

## **Egalitarian Concept and Practices of Labour Motivation in the Soviet Industry in the 1920-1980s**

Sergey ZHURAVLEV \*

\* *Russian Academy of Sciences, Russia; svzhuravlev@mail.ru*

**Abstract:** In this article, I aim to look at ‘the equality-inequality’ problem in terms of a conflict of ideological dogma, levelling moods in the society, and policy of economic pragmatism, and through the prism of labour motivation. Thus, I focus on dynamics of wages policy in 3 leading Soviet enterprises—Moscow Elektrozavod and Metallurgical plant, and AVTOVAZ factory—in a more general historical context. I stress that in the USSR’s material incentives for work were artificially restrained for reasons of preventing social stratification. Moral incentives demonstrated inefficiency, and coercive methods were associated with Stalinist forced labour. The deepening of the contradiction between economic needs and ideological dogmas led to a crisis of labour relations, which became one of the reasons for the dissolution of the USSR in 1991.

**Keywords:** equality-inequality contradictions, egalitarian ideas, ideological dogma, labor motivation, coercion, commitment, compensation, Bolsheviks, Lenin, Stalinism, *nomenklatura*, “war communism”, industrialization, Soviet “liberalization”

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### **1. Preliminary remarks**

A recent macroeconomic study by F. Novokmet, T. Piketty, and G. Zucman, devoted to the evolution of equality and inequality in Russia and the USSR in more than the last 100 years (1905-2016)<sup>1</sup>, has not yet received a proper response in the historiography of Russia. Meanwhile, this work gives plenty of food for thought and at the same time requires serious verification and analysis, including involvement in data and approaches of historical study.

In particular, the authors draw attention to the fact that according to the state of material inequality (the share of national income, as a percentage, which is going to the rich and to the poor) modern Russia is at about the same critical level as in 1905, and even in the worst situation compared with 1917. However, the average standard of living now is much higher than at the beginning of the XX century, which partly alleviates the problem of income inequality.

According to Novokmet and his colleagues, Bolshevik social policy led to a rapid inequality reduction after the October Revolution in 1917. As a result, 1% of the most affluent people in the USSR (mainly representatives of the new ruling layer—the *nomenklatura*<sup>2</sup>) had an official income of only 4-5 times

higher than the income of ordinary Soviet citizens (excluding informal benefits and privileges of the nomenklatura, which could slightly increase this difference).<sup>3</sup> If we compare the share in the USSR national income of the 10% of the most affluent Soviet people and that of 40% of the citizens with an average income, it will appear that since the late 1920s and up to 1990, the level of income of the richest Soviet people was only two times higher than that of citizens with an average income.

According to Novokmet and his colleagues, the level of material equality of the population supported in the USSR did not have precedents in the history of mankind. At the same time, the ‘content’ of this equality was different: in the late 1920-1930s it was ‘equality in poverty’, and by the end of the Soviet era—in connection with the growth of the welfare of the population—‘equality in the relative prosperity’.

In addition, we reconstructed the table below, which is based on the figures by Novokmet and his co-authors; it makes us pay special attention to the specifics of the period of the 1960s-1980s. At that time, 10% of the most affluent Soviet citizens, who were supposed to constitute the main social support of the regime, for the first time after 1934, began ‘getting poor’, and by 1980 their share of national income was at an unprecedented low level for the entire XX century: 21% (compared with 47% in 1905 and 50% in 2000). At the same time, in the period from 1960 to 1980, the state purposefully pulled up the incomes of 50% of the least affluent Soviet citizens. The middle-income strata of the population of the USSR reached a peak in their share of national income in 1956, and then, until the end of the Soviet era, showed a slight decrease in this indicator.<sup>4</sup>

**Table 1. Percentage of the national income of Russia received by different segments of the population in 1917-1990 (excluding absolute indicators)**

Year	The most affluent (10% of the population)	The middle strata (40% of the population)	The poorest strata (50% of the population)
1917	35	43	22
1927/28	23	47	30
1934	25	47	28
1941	25	48	27
1956	26	50	24
1960/61	26	48	26
1967	22	46	32
1990	24	46	30

Thus, the study of Novokmet and colleagues shows that the greatest level of homogeneity in terms of income equality was reached by Soviet society in the last 30 years of the USSR’s existence. However, at the same time, the most affluent strata, based on the Communist party and Soviet nomenklatura (about 3 million people together with family members), at this time could consider themselves strangled. There is also the question in connection with the analysis of the consequences of such a policy—whether it has

a correlation with the actual refusal of the nomenklatura from the struggle for the disintegration of the USSR by the end of the 1980s, and with the growing crisis of labour relations by the end of the Soviet era.

It is no secret that the main research interest for Novokmet and his colleagues was the economic and statistical analysis of the current situation in Russia. For authors, the previous century is mainly a 'background' and a source for statistical comparisons, whereas society as a subject of the historical process, for obvious reasons, generally remains in the shadows. Thus, in our opinion, the attempt to integrate the model proposed by economists into the historical context of the XX century becomes relevant.

The purpose of this study is to show, with the help of a series of case studies focusing mainly on the motivation of labour in Soviet industry, how egalitarian or anti-egalitarian tendencies worked in practice and in what context, in different periods of Soviet history.

## **2. A multi-factor approach**

A multi-factor approach is important for studying equality and inequality, as well as the mandatory inclusion of the phenomena in question into a changing historical context. It is worth bearing in mind the constant presence of the three main factors in the USSR that, depending on the situation, could both accelerate and slow down the socio-economic processes, and also put them in conflict with one another. These 3 factors are: 1) the communist ideological views and dogmas that influenced the economic and social policy of the USSR, 2) the egalitarian public sentiments prevailing in Russia even before 1917, and partially consolidated in the USSR, which authorities could not ignore, and 3) the trends of 'economic pragmatism', which often came into conflict with ideological dogmas.

The most important ideological attitudes that influenced the practice of labour relations in the USSR are the privileged position of workers in the Soviet society, the state guarantees of universal employment and the prevention of unemployment, the restriction of differentiation in the incomes of the population, support for the poor, etc.

Equalizing psychology was a characteristic feature of the traditional village culture, inherited by the Soviet Union since pre-revolutionary Russia, where peasants accounted for about 85% of the population on the eve of 1917. As it seemed, the 'natural socialism' of a Russian man, his ideas about collectivism, a just world order, poverty, and wealth organically fit into the ideas of Marxism, and were considered as a kind of a guarantee of success of the Soviet experiment.<sup>5</sup> In addition, a particularly respectful attitude to hard physical labour remained in the society and among the representatives of the authorities during all the Soviet years.

The roots of the egalitarian psychology in Russia lay in a bizarre combination of collective and sodality ethics of the peasant community (*obshchina*)<sup>6</sup> and religious orthodox morality that opposed Russian 'sobornost' (conciliarity), modesty in one's needs, aspiration to 'be like everyone else', to

Western Protestant ethics, individualism, and accumulation. However, in practice, the Bolshevik modernization, which was in line with the global trends of that time, inevitably accelerated the crisis of equalization morality observed at the beginning of the XX century in Russia. At the end of the Soviet era, egalitarian psychology came to nought in connection with rapid urbanization, the spread of urban culture, 'pragmatic economics', and atheism.

