions of farm chairmen, specialists and machine operators - categories equated to workers and employees - are financed in the same way as pensions for the latter. Pensions of collective farmers are financed by the Central All-Union Social Security Fund for Collective Farmers. Its resources come 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 that show a significant capacity for profit, plus 5% of their members' earnings.

Before 1963, a pensioner forfeited his pension if he continued to work after retirement and earned more than 100 rubles a month. The rising proportion of aged in the population and the growing labor shortages have brought forth a number of decrees designed to encourage pensioners to remain in the labor force.

The current situation is defined by the decree of October 1, 1979 which took effect on January 1, 1980. This decree retains several previous regulations, and also makes certain modifications and additions. Full-time workers of pension age are granted a flat 50% of pension in a large number of industries and occupations; retirees returning to work in Siberia, the Urals, and the Far East receive 75% of pension; and a full 100% goes to those still capable of working in arduous and hazardous jobs: these percentages of pensions are added to earnings. The 1979 decree eliminated two-months-a-year limitation that had been in effect for some white collar workers. The new decree also added new categories to those entitled to pension-plus-earnings not to exceed 300 rubles per month; namely, accountants, auditors, and certain other white collar employees. Those white collar workers who are still excluded are granted the right to retain both pension and earnings up to a combined ceiling of 150 rubles a month. For certain workers, the amount they can now receive as full-pension-plus-full-earnings is no longer limited.

Another 1979 modification established an increment of 10 rubles per month for each year worked beyond retirement age up to a maximum of 40 rubles, the total pension increment being limited to 150 rubles,
or 30 rubles higher than the maximum. The extra pay becomes available following cessation of work. The pensioner has a choice: he can receive both pension and earnings but without the right to the increment, or receive only earnings while accumulating the increment. If work beyond retirement age took place before January 1980, the increment is not payable.
DELIVERY OF THE SYSTEM

The crucial element in the pension system for the recipient is the amount of pension he or she may receive. Respondents told us that people begin thinking about it 5-10 years before reaching eligible age. There is an almost universal sentiment that a minimum pension should provide a level of living comparable to that of the working population. All respondents reject the current minimum of 45 rubles for workers and employees as utterly insufficient to provide even a humble subsistence. The majority believed that 101-150 rubles were necessary to constitute an adequate pension, which would be close to the current 120 ruble ceiling. They all feel strongly that there should be supplementation of the pension by the social security system on a regular basis.

Eligibility regulations for partial pensions are often difficult to fulfill. There are four conditions: a person must possess a work record of at least five years; must attain pensionable age while at work; must complete not less than three years of work immediately preceding pension application (work during this period can be interrupted for not more than six months); and must apply for pension while still at work.

The method used to raise pensions of low earners is to weight the benefit formula in their favor; hence, the lower the earnings, the higher the percentage the pension represents. A low-paid worker may receive a pension at the rate of 65% of his earnings, while a high-paid worker may receive only up to 50% of his earnings. In absolute terms, however, the low-paid earner remains at the bottom of the pension scale.
The alternatives to trying to live off of one's pension include living with family members, institutionalization, or remaining at work. Often unwillingly, many choose to live with family members, and a high percentage of women who leave the work force give their families' need for their assistance in child care and household duties as one of the major reasons. Few elderly people want to live in institutions. In some localities there are no homes for the aged. Perceptions about institutional care are negative in the extreme and only aged persons in desperate circumstances are said to be willing to enter ordinary homes (distinct from "special" homes for certain privileged groups) where the care is viewed as inadequate, even for those pensioners who choose to live on their pensions, the availability of social services designed for them becomes important. In the Soviet Union, the position in regard to what should be the relationship between social security and social services is that cash benefits and social services should be integrated; that is, both should be provided by the same agency, in order to facilitate coordination and assure efficiency. Given this approach, it is from local social security departments that Soviet pensioners obtain social services. What kind of services ought to be offered to meet their needs is, however, a controversial question among Soviet scholars and administrators. We wanted to find out what respondents think about this matter and to what extent the services they consider necessary are available in the Soviet Union. The following table summarizes their replies. Most feel that there is a need for all eight types of services we asked them to consider, these views being more pronounced among respondents at high occupational and educational levels. Help with finding suitable housing and work and
arranging housekeeping services for the homebound is most frequently unavailable, although needed; visiting nurse services and institutional care are the most often available and needed, although a third and 43% of respondents respectively, report that they are unavailable as we

