

## LETTERS

### TO THE EDITOR:

The March issue contains a review by Dr. Bernice Madison of *A Report on Social Security Programs in the Soviet Union*. As one of the authors, I would like to make a rebuttal.

The primary difficulty with the review is that Dr. Madison did not understand the purpose of the trip and the report or the method of study and investigation involved. Studies based primarily on reading literature about a subject are much more severely limited than personal investigations of actual operations. Skillful questioning—at various times and places, with opportunity to cross-check the answers of many persons who have similar functions—can frequently uncover better information than reading a number of books and documents. The fact that the people who actually operate a program do not know about—or will not discuss—its past history is in itself significant. Also, it is not infrequent that there is a departure in practice from printed descriptions of systems.

Turning to specific points raised by Dr. Madison, I believe that some of her criticisms are not pertinent because she did not understand the audience to whom the report was directed. While it was hoped that the report would be of interest to experts on Soviet matters, it had to be framed so that others, who have an interest in social security, would be given some background in the economic and social structure of the USSR. Moreover, we presented certain studies and analyses that, as far as I know, do not appear elsewhere—such as those concerning the unique operations of an individual-insurance organization and the demographic analyses of mortality and fertility.

With regard to the sections that describe the provisions and operation of the Soviet social security system, Dr. Madison states that some errors exist, but the examples that she gives do not prove her point. One so-called “error” is with regard to our conclusion that there is no continuing public assistance program, but rather only a supplementary system of lump-sum payments to meet specific, usually nonrecurring, needs. The figures that she quotes for a particular local office do not by any means contradict our findings, since she lists expenditures of four types; the first three are part of the regular social security program and account for 98 per cent of the total expenditures. In each place we visited we requested information about programs that provided regular monthly payments for persons who were not having their needs satisfied by the regular social security program. Certainly, if such a program existed, the Soviet officials would have mentioned it.

Dr. Madison criticizes our discussion of the financing of the program on the grounds that the information given is incomplete and much was already available in printed sources. It was most significant, on the contrary, that we had great difficulty in obtaining a schedule of contribution rates and that we were told no printed list exists. Dr. Madison refers to a 1958 list and in some of her writings states that contributions range from 3.7 per cent to 10.7 per cent of payroll. According to our findings, verified by discussion with central-office officials by inquiry at individual establishments visited,

and by material subsequently published by the Soviet Union, the correct range is from 4.4 per cent to 9 per cent.

Summing up, we are criticized for failing to do things that were outside the scope of our assignment.

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PROFESSOR MADISON REPLIES:

Limitations of space confine me to the following points:

(1) The purpose of the trip and the *Report*, the audience aimed at, and the method of study and investigation are not difficult to understand. Twelve years of service for county, state, and federal governments, as producer and consumer of reports, have not left me a novice. I'll admit to being an avid reader, but if Mr. Myers is implying that I rely for whatever knowledge I possess primarily on literature, he is mistaken: during my three months in the Soviet Union, I spent sixty hours in discussions with officials and recipients (without interpreters, since my Russian is fluent). I even talked with some who had talked with Mr. Myers, but sometimes they gave me different answers—especially when confronted with their own writings!

(2) As an income-maintenance device for needy persons, public assistance may (a) provide supplementary aid when social insurance benefits are insufficient or (b) aid those ineligible for social insurance. In the Soviet Union (a) is *not* a function of public assistance but of "social organizations" (*obshchestvennye organizatsii*) such as trade unions, veterans of labor, etc.; (b) is, in two forms: regular, continuing monthly grants (*ezhemesiachnye posobiia*) and lump sum grants (*edinovremennye posobiia*). The law on (b) is clear; it has existed since 1935 and was liberalized in 1957 and 1958 (see A. R. Arkhipov and N. A. Pomansky, *Finansirovanie sotsial'nogo strakhovaniia i sotsial'nogo obespecheniia: Sbornik zakonodatel'nykh i instruktiivnykh materialov*, Moscow, Gosfinizdat, 1958, pp. 207-210). The law is being enforced (see V. Piskov, "Rabotat' bez biurokratizma, formalizma i volokity," *Sotsial'noe obespechenie*, Nov., 1961, p. 52). Since 1958 in the RSFSR, "the number receiving regular, monthly grants increased by 700,000" (V. Zvonarev, "Segodnia i zavtra sotsial'nogo obespecheniia," *Sotsial'noe obespechenie*, Feb., 1962, p. 3). That the Russians were not talkative about their *means test* and their *needy* is surely not surprising. On this one, Mr. Myers has been had.

(3) Contribution rates are *periodically modified*. In 1958, in state enterprises, there were 22, ranging from 4.4 per cent in agriculture to 9 per cent in coal (Arkhipov, *op. cit.*, p. 47); in producers' co-operatives, there were 25, ranging from 2 per cent in lace and rugs to 37 per cent in chemicals (R. R. Kats, *Sovetskoe kooperativnoe strakhovanie*, KOIZ, 1960, p. 39).

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