The Soviet government in the course of the construction of socialism could not ignore the prevalence of egalitarian attitudes in society. Depending on the situation, the government then tried to exploit them to their advantage, and then organized the struggle with the 'wage-levelling' in the form of campaigns. At the same time, as a rule, short-term goals were pursued, and the remote consequences of such a method were not calculated.

In this regard, a complex picture was observed at the level of production. The desire of individual workers to significantly exceed the norm in order to earn more was first encouraged by the factory administration and then served as the basis for the revision of the standards upwards for all employees. On this basis, there were conflicts with the administration and in the working environment. At the same time, it is necessary to consider that the management of the enterprise did not have the opportunity to essentially increase the wages of workers at its own discretion, since it received a limited payroll fund from the state.

The repeated recurrence of this situation during the 1920s-1980s led to the preservation of the levelling mood and suppressed the initiative of the workers. It came down to the fact that they secretly conspired not to exceed the standards by more than 120 percent in order, on the one hand, to receive guaranteed wages and bonuses, and, on the other, not to allow unfavourable intensification of labour. Over time, this developed into a serious systemic problem of the Soviet economy, one of the obstacles to increasing labour productivity.

State and departmental paternalism, such an important factor in Soviet reality, partly continued the pre-revolutionary traditions of this kind, and was superimposed on it. It formed, on the one hand, a significant dependence of the employee on the employer, but, on the other hand, imposed obligations on the latter in respect of even a negligent worker in terms of employment and income security, providing a living wage.

In the USSR, where the state tried to regulate all processes, ideology, social policy, and economics were so closely interwoven with each other that at times in real life, phenomena economic in their essence simultaneously acted as important factors in ideology and social policy. Accordingly, it is impossible to evaluate them beyond the multi-factor approach. On the example of labour motivation, the intersection of the above tendencies is especially strikingly traced.

### **3. Utopian dreams and their transformation**

The extent to which the labour relations in the future socialist society seemed to the Bolsheviks an

ideological and utopian light can be judged by the fundamental work of V.I. Lenin 'The State and Revolution', which he wrote in 1917, just on the eve of the seizure of power by the Bolsheviks. The idea of universal equalization is a highlight in this work. Lenin insistently repeats that in the future state of the dictatorship of the proletariat, workers will employ state officials, technicians, accountants, and other specialists, paying for their services on the basis of the wages of an average worker. 'Our task is to reduce officials' salaries to the level of the wages of the average workman'. 'This is the state and this is the economic foundation we need'<sup>7</sup>, Lenin emphasized. 'All that is required is that they [workers and officials] should work equally—do their proper share of work—and get paid equally', he continued the idea. Then further: 'The whole of society will have become a single office and a single factory, with equality of labour and pay'.<sup>8</sup>

Not only from today's point of view, but also many contemporaries considered such ideas to be fantastic. Indeed, what does in practice mean 'equality of labour' under socialism, and how to measure it if a worker's machinery labour is fundamentally different from that of a manager, an engineer, a scientist, or a musician? Would equal pay be considered fair in the society in that case? Further, the most important thing—will the equalizing system encourage people to do more intensive and high-quality work, to obtain education and change their social status, to improve their skills, and self-improvement? Will the system of equal distribution of material goods basically contribute to the economic and social progress of society? Having offered a well-known ideological postulate 'Capitalism can be utterly vanquished... by socialism creating a new and much higher productivity of labour'<sup>9</sup>, he unfortunately did not ponder the accordance of egalitarian ideas with this goal.

However, as we know, in the writings of K. Marx, the first phase of communism (socialism) with its formula 'From each according to his ability, to each according to his needs', meant the assumption of differentiation in pay. In Soviet times, Lenin's ideas about 'equal pay for equal work' were called the creative development of Marxism. Thinking about communism, the stage that followed socialism, in 'The State and revolution', V. I. Lenin noted that after the achievement of 'equal pay for equal work' [*thereby he insisted that it would be achieved, even under socialism—ed.*], humanity will inevitably face the question of going further, from formal equality to actual, that is, the implementation of the rule: 'From each according to his ability, to each according to his needs'.<sup>10</sup>

However, the transition to a communist society would not be possible without the willingness of citizens to limit their needs at a 'reasonable' level, despite achieving material abundance. Under communism, the mechanisms of public self-regulation of 'reasonable needs' had to be activated under the conditions of abolishing a regulator such as a state, in theory.<sup>11</sup>

The perfect egalitarian structures of the Bolsheviks quickly began to crumble under the influence of the realities of the revolutionary time, and then, under pressure from their own ruling elite—the *nomenklatura*. In April 1918, Lenin had already had to admit the unrealistic nature of equal pay for workers and specialists in connection with the acute need of the national economy for skilled professionals, ready to serve the Soviet government: 'Now we have to resort to the old bourgeois

method and to agree to pay a very high price for the ‘services’ of the top bourgeois experts... Clearly, this measure is a compromise, a departure from the principles... of proletarian power, which call for the reduction of all salaries to the level of the wages of the average worker. Moreover, it is clear that this measure... is also a *step backward* on the part of our socialist Soviet state power, which from the very outset proclaimed and pursued the policy of reducing high salaries to the level of the wages of the average worker’.<sup>12</sup>

Lenin’s recognition of the forced and temporary necessity of high salaries for the ‘irresponsible’ engineering and scientific elite did not mean that he abandoned his equalization principles. ‘The corrupting influence of high salaries—both upon the Soviet authorities... and upon the mass of the workers—is indisputable’<sup>13</sup>, he continued to insist in the spring of 1918. A similar position was reflected in the new Party Program of the Bolsheviks adopted in March 1919, which became the official party law for the next 40-odd years as it turned out later.<sup>14</sup> The economic section of the document referred to the following: ‘Although our ultimate aim is to achieve full communism and equal remuneration for all kinds of work, we cannot introduce this equality straightaway, at the present time... *For a certain period of time, therefore, we must retain* (ed.—S. Zhuravlev) the present higher remuneration for specialists in order to give them an incentive to work no worse, and even better, than they have worked before; and with the same object in view we must not reject the system of paying bonuses for the most successful work, particularly organizational work’.<sup>15</sup>

Thus, the party Program declared equal remuneration for any work as an ideal, which is necessary to aspire. Differentiation in payment was allowed, first as a temporary measure and, second, only in relation to specialists and organizers of production, but not workers.

However, not all the leaders of the Bolsheviks and members of their families were ready to receive workers’ payment; many of them were from a wealthy class and were used to relative comfort. It is not surprising that after the revolution the question of the remuneration of the leading workers of the Party and the Soviet state became very acute. The Bolshevik party, positioning itself as the ‘vanguard of the working class’, had to show an example of responsibility and had no right to break away from the proletarian ‘mass’ in material terms.