Opinions about Availability and Need for Social Services

<table>
<thead>
<tr>
<th>Services</th>
<th>Available &amp; needed</th>
<th>Available not needed</th>
<th>Not available although needed</th>
<th>Not available &amp; not needed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counselling for social problems</td>
<td>21</td>
<td>13</td>
<td>45</td>
<td>21</td>
<td>100% (n=100)</td>
</tr>
<tr>
<td>Referral for counselling for social problems</td>
<td>22</td>
<td>8</td>
<td>59</td>
<td>11</td>
<td>100% (n=100)</td>
</tr>
<tr>
<td>Help with finding suitable housing</td>
<td>12</td>
<td>3</td>
<td>83</td>
<td>2</td>
<td>100% (n=100)</td>
</tr>
<tr>
<td>Help with finding suitable work</td>
<td>24</td>
<td>5</td>
<td>67</td>
<td>4</td>
<td>100% (n=100)</td>
</tr>
<tr>
<td>Arranging free vacations</td>
<td>45</td>
<td>6</td>
<td>49</td>
<td>1</td>
<td>100% (n=100)</td>
</tr>
<tr>
<td>Arranging housekeeping services for the homebound</td>
<td>17</td>
<td>3</td>
<td>79</td>
<td>1</td>
<td>100% (n=100)</td>
</tr>
<tr>
<td>Arranging visiting nurse services for the homebound</td>
<td>62</td>
<td>1</td>
<td>34</td>
<td>3</td>
<td>100% (n=100)</td>
</tr>
<tr>
<td>Arranging institutional care</td>
<td>47</td>
<td>5</td>
<td>43</td>
<td>5</td>
<td>100% (n=100)</td>
</tr>
</tbody>
</table>

Comments leave no doubt that very little is done about housing, characterized as inadequate in the extreme by many respondents. The only place mentioned as an agency to which pensioners can go for help is the district
exchange bureau which, however, seems to be quite limited in what it can do. The same situation applies to finding suitable work: the two ineffective respondents who asked for help from the district job placement bureau said that it is/
Housekeeping services are available if the family has the means to hire someone to stay with the sick person since help from young pioneers and activists who are themselves pensioners is sporadic at best and unavailable in most localities. Visiting nurse services, largely confined to giving injections, are supposed to be free when prescribed by physicians. Several respondents report, however, that visits will not be made unless patients pay for them.

Services offered by unions for the most part are in the form of free vacations, some of which they arrange for pensioners on recommendations from social security personnel. Many comments described such vacations as rare, difficult to obtain, available for very few, only for bosses, for those with outstanding work records, or most often, for bribes. "Once in a while," writes a respondent, "unions are useful for people who are useful to the union."

Respondents equate counseling for social problems with legal services that deal with problems such as refusal of responsible relatives to provide court-ordered assistance; failure of responsible authorities to relocate pensioners to better housing when their turn is reached on the waiting lists, etc. - in short, help with concrete needs, rather than with inter-personal relationships and emotional and social maladjustments. When available, such counseling is offered by attorneys who are either attached to district soviets, union legal bureaus, court personnel, or commissions connected with Housing Management Offices.
Social security departments are responsible for arranging institutional care, and Housing Management Offices facilitate arrangements for some within their jurisdictions. Yet, nearly half of respondents report that help in this service sector is unavailable. Even people who have no choice but to enter an institution find it very difficult to get in, and often have to bribe authorities to gain admission.

On the issue of choosing to remain at work, there were representatives among our respondents in each of the following: those who did not claim pensions when eligible, continuing to work at their regular jobs; those who continued to work after receiving pensions; and those who stopped working altogether after receiving their pensions.

Most of those who chose not to claim their pensions were in the high income group and would have experienced a significant loss of income by shifting to pensions. The pensions they finally claimed ranged from 1/5 to 1/2 of earnings. Obviously, it paid to continue working.

For those who continued work after receipt of pensions, economic reasons were also decisive. The most important were the family's need for material help and desire for a better standard of living than a pension would afford.

Those pensioners who chose not to work most often cited health and psycho-social reasons for leaving the work force. The lower the pension, the higher the proportion for whom bad health and reduced work capacity were the major reasons for quitting.