On November 18, 1917, the Council of People’s Commissars adopted a special resolution called ‘Remuneration for People’s Commissars and High-Ranking Office Employees and Officials’. At Lenin’s insistence, it set the maximum monthly payment of 500 rubles for a functionary (plus extra 100 rubles for each disabled family member), which then approximately corresponded to the earnings of a highly skilled worker in Petrograd. Legislative restrictions also related to housing: representatives of the Soviet elite could not have more than one room per family member.<sup>16</sup>

However, the rejection of ‘war communism’, the transition to the New Economic Policy in the spring of 1921, and significant changes associated with it (the assumption of market relations and monetary circulation, differentiation in wages, etc.) caused a new discussion about earnings in the party staff. The decree of the All-Russian Central Executive Committee on 23 June 1921, officially established the

so-called 'partmaximum' in the country: the maximum permissible wage for members of the Communist Party occupying managerial positions. The partmaximum assumed that a responsible party member of any level, including Lenin and Stalin, could not receive more than one and a half times the average wage of an enterprise or the institution he managed. These restrictions were in line with the equalitarian sentiments and ideas about social justice that had already become corrupted in the New Economic Policy conditions.

The formation of the *nomenklatura*, a new ruling stratum, by the end of the 1920s, which began lobbying for its own interests, came into conflict with the existence of the partmaximum. During the first five-year plans, the authorities placed ever higher demands upon the loyalty and intensity of the work of the apparatchiks (state officials), who considered it unfair as they worked too hard and earned less than engineers, scientists, or representatives of creative professions. As a result, at the end of 1929, there was an actual abolition of the partmaximum, and it was liquidated officially by a secret resolution of the Politburo of the Central Committee of the C.P.S.U (B) of 8 February 1932.

The abolition of the partmaximum was in line with the general tendencies of the early 1930s. Unlike in previous years of propaganda of asceticism and egalitarianism, people were allowed not to be ashamed of the desire to earn well and live in prosperity. Despite the formally preserved ideological dogmas, in fact, in the 1930s the government decided to differentiate the income of the population in order to stimulate the efficiency of production. The official salaries of the *nomenklatura* increased in size, but as a rule, did not go beyond the salaries of other highly paid categories of workers (engineers, senior officers, scientists, and men of culture). However, in addition to salary, in the 1930s, the apparatchiks (state officials) began to receive bonuses, *spetspayok* (special ration), and other various privileges provided by the state.

#### **4. Labour relations in the conditions of 'War Communism' and the New Economic Policy**

In 1918 and until early 1921, in the conditions of the Civil War, the Bolsheviks pursued the policy of 'military communism'. The reasons for the transition to it lay in a combination of two main factors: first, ideological guidelines for the early implementation of the postulates of communism, even by violence; second, the 'pragmatic' needs of the authorities for maximizing the mobilization of resources, including human resources, for the needs of war and the military economy.

Let us also pay attention to the fact that Russia was continuously at war from 1914 to 1921 (World War I, then Civil War). Within 7-8 years, the price of human life had fallen extremely low. This factor, combined with the impatience of the revolutionary avant-garde, who were eager to build 'the society of universal equality and abundance' as soon as possible, strengthened the equalizing tendencies of those years.

The characteristic features of 'military communism' were the complete nationalization of the economy,

the militarization of labour<sup>17</sup>, the replacement of commodity-money relations by natural commodity exchange, and the equal distribution of products by ration cards among the working population. The normalized supply in the industry at that time was not based on the labour contribution of the worker, but was provided equally—in accordance to the minimum that the state could allocate under the military conditions. However, that minimum was below the subsistence level.

One of the reasons why the Bolsheviks stayed in power after the Revolution was that they based on the idea of equalization and equalizing justice, which was widespread among ordinary people. The slogan ‘the one who is unwilling to work shall not eat’ was understandable and supported by most citizens, as well as the introduction of compulsory labour service by the Bolsheviks. As for violence against the ‘bourgeois’ minority in the name of the working majority interests, these measures of the Bolsheviks fit perfectly into the psychology of the revolutionary society as well.

In the years of ‘war communism’, a stereotype had become established in the minds of citizens: egalitarian measures are bringing us closer to the communist ‘paradise’, and anti-egalitarian measures are taking us away from it. People welcomed measures aimed at declaring free medical care and education, and abolishing payment for transport and utilities. In addition, the Soviet government adopted decrees on the free supply of food, manufactured goods, fuel, etc. to the population in the late 1920s to early 1921. However, in the conditions of an acute shortage of material resources, these decisions were not brought to life.

What was happening in production at that time? In 1917, the Bolsheviks came to power on behalf of the workers and under the flag of free labour. At first after the revolution, they focused on proletarian consciousness and solidarity, on the use of moral commitment in an effort to stop the economic collapse and increase labour productivity. A large role was assigned to the workers’ self-management, factory committees, and trade unions. Traditional forms of discipline on the part of the administration towards employees (from fines to dismissals) were not welcomed, since they were considered ‘a remnant of the past’. Material incentives for work were considered not relevant since it was assumed that money would soon disappear, and instead of it, workers would be provided with rations based on equalization.

However, the hopes for the conscientiousness of the workers, who would show example of striking work as masters of factories and plants, turned out to be untenable. The explosion of labour enthusiasm in factories after the revolution did not happen. On the contrary, the introduction of workers’ self-management at factories, ignoring material compensations and traditional measures of discipline, led to a decline of labour discipline and labour productivity. Some workers’ influence had a degradation impact on others with arguments such as: ‘now we are owners of the plant; no one can make us work. We work if we want to. However, at the same time, if the dictatorship of the proletariat is proclaimed in the country, the authorities are obliged to provide us with a subsistence minimum.’

The inadmissibility of deepening the economic crisis in the conditions of the Civil War prompted the Bolsheviks to adopt the position of ‘pragmatism’ in 1920, take the situation in factories and factories under their own control, and take measures to curb the dependency and anarchy moods in production.



Only when [at the end of 'war communism'] the ineffectiveness of the system of industrial relations based on a moral motivation for work became evident to everyone, 'did the government decide to apply coercive methods to workers', A.K. Sokolov notes on this matter. He dedicated his innovative research to the labour stimulation in the Moscow Metallurgical Plant 'Hammer and Sickle'.<sup>18</sup> At the same time, at the end of 'war communism', the government returned to the idea of material compensations and began to reproduce paternalistic relations, which later became widespread in the Soviet period; it was done in order to support the subsistence minimum somehow and prevent workers from leaving factories. In general, according to A.K. Sokolov, 'the main conflict of the Soviet period in the sphere of labour relations was marked out in the first years after the revolution: **the struggle between equalizing and differentiated policies in the field of remuneration for labour**'.<sup>19</sup>

The deep economic and political crisis prompted the Bolsheviks to abandon 'war communism' and temporarily take a 'step back' from egalitarian dreams. Since the spring of 1921, the country had moved to the New Economic Policy, allowing market relations and private entrepreneurship, a return to a differentiated cash payment in accordance with labour quantity and quality. The realities of the New Economic Policy were obviously in conflict with the egalitarian communist ideal.