There are two regulations which may affect the pensioner who chooses to continue working. The first is that the pensioner may
work no more than two months per year. The second is that the pensioner may not bring in a total income greater than 300 rubles per month combining pension plus earnings. Variations in applying the two limitations are apparently endless. In relation to their effects, they may be seen as a supplementation-through-work formula, weighted in favor of low pension receivers, which operates in the absence of a program within the social security system for supplementing inadequate pensions in an equitable and organized manner. This approach has certain advantages from the point of view of government policy makers: it encourages some of the low pension receivers to remain in the labor force, at a relatively low cost to the state because their earnings for the most part are low; it is instrumental in creating a supplementary welfare program which picks up where the official program fails - especially for women pensioners in exchange for their services to their married children, so that the young mothers can go out to work; it does not discourage the high earners, in high-level occupations, from continuing to work because many of them like their work, and are anxious to maintain a standard of living comparable to their pre-retirement standard which would not be possible on pension alone. Because both limitations are firmly affixed to occupations, they can be manipulated to the end of making it advantageous for workers in occupations particularly important to the state at a given time to remain at work.

Old age pensioners are recipients of a benefit system, then, which is largely designed to manipulate the labor force, and which falls short in many ways in its delivery of services to the old and infirm. Pensioners perceive themselves as worse off than most of the population with few avenues of improvement or assistance.
DISABILITY PENSION SYSTEM

As with the old age pension system, the main source of dissatisfaction with the Disability Pension system is the amount of the disability benefit. The recipients describe general satisfaction with the delivery of the system, although they believe that a more personalized approach by administrators and a more genuine concern with emotional and social impact of disability on the part of physicians were needed.

Major determining elements in this system are the extent of disability, the qualifying period of employment, and the benefit rates. The disabled are divided into three groups: Group I are the totally disabled who need constant care; Group II, the totally disabled who can look after themselves; Group III, the substantially disabled with a loss of at least two-thirds of earning capacity. No length of work record is specified for those whose disability occurs before age 20. From then on, the required work record rises from 1-15 years for females and from 2-20 years for males by the time both sexes reach age 61 and over. For workers in dangerous work, the record rises from 1-14 years. Benefit rates take into account the cause of disability, type of work, conditions of employment, and wages. Since 1956, the disability formula has yielded pensions considerably lower than those granted to the aged. Efforts to improve it resulted in a 1974 decree which, in addition to raising minimums and maximums, aimed at equating Group I and II pensions with those for old age. Because Group III pensioners are required to work, their pensions are seen as additions to earnings and the equating formula does not apply to them. The method of calculating supplements - for nursing
care to Group I and for unable-to-work dependents of Group I and II was changed from a percentage of pension to flat amounts ranging from 10-30 rubles per month. Disabled from childhood in Groups I and II receive 16 rubles a month when they reach age 16. Partial pensions are payable to Groups I and II, but not to III.

In order to maximize their pension income, many people try to influence district doctors to keep them on paid sick leave as long as possible. All of our respondents said that disabled persons try to influence Commission physicians, as well, in order to be assigned to a more serious disabled group. They do this usually through gifts and bribes.

Institutional care for the disabled is as unappealing as that for the elderly, and most try to avoid it at all costs. Of the social services discussed in the previous section, counseling, paid vacations visiting nurses, and placement in institutions are usually available to some extent. Many disabled people choose to work full-time against the advice of their doctors because part-time work is unavailable and because they need the supplementary income.

The living standard possible on pensions often either plunges the disabled below the official poverty line or fails to meet even modest minimum needs. In almost all cases, it is inferior to their level of living prior to disability. Only through supplemental income from work could the disabled maintain a decent standard of living. In short, the pension system shows little concern for non-producers and/or marginal producers - no matter what the cause of their inability or reduced ability to work and thus to contribute to the socialist state.
SURVIVOR PENSION SYSTEM

Survivor pensions are the lowest granted by the pension system. For one survivor the minimum is 23 rubles per month; for two, 45 rubles per month; for three, 70 rubles per month. Major determining elements in this system are the circle of dependents entitled to a pension, the breadwinner's employment qualifying conditions, and the benefit rate. Adults' eligibility for pension is severely restricted. The spouse or parent of the deceased breadwinner is eligible only if he or she is caring for a child under eight years of age, or becomes disabled within five years after the death of the breadwinner. Since a young or middle-aged widow is not likely to reach retirement age (55) within five years after her youngest child has reached age eight, the obvious intent is to get her to work. Children or dependent siblings of the deceased receive pensions until age 16, or 18, if in school, or indefinitely if they become disabled before that age. Length of employment requirement is similar to that for disability pensions. Benefit rates also take into account the cause of death, type of work, conditions of employment, and wages.

As in the old age and disability pension systems, there is no indexing or supplementation for survivors; the low level of pension is almost always inadequate for maintaining a decent standard of living. As with other areas of the welfare system, there are problems in the mechanics of the system which often cause delay or less-than-expected benefits. All of our respondents felt that the state should raise the level of this pension's benefit amounts. Since the majority of survivors are aged women - many of whom are ineligible for old age pensions on their own insufficient work records - widowhood becomes a doubly traumatic state for them, unless they have children who are able and willing to provide help.
SOCIAL WELFARE WITH A HUMAN FACE: THE ADMINISTRATORS

Thus far this paper has examined the structure of the welfare system and the ways that recipients view the system and adjust their lives to accommodate it. Between the letter of the law and the living of the law, however, there is a layer of administration which can have a significant effect on the functioning and reception of welfare programs. This section discusses pensioners' views of the role and expertise of administrators and the self-image of administrators whom we were able to interview.

Pensioners usually have their first significant contact with social security administrators when they apply for their benefits at the local office (rather than through the union committees, as most workers do). Among our respondents, nearly all had visited local offices more than once, but quite a number note that these visits are rare. Two fifths of respondents report that all workers treated them attentively, with respect and patience; but three-fifths inform us that they received this kind of treatment only occasionally, or only from some workers. The majority were seen without a long wait, but a fifth had to wait two to more than three hours. Although nearly all respondents wanted an explanation about the basis on which decisions were made in their cases, only two-fifths were given full and clear explanations. For a quarter, explanations were either partial or unclear; and a third got no explanation at all.

More than four-fifths of respondents report that the major concern of most social security workers is to apply the law and regulations strictly. Only 14% think that these workers occasionally
depart from a strict interpretation in order to meet pensioners' needs more fully. Respondents are rather unenthusiastic about the quality of expertise demonstrated by these workers. Less than half see them as very well-trained, with fairly broad expertise; the rest, as having either average or poor training and limited or meager experience. Comments stress that turn-over in social security workers is high.

We chose four areas of training and asked our respondents how the social security administrators ranked in relation to them. The following table reflects their responses.

<table>
<thead>
<tr>
<th>Degree of importance</th>
<th>Knowledge of laws and regulations</th>
<th>Applying laws and regulations to individual situations correctly &amp; promptly</th>
<th>Respect for human dignity &amp; individual differences</th>
<th>Appreciation for right to seek &amp; receive objective review of decisions with which clients are dissatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not important</td>
<td>3</td>
<td>1</td>
<td>--</td>
<td>1</td>
</tr>
<tr>
<td>Fairly important</td>
<td>17</td>
<td>16</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td>Important</td>
<td>46</td>
<td>49</td>
<td>30</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30</td>
<td>83</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td></td>
<td>92</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very important</td>
<td>34</td>
<td>34</td>
<td>60</td>
<td>68</td>
</tr>
<tr>
<td>Total</td>
<td>100 (n=224)</td>
<td>100 (n=224)</td>
<td>100 (n=225)</td>
<td>100 (n=225)</td>
</tr>
</tbody>
</table>
There is almost universal agreement that training needs to be improved in all four areas examined. It is also obvious that few think that such improvement is only "fairly important." The striking finding is that decisive majorities of respondents assign major importance to the need for social security workers to appreciate the right of their clients to seek and receive an objective review of bureaucratic decisions, and to being treated with dignity and a recognition of individual differences.

As is generally known, the appeals process often yields data and insight into how well or poorly cash benefit programs and social services fulfill the purposes for which they are created. Inadequacies of coverage, inappropriate or harsh eligibility conditions, and a multitude of weaknesses in the quality of administration may be brought to light. In the Soviet Union, however, nothing has been written about the appellate process. We included this area in our questionnaires to gain some of these insights.

Although nearly 93% of respondents did not know how to complain or appeal if they were dissatisfied, either with substantive decisions or with the administrative process, 75% were not given an explanation about what they could do. Of 234 respondents, 73 were dissatisfied, but only 15 complained. Four-fifths of dissatisfied respondents did not complain because they felt that it would do no good. The remainder were afraid to antagonize whoever made the substantive decision, or caused delays, or manifested impatient or rude treatment; or did not want to get involved in a long, drawn-out bureaucratic process.