In the 1920s, the Soviet industry had the task of restoring pre-war production and increasing output. This was supposed to be achieved in several ways. First, with the help of modern methods of organizing production: planning, the introduction of the NOT system—[Nauchnaya Organizatsiya Truda] the scientific organization of labour—and the borrowing of proven Western methods ('Fordism', 'Taylorism'). Secondly, after the experiments of 'war communism', the factories gradually returned to a combination of three universal methods of labour motivation: material compensation, moral commitment, and coercion.<sup>20</sup>

However, in practice, the state did not have sufficient funds for proper stimulation of the best employees in those conditions. As for methods of coercion of workers, in the 1920s the opportunities for their use were also limited, not only for political reasons, but also for the undesirability of strengthening the protest mood among the 'hegemonic class'. The ideology assigned to the workers a central place in Soviet society: they were supposed to have an advantage over other social strata, and they were the subject of special concern for the authorities.<sup>21</sup>

The management was compelled to take into account the prevalence of wage-levelling sentiments in the work environment, which did not allow increasing the differentiation of wages and, consequently, did not allow stimulating an increase in labour productivity. It was not a secret for economic managers standing more often for 'economic pragmatism' than ideological attitudes, including those fixed in the current Party Program, encouraged equalizing sentiments and hindered the increase in production efficiency. However, few people could dare to oppose 'levelling' openly in the 1920s.

As a result, it turned out that the Bolsheviks mainly oriented themselves towards a conscious attitude toward work, an arousal of enthusiasm in workers, and an expansion of paternalistic practices (e.g. opening large kindergartens and camps, holiday houses, factory clubs, and medical and

cultural-educational institutions).

Later in the USSR, the priorities of the above three ways of labour motivation in the industry had changed. In particular, in the 1930s, as shown below, the Soviet Union achieved impressive results of economic growth, largely due to the use of compensations, but in the WW2 and post-war years, coercion became widespread.<sup>22</sup>

### **5. Moscow Electrozavod in the late 1920s - 1930s**

As a typical example, consider the situation with the motivation of labour at one of the largest enterprises of the USSR—the Moscow factory Electrozavod, which was launched in 1927 and produced a wide range of electrical products in the 1930s.<sup>23</sup> By the early 1930s, its core employees were young workers – a large number of which had recently migrated from villages to cities at the beginning of industrialization. These workers with a peasant background, who did not have enough time to master working professions and adapt to the urban environment, retained many characteristics of traditional community culture.<sup>24</sup> However, at the same time, changing their social status and becoming a part of the dominant class, they quickly acquired and began demanding their privileges.

One should not forget that on the boundary years of the 1920s-1930s, the official propaganda removing capitalist elements called people for temporary asceticism for the sake of a great goal, in a simplified form—in the spirit of vulgar Marxism—convincing them of a rapid emergence of communism, when everything would be in abundance for everyone. It did not only strengthen the levelling sentiments, but also created the impression of their official support by the authorities.

The workers' orders sent to the Moscow City Council in 1931 is a source that leaves no doubt that levelling sentiments in the work environment were widespread, and that workers were decidedly dissatisfied with higher salaries for engineers and employees, for Party and Soviet workers, and for a narrow stratum of workers with the highest qualifications. In particular, the Electrozavod workers had demands within the 'preparation for emergence of communism' to reduce the partmaximum to 200 rubles, provide free of charge entertainment for workers, including visiting the cinemas, eliminate the wage gap between unskilled and skilled workers, oblige experienced workers to train newcomers' professional skills for free, etc.<sup>25</sup>

At the turn of the 1920s-1930s in the conditions of the expected transition to communism at Electrozavod and other enterprises of the USSR, a campaign was launched to create production communes in place of the usual brigades.<sup>26</sup> In the communes, monthly earnings went into a common fund, and then distributed equally among the communards, regardless of their qualifications and output. It seemed that the prevalence of egalitarian sentiments in the working environment was to contribute to the success of the production communes.

However, what happened in practice? At first, the workers readily joined the communes, which showed higher labour productivity than usual brigades. Due to the 'mutual responsibility', there were no

problems with discipline. Since the payment was piecework, the communards received the most profitable orders according to the decision of the administration, which was interested in the development of this movement, and taking into account the considerable increase in output, members of the communes began to earn much more than the other workers. This provoked conflicts within the factory team. Soon it became clear that the communes were sustainable only when they collected workers of approximately the same qualifications, but with a higher job grade. Communards categorically refused to accept unskilled workers in the collective, and especially to spend time on their training. If workers of one commune had quite different qualifications, their egalitarian sentiment did not prevent disagreements over the distribution of earnings. The experiment with the production communes ended when the factory administration raised the output norms for all workers by 30–40% at once, on the basis of the intensification of labour achieved by the communards, which discredited the very idea of work based on egalitarian communism.<sup>27</sup>

However, soon the pendulum had swung. On June 23, 1931, Stalin gave a speech on the six conditions for the building of socialism in the USSR. Among other things, he called for abandoning the ‘levelling’ of wages resolutely and increasing the wages of skilled workers, and claimed the material personal interest as a priority in the production. ‘The consequence of wage equalization is that the unskilled worker lacks the incentive to become a skilled worker and is thus deprived of the prospect of advancement...’, Stalin noted. Calling equalizing sentiments ‘evil’, he recognized their popularity among economic managers and trade union leaders, and then brought the ideological basis under criticism: ‘Marx and Lenin said that the difference between skilled and unskilled labour would exist even under socialism ‘...’, only under communism would this difference disappear and that, consequently, even under socialism ‘wages’ must be paid according to work performed and not according to needs. But the equalitarians among our economic executives and trade-union officials do not agree with this and believe that under our Soviet system this difference has already disappeared. Who is right, Marx and Lenin or the equalitarians? It must be assumed that it is Marx and Lenin who are right.’<sup>28</sup>

Stalin’s anti-equalitarian turn was in the mainstream of ‘economic pragmatism’, which was largely a forced measure associated with low labour productivity in the Soviet industry, with a huge fluidity of labour in factories, and with a shortage of skilled workers able to service the latest automatic and semiautomatic equipment purchased abroad. Nevertheless, Stalin’s call for changing the direction was clearly unexpected, since it contravened with the egalitarian mind set of the USSR leaders during the period of the ‘socialist offensive’.

Since the autumn of 1931, *Electrozavod*, as well as other enterprises in the country, had launched a campaign to combat ‘equalization’ in wages. The amount of earnings had to depend on the qualification of the employee to a greater extent than before, as well as on the quantity and quality of the products produced by him.

One of the most important measures was the stimulation of skilled labour, as well as the transition

from a time rate system to a piece rate system. According to the tariff rates of Electrozavod that existed before 1931, the pay gap between the workers of the higher 8th grade (124 rubles per month) and the lower 1st grade (44 rubles per month) within a time rate system was a 2.8-fold difference, which seems to be quite a great deal and, in theory should stimulate the workers to improve their qualifications.<sup>29</sup>

However, in practice this did not happen. There were few workers of the 7-8th grade at the plant; most of the skilled workers of Electrozavod were of 5-6th grade and had time rate wages. According to the tariff rates, their wages differed from the wages of unskilled workers by only a little more than 1.5-fold. If we examine the standards of the piecework wage system that was less common at Electrozavod before 1932, then the pay gap between the 1st and the highest 8th grade was only a 1.8-fold difference by 1931.