Of the 15 complaints, nine were lodged within the social security system, six outside the system - with newspapers, executive committees
of local soviets, and trade unions. Of nine complainants whose cases involved substantive decisions, three won.

An extension of the pensioners' views on the administration of the welfare system is their broader view of the role of the Party and government in the pension domain, the pension system's major goals and the sources of its revenues. A majority of respondents believe that the Party and government usually ignore the needs of elderly citizens, more than a third see them as occasionally demonstrating a desire to meet these needs more fully.

In order to open up the possibility of raising pensionable ages, Soviet authorities have been stressing the notion that the main goal of pensions is to compensate for loss of earnings caused by inability to work because of old age. But we found that few respondents agree with this position. Most consider the pension as a compensation or reward for past work. Despite massive and continuing Soviet propaganda to the contrary, fewer than 2% of respondents think that they received pensions free of charge: 91% are convinced that they paid for them in full, and the rest, that they paid for them in part.

As for who holds the power of making welfare policy, our respondents considered that to be the purview of high social security organs with all-Union jurisdiction. Some state that only the Politburo has the power to make major decisions about pensions, in particular and social welfare in general. Again, the respondents emphasized that the unions had very little influence.

Administrators agreed with many of the criticisms of pensioners on
the questions on benefit amounts, eligibility requirements, etc. Generally speaking, they agreed with the length of work required, and were less critical of the fixed pension ages. Dissatisfaction with official permitted increases in pensions, however, is even more wide-spread among administrators than among pensioners. Almost all administrators agree that a minimum pension should provide a level of living comparable to that of the general population and, like pensioners, they all reject the current minimum as totally inadequate.

Pensioners' perceptions of workers as primarily concerned with applying the law strictly seems to be corroborated by the view of two-thirds of these workers that, as representatives of the government, they are obliged to carry out the law in the strictest possible manner in each case, to say nothing of their superiors' instructions that they must not take into account individual needs. Administrators admit that work in social security is usually not a career choice, but a stop-gap measure between jobs or education, and that most workers are unenthusiastic about their jobs. Finally, perhaps because they also see themselves as over-worked and underpaid, most administrators find the pensioners' expectation of an individualized, fair and objective hearing - when they consider decisions affecting them to be unjust or arbitrary - unreasonable.
CONCLUSIONS AND OUTLOOK

The recurrent themes in our examination of the Soviet welfare system are that it is extensive in coverage, with a degree of flexibility to accommodate several types of benefit; that most pensioners and many sickness benefit recipients consider the laws which this system implements "stingy" because they are aimed primarily at manipulating the system to help meet labor supply needs rather than the needs of its beneficiaries; that the administration of the system fails on many counts by encouraging favoritism, bribery, malingeri ng, nonobservance of mandated requirements, and "nipping" of beneficiaries' rights; that the laws' 'stinginess', exacerbated by administrative failures, results for many pensioners in benefits so low that life on them alone is difficult or nearly impossible, and in paid sick leave too short for regaining health fully.

As a consequence, pensioners see themselves as a forgotten class of citizens in the Soviet Union, people who receive only a minimum of material reward after working long and hard for the Soviet state. They do not perceive their benefits as a gift from the state which rewards them for services rendered. Rather, over 90% were convinced that they had paid for them in full many times over through direct and indirect taxation.

This study also provided insights into some attitudes and trends in the workers' experience. Perhaps the most important is that workers do not consider the unions to be their advocates, but rather to tend more often toward cooperation, even collusion, with management when problems arise. Second, workers have little faith in their doctors, many of whom they either mistrust, consider incompetent or susceptible to influence through bribery.

Finally, pensioners and sick benefit recipients perceive that decisions about their programs are not made at the local level - that, as a matter of fact, the input of local bureaucrats into policy is minimal at best - but at the top of the system at the level of the republic ministries, the Central
Committee, or the Politburo. This perception has three results. The first is that dissatisfaction or frustration over the structure of the welfare system is not consistently or primarily focussed on the local doctors and administrators, but more often on the leaders of the state as a whole. The second result is that this perception increases a sense of hopelessness among pensioners who feel mistreated or who believe that their particular situation deserves review. And thirdly, this perception exerts a chilling effect on the pensioners' desire to organize in order to improve their status vis-a-vis the welfare system: they question the realism of undertaking an organizing effort and/or achieving anything worthwhile in this way - as well as the wisdom of getting involved with official regulatory organs which would step in without delay.