Since 1932, most of the factory workers had been transferred to a piecework wage system. In addition, as a result of the revision of the tariff scale, the pay gap between the 1st and the 8th grade doubled—from 1.8- to 3.6-fold. These measures led to quick positive results. Only within a few years, the average qualification of workers at Electrozavod increased significantly, and labour productivity increased 1.5-fold by 1934.

The existing all-Union card system of supplying the population with food and manufactured goods also showed the general trend of the first half of the 1930s towards differentiation of labour compensation.<sup>30</sup> State-approved supply standards depended on a greater number of factors: the industry, profession, qualifications, labour contribution of a worker, etc.

Despite the fact that the growth of labour productivity at that time outpaced the growth of wages, in the mid-1930s the state considered that it spent too much on the payroll. In 1935, when the urgent need for qualified personnel at Electrozavod was satisfied and production efficiency increased, the administration reduced the wage gap between workers of higher and lower qualifications. First, the pay gap between the 1st and 8th grades of the tariff scale was decreased from a 3.6- to a 3-fold difference, and to a 2.6–2.8-fold by the end of the 1930s, close to what was before 1932.

The ‘pragmatic approach’, which contradicted the equalizing tendencies, was typical for the 2–3-fold significant difference in wages of workers and engineers; this tendency persisted throughout the 1930s. Engineering work was scarce; it was extremely in demand and was valuable during the industrial modernization. Looking ahead, we can say that the situation radically changed after the 1960s, when the salaries of workers and skilled workers were almost equal. The prestige of the engineering profession had also fallen.

Another important factor in the second half of the 1930s, which affected the system of labour motivation and increased income differentiation within the working class, was the Stakhanovite movement. First, the Stakhanov records had become a simpler and cheaper way of reviewing the standards and thereby intensifying labour. Second, the Stakhanovite movement contributed to the depreciation of highly skilled labour: wages began to depend more on production; as a result, the Stakhanovite-record holders of medium qualifications began to receive significantly more than their

highly qualified colleagues.

Although the average monthly salary of workers in various industries fluctuated from 170 to 250 rubles in the second half of the 1930s, a miner-Stakhanovite according to the piecework system was paid the impressive amount of about 1.5 thousand rubles per month due to a multiple over fulfilment of the coal production rate. This was several times more than the salary of an experienced engineer and a minister, and about the same as that officially received by Stalin, the head of the country. The Stakhanovite movement generated stratification in a previously relatively homogeneous working environment. Famous Stakhanovites became part of the Soviet elite, bought cars, and obtained apartments in the centre of Moscow.

Therefore, during the 1930s, there was a search for an optimal (from the point of view of solving economic problems) model of labour motivation in the Soviet industry. The result was a bizarre mix of methods of material incentives, moral encouragement, and more active usage of coercion methods than in the 1920s. The coercion methods corresponded to the general trend of the period of Stalinism—the expansion of the sphere of forced labour, symbolized by the GULAG.

The main trend, however, was to revise the levelling moods towards a significantly greater differentiation in wages, the propagation of education and high qualifications, and the assumption of differences in incomes among the population. The policy of ‘economic pragmatism’ and the advancement of material incentives produced a good result: the USSR made a noticeable industrial leap in the 1930s.

The experience acquired in the 1930s has shown that the personal material interest and the opportunity to earn money are exactly the most effective stimulus for work. The problem, however, was the fact that it contradicted ideological guidelines, since material incentives were believed to reproduce ‘bourgeois instincts’ in a man and private property psychology, and thereby harm the cultivation of collectivism. Therefore, the use of personal material interest in labour was considered as a temporary, largely forced measure.

Nevertheless, it can hardly be said that the experience of the 1930s contributed to the elimination of the levelling mood in society. Rather, it was transformed. For example, a significant increase in departmental paternalism became a new phenomenon. In an effort to consolidate the skilled labour force, factories began to compete in the expansion of their own social network (kindergartens, rest homes, sanatoriums, sports facilities, clubs, interest clubs, etc.) This led to contradictory consequences: Employees of the enterprise and members of their families acquired additional social guarantees, as well as material bonuses equally available to all. At the same time, they were more dependent on the factory administration. Objectively, the general availability of the social sphere for all employees of the plant, regardless of their labour contribution, led to an equalization and generated a dependent mood.

In connection with the outbreak of the Second World War, the USSR adopted an extraordinary labour legislation (prohibition of free change of employment, criminal punishment for absenteeism, late arrivals, rejection at work, etc.) Thus, the war provoked a turn to strict labour discipline. Methods of coercion

acted as the main means for labour motivation and economic effectiveness not only during the war years, but also for a long time after its termination. One can only guess how the 20 years of emergency labour laws influenced the habits and psychological attitudes of Soviet workers. The laws have been cancelled gradually, by the late 1950s.

Until 1947, the Soviet Union operated a card system of supplying the population with food and manufactured goods, introduced in the war years. Despite the fact that it was differentiating, the card system contributed to the spreading of egalitarian sentiments. On the other hand, material incentives for work continued to operate in the military and post-war period, the importance of wages and money remained, and the turnover of collective-farm markets even increased. Thus, alternatives were preserved in real life, and the question was what trends would prevail after Stalin's death.

## 6. After Stalin

*'I'm not sorry when they reward scientists who are useful to society. But, I'm angry when they allow jazz poseurs to get to stuff their faces'*, someone addressed to the authorities shortly after the end of the Second World War. The authorities appealed to equalizing solidarity by persuading people to suffer material hardships in the name of restoring the country's economy. Not surprisingly in these circumstances, ordinary citizens, including war veterans returning from the war, were extremely sensitive to the evident material inequality, the facts of the unfair distribution of limited resources, commercial restaurant regulars who profited from war, and the increase in the post war crime and speculators who used people for money-making purposes.<sup>31</sup>

The authorities sometimes played on the increased levelling sentiments, using them for their own interests. In particular, the monetary reform that accompanied the abolition of the ration card system in 1947 was of a confiscatory nature against the owners of large monetary savings.<sup>32</sup>

The example of the Moscow Metallurgical Plant 'Hammer and Sickle' shows there were contradictory processes in the sphere of labour relations in the first post war years. The plant, as well as other enterprises of the USSR, switched to a more active use of material labour motivation after the abolition of the ration card system in the second half of the 1940s. The restoration of the differentiated wage system that operated before the war in the Moscow Metallurgical Plant began, in which an employee's salary depended on many factors: his qualifications, work experience, the size of output, the specific workshop where he worked, etc.

However, post WW2 realities made serious adjustments to the sphere of labour relations. A mutually exclusive task was set for the management of the Moscow Metallurgical Plant, as well as for other enterprises of the USSR: simultaneously raise the efficiency of production and maximize savings for the wage fund. As A.K. Sokolov and A.M. Markevich showed in their study, in practice this was achieved through a set of measures discriminating against workers. First, after the end of the war, the factories had to prolong certain coerced labour measures, which was typical during the war.<sup>33</sup> Second, the standards

of production were increased in combination with a price reduction. Third, they stopped paying workers extra for the time worked. In addition, the factory administration artificially delayed the transfer of the best workers to higher (and therefore better-paid) levels. Finally, the wage payment was often made according to the average rates of the wage scale, regardless of the actual employee qualifications in order not to disappoint anyone.