The outlook for the Soviet social welfare system in the eighties is that it will continue to increase in cost as the proportion of the elderly in the population rises; that the state will continue to use the welfare system to encourage certain segments of the working population to remain in the labor force, as needed; that this trend will bring liberalization of temporary sickness benefits to reduce the rising mortality rates, especially among children - the future workers; that for pensioners who are workers and employees only minor improvements for the most disadvantaged can be expected, while the pensions of collective farm members will be further equalized with those of workers and employees; and that these token improvements will not diminish hardship for many of the aged, disabled, and survivors as the state tries to keep them at their jobs longer. What seems least amenable to change in this decade is the inability of Soviet welfare consumers to organize themselves in order to improve the income support and the social services available to them, as well as to gain a degree of freedom that would make it possible for them to challenge their government when they consider decisions affecting them to be unjust.
This project involved the use of questionnaires administered to Soviet emigres in the United States, Canada, and Israel. We interviewed the following groups: (1) emigres who experienced the Soviet welfare system as consumers: recipients of temporary sickness benefits, pensioners (old-age, disability, survivors), and unmarried mothers; (2) emigres who worked in this system as paid staff in the Ministries of Social Security; (3) Soviet emigre physicians trade unionists and consumers who participated in the project to discuss findings for greater understanding.

The six different questionnaires had from 75 to 186 questions. Some of these appeared on all questionnaires, making it possible to compare the views of consumers and administrators on certain issues. All had space for copious comments and explanations. Emigres were located in the United States (nine states and 14 cities), in Toronto, Canada, and in several cities in Israel. The comparatively minimal political overtones and personally non-embarrassing nature of the subject matter, the assurance of anonymity, and the use of interviewers whom they could trust encouraged them to furnish reliable information. Although not all emigres who were approached wished to participate, the number who did - 385 - was sufficient for our purposes and, we believe, these participants provided reliable data: our sample was not random, but our respondents were competent and earnest; a careful analysis of the pattern of distribution of their answers shows unambiguously that they gave serious thought to our questions before answering them - that they were not responding in an undif-
ferentiated manner.

The following sections describe the respondents for each chapter of this paper.

I. Temporary Sickness Benefit Program

There were 103 respondents in our sample: 56 women and 47 men. At the time they participated in our study, during 1980, their ages ranged from 26 to 71 years, almost evenly divided between those 26-45 years old and those over 45. They came from 19 cities in seven Republics; the largest number, 58, arriving from nine cities in the Ukraine, the next largest, 27, from four cities in the RSFSR. The remainder were fairly evenly divided between the other five Republics—Moldavia, Belorussia, Latvia, Armenia, and Georgia.

The great majority (more than 88%) came to the United States during 1977-80 and, as was to be expected, most (87 of 103) were Jews, followed by 12 Russians, two Ukrainians, and one Armenian. In the Soviet Union, they had worked in 39 different occupations, in enterprises whose work-forces ranged from 2 to 10,000 employees. Half had been in establishments with 100 or fewer employees, the rest, in larger establishments. Roughly 80% had received their last sickness benefit within the last five years; 86 of the respondents received benefits because of their own illnesses, one to care for his sick wife because no one else was available, and the rest (16) to care for sick children.

Our respondents were a well-educated group: more than 63% were university graduates with diplomas of specialization; 20% were college graduates (distinguished from the first because they lacked a specialized degree); the rest were high school graduates, the greater
part of whom had specialized vocational training. Only one respondent had not gone beyond elementary school. More than 71% of the university and college graduates worked as high and middle-level professionals; those with less education were fairly evenly divided between skilled non-manual and skilled manual workers.

II. Old Age Pension System

There were 234 respondents in our sample: 133 women and 101 men. At the time they participated in our study, during 1980, 37% were between 55 and 65 years of age, and the rest (63%), between 66 and 85. They came from 32 cities in 10 Republics; the largest number, 88, arriving from 11 cities in the Ukraine, the next largest, 84, from four cities in the RSFSR. Another 40 were evenly divided between Belorussia, Armenia and Latvia; and the remaining 22, between Azerbaijan, Georgia, Uzbekistan, Moldavia and Lithuania.

A large majority (88%) came to the United States during 1977-80 and, as was to be expected, most (194 of 234) were Jews, followed by 17 Russians, 15 Armenians and seven Ukrainians (one did not give her nationality). In the Soviet Union, they had worked in 63 different occupations, in enterprises whose work-forces ranged from one to 15,000 workers. Half had been in establishments with 50 or fewer employees, the rest, in larger establishments.

Most respondents became eligible for pensions at retirement ages fixed by law for those not entitled under "privileged" conditions. Among the rest, there were three women and four men who could retire earlier and six women and eight men who did not become eligible until later. Two respondents, both women, were partial pensioners; all the rest received full pensions. Two women were denied partial
pensions. Most (87%) claimed their pensions as soon as they became eligible for them; 13% continued to work without claiming.

At the time they received their pensions, only 29 respondents (13%) lived alone. Forty-five percent lived with spouses; 18% with spouses and children, and 7% with spouses and relatives. The remaining 18% - for the most part widowed men and women - lived with their unmarried and married children (12% and 6%, respectively).

Our respondents were a reasonably well-educated group: 38% were university graduates with diplomas of specialization; 20% were college graduates (without specialized degrees); and the rest (42%) were high and junior high school graduates, a third of whom had specialized vocational training. Only one respondent, a woman, was illiterate. Differences in proportions of men and women at various educational levels were negligible (2-3%). Nearly 49% of respondents worked as high and middle-level professionals; 48% as skilled workers; and only 3% as unskilled workers, non-manual and manual.

Respondents' earnings were divided into five groups: under-minimum (less than 70 rubles per month); very low earnings (71-100 r.); low earnings (101-150 r.); average (151-200 r.) and high earnings (more than 200 r.). Only 4% earned less than 70 r.; 16.8% were very low and 35% low earners. Average earners accounted for 22% of respondents, and 32% were high earners. Earnings ranged all the way from less than 70 r. to 600 rubles per month. Education influenced earnings profoundly as well: 79% of university graduates earned average and high salaries; this was true of half of the college graduates; and of a third of those with high school education.
On the other hand, of the 16 respondents who earned under-minimum wages, 11 were high school graduates and one was the illiterate respondent. Although the distribution of men and women in relation to educational level was quite similar, the differences in their earnings were striking. Seventy-three percent of the men earned average and high salaries, but this was true of only 38% of the women; at the other end of the scale, women made up 86% of less than minimum and very low wage earners.

III. Disability Pension System

Of our group of seven disabled pensioners, four women and three men, four were high-level professionals, one skilled manual and two skilled non-manual workers. Their ages at the time they received their pension ranged from 23-58 years, averaging 47 years - only one year higher than the average age of all disabled Soviet pensioners.

IV. Survivor Pension System

Our group of 10 survivors were all women. At the time their husbands died, they ranged in age from 25-82, only four being younger than pensionable age. Six husbands were non-working pensioners at time of death; four worked: as a shoemaker, master tutor in a technical school, engineer, and director of an aeroplane factory. Before widowhood, half of these women lived with husbands, the other half, with husbands and children. Widowhood made it necessary for three to move in with married children or relatives.

V. Administrators

Of our 15 social security workers, six men and nine women, at the time they were interviewed in Israel in 1980, 47% were between
24 and 50 years of age, the rest, between 56 and 72. They came from 12 cities in seven Republics: Lithuania, Moldavia, Ukraine, Latvia, RSFSR, Uzbekistan, and Azerbaizhan. Their employment with social security stretched all the way from 1942 through part of 1980, terminating in the fifties and sixties for six, in the seventies and in 1980, for nine. Most were workers with long experience: only three had worked in the system less than five years; four, 6-10 years; seven 11-20 years; and one, for 32 years. Most were familiar with the current situation, especially the six who arrived in Israel less than a year ago and the five, less than three years ago. They had been employed at different levels and in different jobs in the social security hierarchy: as "inspectors" (first-line workers in district offices); as "senior inspectors" (supervisors in district offices); as deputy directors and directors in district offices; a supervisor in charge of services for the disabled; a chief control inspector in a Republic Ministry of Social Security; a chief bookkeeper; a chairman of Medico-Labor Expert Commission; and an attorney acting as liaison between the executive committee of a local soviet and social security.