Therefore, in the post-war period, equalizing principles and coercive mechanisms were preserved, but material motivations to work were artificially restrained. An exception, however, was made for a small number of highly skilled workers and key professions, classified as 'indispensable' for a given type of production—higher wages were set for them. For example, at the Moscow Metallurgical Plant, steelworkers and rolling operators, who were in greatest demand in the labour market at that time, began to receive twice as much as the rest of the factory workers in the late 1940s.<sup>34</sup> This increased the material differentiation in the working environment.

Thus, we can conclude that several tendencies coincided in employment and wages in the first post-war years. In general, as in the 1930s, considerations of 'economic pragmatism' prevailed over ideological dogmas at that time.

'De-Stalinization' and 'liberalization' of the Soviet regime under N.S. Khrushchev caused another change in the policy of labour relations in the second half of the 1950s. Egalitarian ideological attitudes became the defining force again. In order to understand the essence of the changes that took place in the USSR after Stalin's death, it is necessary to take into account the coincidence in time of several important trends that strengthened each other in practice and were reflected in everyday life.

The first, criticism of Stalinism in the theoretical plan featured the theme of a return to the ideological heritage of Lenin. The new Program of the CPSU, adopted in 1961, reanimated the main goal forgotten during Stalin: the transition of Soviet society to communism. To do this, it was required to raise the citizens' general standard of living and eliminate poverty.<sup>35</sup> It was also required to take measures against the differentiation of the incomes among the population allowed under Stalin, and converge to the same level the living standards of citizens and villagers, as well as those of workers of physical and mental labour.

On September 8 1956, a resolution was adopted by the Council of Ministers of the USSR, the Central Committee of the CPSU, and the All-Union Central Council of Trade Unions 'On raising the wages of low-paid workers and employees', according to which their salaries, on average, were increased by one third. The new minimum wage increased for citizens to 300-350 rubles, in rural areas—up to 270 rubles per month. These measures were supplemented by a decree issued on the same day by the Presidium of the Supreme Soviet of the USSR 'On increasing the amount of the untaxed minimum wage of workers and employees', according to which this wage was increased from 260 to 370 rubles. An increase in the minimum wage was made at the turn of the 1950s and 1960s, and then in the 1970s.

Even taking into account the hidden inflation, the real incomes of the population of the USSR for the 1960s-1980s had increased several times. The Soviet Union eliminated post-war poverty, and the Soviet

'middle class' began to make up the majority of the population. Due to a clearly expressed egalitarian policy, the poorest strata of citizens had material benefits. The people who lost were representatives of the engineering and technical intelligentsia, whose work was undervalued and paid on an equal level with skilled workers by the end of the Soviet era. The ruling stratum, the *nomenklatura*, felt slighted, expecting higher wages. Since equalizing sentiments remained in much of the society (especially among the older generation), people were prepared for Khrushchev's policy.<sup>36</sup>

The second important trend was a new political attitude with the thesis that future communism could not be based on coercion, an alternative to which should be free and conscious labour. It was against that backdrop that the criticism of Stalin's personality cult, the rehabilitation of victims of political repression, and the elimination of the GULAG as the main symbol of forced labour in the USSR unfolded in the late 1950s.

The third significant phenomenon of the second half of the 1950s, which was in the mainstream of the processes of 'de-Stalinization', was the final abolition of the emergency labour legislation of the war years (this process had been delayed since 1945). The decrees of the Presidium of the Supreme Soviet of the USSR of April 25 and May 26, 1956, abolished the judicial responsibility of workers and employees for unauthorized leaving from enterprises and institutions without a justifiable reason. The practice of 'fixing' workers to the enterprise ceased; citizens had the right, at their discretion, to terminate the employment contract and change a place of employment. In the 1960s and 1970s, new labour standards were introduced in the Soviet labour legislation, aimed at limiting the rights of the administration and improving the situation of workers (boosting guarantees of employment, limiting opportunities on denial of employment or dismissal, reducing the work week and the work day, increasing the duration of paid leave, raising the minimum wage, etc.) However, at the same time, legal norms ensured equalizing principles of labour remuneration, which fully reflected the priorities of state policy. How did the revision of the above-mentioned 'Stalinist legacy' affect the work of industrial enterprises and their work collectives? To reduce the differentiation in the remuneration of workers of higher and lower qualifications, since the mid-1950s new salary scales had been introduced in all branches of the Soviet industry. The variety of norms that had been preserved since the 1930s was reduced, and wage payments had become simpler and more equalized. Auxiliary work, which does not require high qualifications, began to be paid almost in the same way as the work of a steelmaker or a miner. Back in the late 1950s, the earnings of highly qualified metallurgists who worked at the Moscow Metallurgical Plant were 2-3 times higher than the average salary in the USSR. Moreover, by the end of the 1980s, their wages exceeded the national average by only 1.5 times.<sup>37</sup> It is characteristic that in the light and food industries, where female labour predominated, the difference in the remuneration of workers of higher and lower qualifications in the 1970s-1980s was the most insignificant and amounted only to 50-60%.

Equalizing trends also affected bonuses, which, in theory, were to be paid in accordance with the individual contribution of each employee. In fact, in order to increase the collective responsibility for the



results of labour, most allowances were given as a result of the work of a team or workshop since the 1960s. This led to their equalization among employees. Therefore, bonuses based on the method of material compensation of the best workers actually turned into a mandatory part of the salary for all by the end of the Soviet era. Unpaid benefits were considered as an emergency, and the employee could be deprived of the premium only for a very serious violation—for example, for absenteeism or drunkenness at the workplace. It is significant that the annual bonus of one-month's salary, which in the USSR began to be paid regularly from the end of the 1960s, was called 'the 13th salary' [a year-end benefit].

Similar levelling tendencies were observed in engineering. As a result, workers and highly qualified specialists had lost. Artificial restraint of material incentives did not allow the development of a working initiative; it did not properly simulate the improvement of the skills of workers<sup>38</sup> and hindered the growth of labour productivity. Due to the previous high social commitments taken by the state in the 1970s and 1980s, workers' salaries grew faster than revenues from the labour productivity growth, which increased the crises in the economy.

In the work collectives, there was no unanimity about the government's policy of equalizing wages and preventing social differentiation. Some employees supported egalitarian politics, whereas others were dissatisfied with the artificial limitations in pay, which were unfair in their opinion. In the early 1970s at the Volzhsky Automobile Plant, the largest car-building factory in the USSR, dissatisfaction with equalizing tariffs led to mass protests and even to work abandonment. The protracted conflict could not be 'hushed up', since the CPSU Central Committee received a complaint signed by 107 employees of the factory, who were dissatisfied with the system of labour payment.<sup>39</sup>

The more active use of monetary incentives for work was based not only on the lack of state financial possibilities (it would require an increase in the wage fund), but, more importantly, on ideological barriers. First, the material—and the social—polarization inevitably following it clearly contradicted the tasks of creating a homogeneous communist society. Second, in theory, as we approach communism, the role of money should be reduced, not increased. Third, it was believed that excessive material interest 'corrupts' citizens, encouraging workers to 'private owner mentality' that was contrary to communist morality.

Due to political reasons, there was a rejection of the priority of both material compensation and coercion for motivating labour in industry since the late 1950s. The main stake was made on commitment, moral incentives, workers' awareness training, collective responsibility, and 'communist attitude to work'. Even the malicious violators of discipline did not have to be dismissed and brought to trial, as under Stalin, but re-educated. However, it soon became clear that moral incentives did not bring the expected effect, and labour collectives were not ready for such sudden changes towards 'liberalization' of relations in production.

In the 1960s-1980s, obvious and hidden problems, which seriously affected the production efficiency of labour discipline, increased in the Soviet industry. The atmosphere of permissiveness and often

‘fraternizing’ relations between workers and administration had substituted for the fear of the Stalin era in the lack of effective measures to discipline, even for serious violations. A. K. Sokolov and A. M. Markevich, who studied the situation at the Moscow Metallurgical Plant, recorded increasingly widespread absenteeism, lateness, drunkenness, and thefts. Among the violators were a great number of Communist Party and Komsomol (Communist Youth Organization) members. By the end of the Soviet era, absenteeism became so common that the Moscow Metallurgical Plant administration simply stopped registering it.<sup>40</sup>

We revealed similar negative processes at the largest enterprise in terms of the number of workers in the USSR: the AVTOVAZ Car-Building Factory in the city of Togliatti.

**Table 2. Labour discipline at the AVTOVAZ Car-Building Factory in 1976 and 1989 (the total number of those in the productive workforce—75,000 and 96,000 people, respectively.)<sup>41</sup>**

<u>Loss of working time (person-days):</u>	<u>1976</u>	<u>1989</u>
- including absenteeism	3,745	4,500
- including absenteeism with permission from the administration	136,910	190,815

As one can see, absence from work with permission from the administration became a mass phenomenon at the enterprise: according to statistics, on average, each worker used this opportunity twice a year. It is also likely that the administration covered up the real absenteeism of workers. It is also significant that very few workers were fired for profiled unsuitability, drunkenness, and theft from the plant, as it follows from the statistics below by the end of the Soviet era.

**Table 3. Statistics of dismissal of the AVTOVAZ employees in 1989<sup>42</sup>**

for systematic non-performance of official duties	6
for absences	543
dismissal for use of alcoholic beverages in the workplace	14
for theft at the plant	4
in connection with a referral to the compulsory rehabilitation centre for the treatment of chronic alcoholism	39

The crisis in labour relations and obviously stalled wage policy was partly aggravated and partly smoothed out by other socio-economic factors. First, the growing shortage of consumer goods and services made it increasingly difficult for workers to spend their earnings. In a situation where people had to ‘get’ goods through cronyism, the role of money was devalued, and therefore the incentive to earn

more disappeared.

Moreover, in the 1960s-1980s, the processes of individualization of consumer taste, the rejection of asceticism in favour of material prosperity, fashion and comfort have become decisive with the growth of material welfare of Soviet citizens and the predominance of urban culture.<sup>43</sup> It is important to pay attention to the fact that this trend differed from the official ideological line of those years: as it was already mentioned, the CPSU Program adopted in 1961 set the task of transition from socialism to communism, which implied the creation of a more socially homogeneous society, a propaganda of collectivism, and reasonable material needs of people.

This was accompanied by greater reliance on 'impersonal goods'—'public consumption funds' and the social sphere of enterprises— whose availability depended little on the labour contribution of a particular employee. During the 1960s-1980s, the share of the wage fund in the national income of the USSR had not practically changed, remaining at a level of 32-36%. The authorities opted for the growth of 'public consumption funds,' that consumed the fourth part of the national income by 1975.

It is known that citizens of the USSR had two main sources of income: the individual salary of the worker (as in capitalism, this depended on profession, qualifications, output volume, etc.), and also not personalized so-called 'social funds of consumption' (these were partially provided by the state in the centralized order, and partially by the employer). At their expense, the state provided equal treatment for all citizens, regardless of their labour efforts, free education, medical care, housing, and other benefits. Since the 1960s, special importance was attached to 'social consumption funds'. They were considered both an important tool for ensuring social equality and raising the overall welfare of Soviet citizens, and a prototype of 'non-monetary' distribution of material goods in communism. Thus, it was assumed that 'social consumption funds' would replace wages in the future. This attitude, reflected in the corresponding economic policy, led to the fact that by the end of the Soviet era, the ever-increasing amounts of 'social consumption funds' were almost equal to the size of the wage fund. The total budget load on the implementation of social programs had also grown.<sup>44</sup>

The results of such a policy had been contradictory. On the one hand, in the 1960s-1980s the standard of living and education of the Soviet people increased notably, the differentiation of their incomes decreased, and a large Soviet 'middle class' was formed. The state-guaranteed level of material and social benefits gave a sense of stability.

On the other hand, this policy was not linked to the labour contribution of a particular employee; it did not seem fair to the best of them. Against the backdrop of the ideologization of the problem of employment<sup>45</sup> and the priority of 'social consumption funds' by the end of the Soviet era, complex and high-quality work did not receive adequate material rewards.<sup>46</sup> This led to the phenomenon of dependency, the crisis of the system of labour motivation, which was part of the general crisis of the Soviet economic system.

Let us summarise. A brief history of labour relations and work motivation in the Soviet era confirms the main conclusions of F. Novokmet, T. Piketty, and G. Zucman about the dynamics of processes of

equality and inequality in the Soviet Union, as well as its significant dependence on the changing political attitudes of the government. The egalitarian communist doctrine was supported in the society, where levelling moods were popular. Ideological dogmas hampered the country's economic development, did not allow full use of material incentives for work, and hampered the growth of production efficiency. The deepening of the contradiction between objective economic needs and ideological dogmas led to a crisis of labour relations, which became one of the reasons for the dissolution of the USSR.

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### Notes

<sup>1</sup> Filip Novokmet, Thomas Piketty, and Gabriel Zucman. From Soviets to Oligarchs: Inequality and Property in Russia, 1905-2016 (<http://gabriel-zucman.eu/files/NPZ2017.pdf>)

<sup>2</sup> For more details: M. Voslensky (2005) *Nomenklatura*.

<sup>3</sup> According to the research of Novokmet and his colleagues, 1% of the richest citizens of the Russian Empire earned about 11% of the national income in 1917. By the end of the 1920s, this share had fallen several times—to 4% of the income. The Soviet maximum came in 1956, when 1% of the richest citizens owned about 6% of the national income. However, by 1980, this figure had dropped almost twice—to 3.5%—reaching the minimum of the Soviet era. For comparison: the richest 1% of Russians controlled 25% of the country's income in 2000 (<http://gabriel-zucman.eu/files/NPZ2017.pdf>).

<sup>4</sup> <http://gabriel-zucman.eu/files/NPZ2017.pdf>

<sup>5</sup> About the extent to which 'natural collectivism' and equalizing psychology influenced the perception of the activities of Bolshevik power by the population of Soviet Russia in the 1920s-1930s, read Sokolov A.K. (1997) *The People's Voice: Letters and Responses by Ordinary Soviet Citizens on the Events of 1918–32*; Sokolov A.K. (1998) *Society and Power: the 1930s. A Study in Documents*.

<sup>6</sup> V. Lenin considered the most appropriate translation of the Russian term 'community' to be the German word 'Gemeinwesen' or French 'commune' (Lenin V.I. *Collected works*. Volume 33, P.65).

<sup>7</sup> Lenin V.I. *Collected works*. Volume 33, p. 49-50, 97.

<sup>8</sup> Lenin V.I. *Collected works*. Volume 33, p. 101.

<sup>9</sup> Lenin V.I. *Collected works*. Volume 33, p. 21.

<sup>10</sup> Lenin V.I. *Collected works*. Volume 33, p. 99.

- <sup>11</sup> The full abundance of goods and services is quite a relative term. What would happen if all citizens immediately wanted to obtain only the newest types of computers and mobile phones, use exclusive watches, diamonds, Ferrari cars, yachts, or dresses from the latest Dior collection? Something would definitely be not enough for everyone.
- <sup>12</sup> Lenin V.I. Collected works. Volume 36, p.179.
- <sup>13</sup> Lenin V.I. Collected works. Volume 36, p.181.
- <sup>14</sup> The next Communist Party Program was adopted only in 1961.
- <sup>15</sup> Program of the R.C.P. (B.) 1919—8th Congress of the Russian Communist Party (Bolsheviks). Moscow, March 18-23, 1919. Verbatim report.
- <sup>16</sup> Lenin V.I. Collected works. Volume 35, p.105.
- <sup>17</sup> At the end of 1918, the Labour Code established labour service for the entire able-bodied population of Soviet Russia. The legislative acts of 1919-1920 stipulated a severe responsibility for absenteeism, violations of labour discipline in the workplace, and for unauthorized transfer to another job.
- <sup>18</sup> Markevich A.M., Sokolov A.K. (2005) «Magnitka bliz Sadovogo kol'tsa»: Stimuly k rabote na Moskovskom zavode «Serp i molot», 1883-2001, p.316.
- <sup>19</sup> Markevich A.M., Sokolov A.K., loc. cit. p.317.
- <sup>20</sup> Concerning labour motivation and its Russian specifics, read more: Baker G.R. (1955) Some Problems of Incentives and Labour Productivity in Soviet Industry. A Contribution to the Study of the Planning of Labour in the USSR; The Historical Meaning of Work / ed. by Patrick Joyce. Cambridge, 1987; Tilly Charles and Chris. (1998) Work under Capitalism; Marcel van der Linden. Work Incentives in Russian Industry: Some Preliminary Thoughts // *Sotsial'naya istoria*, 2000, p.213-214; Sokolov A.K., Tyazhelnikova V.S. Otnosheniye k trudu. Faktory izmeneniya i konservatsii trudovoy etiki rabochikh v sovetskiy period // *Sotsial'naya istoriya*. 2001-2002, 2003, and others.
- <sup>21</sup> Read more: Borodkin L.I., Miryasov A.V. 'Ne trudyashchiysya, da ne yest'. Materialy po problemam motivatsii truda promyshlennykh rabochikh Sovetskoy Rossii 1920 godov (po stranitsam mestnoy pechati) // *Sotsial'naya istoriya* 2002. No. 8; A.K. Sokolov, Sovetskaia politika v oblasti motivatsii i stimulirovaniya truda (1917–1930s) // *Ekonomicheskaya storiya*, 2000, No. 4
- <sup>22</sup> Read more: Sokolov A.K. Forced Labour in Soviet Industry. The End of the 1930s to the Mid-1950s // *The Economics of Forced Labour* / Ed. by P.R. Gregory and V. Lazarev. Stanford, 2003.
- <sup>23</sup> For more details: Sergei Zhuravlev and Mikhail Mukhin (2004) 'Krepost' sotsializma': Povsednevnost' i motivatsiya truda na sovetskom predpriyatii, 1928-1938.
- <sup>24</sup> About the features of the formation of the working class of the USSR: Hoffmann David (1994) Peasant Metropolis: Social Identities in Moscow, 1929-1941; Straus Kenneth (1997) Factory and Community in Stalin's Russia: the Making of an Industrial Working Class; Chase William (1987) Workers, Society, and the Soviet State. Labour and Life in Moscow, 1918-1929; Fitzpatrick Sheila (1999) Everyday Stalinism: Ordinary Life in Extraordinary Times: Soviet Russia in the 1930s, and others.

- <sup>25</sup> Sergei Zhuravlev and Mikhail Mukhin (2004) 'Krepost' Sotsializma': Povsednevnost' i motivatsiia truda na sovetском predpriatii, 1928-1938, pp.68-69.
- <sup>26</sup> At that time at Electrozavod, attempts had also been made to initiate the creation of communes, whose members were not only to work together, but also to live together in communal houses based on the principles of communal life. However, the attempt to organize such communes failed.
- <sup>27</sup> More about the production communes of Electrozavod: Sergei Zhuravlev and Mikhail Mukhin (2004) 'Krepost' sotsializma': Povsednevnost' i motivatsiya truda na sovetском predpriatii, 1928-1938, pp. 70-75.
- <sup>28</sup> Stalin J.V. (1951) Works. Volume 13, pp. 51–80.
- <sup>29</sup> Sergei Zhuravlev and Mikhail Mukhin (2004) 'Krepost' sotsializma': Povsednevnost' i motivatsiya truda na sovetском predpriatii, 1928-1938, p.76.
- <sup>30</sup> Elena Osokina (1999) Behind Stalin's Plenty: Distribution and Market in the Supply of the Population During Industrialization, 1927–1941.
- <sup>31</sup> Read more: Zubkova Elena (1998) Russia After the War: Hopes, Illusions, and Disappointments, 1945 - 1957.
- <sup>32</sup> Chiudnov, I. A.: The 1947 Monetary Reform as Seen by Contemporaries // Sotsiologicheskiiye issledovaniya. 1999. № 2, pp. 99-101.
- <sup>33</sup> Up to the mid-1950s, there was an extended working day; workers did not have the right to freely switch to another workplace, etc..
- <sup>34</sup> Markevich A.M., Sokolov A.K. Loc. cit. pp.184-186.
- <sup>35</sup> According to some reports, by the mid-1950s up to 8 million Soviet people received wages below the subsistence level (Pyzhikov A.V. (2002) Khrushchev's 'Thaw'. p. 275.)
- <sup>36</sup> On public moods and social transformations under N.S. Khrushchev, read: Aksyutin Yu.V. (2004) Khrushchev 'thaw' and the Public Mood in the USSR in 1953–1964; Zubkova Elena (1993) Society and Reform, 1945–1965; Pyzhikov A.V. (2002) Khrushchev's 'Thaw'; Taubman, William (2003). Khrushchev: The Man and His Era; Ilič, Melanie, and Smith, Jeremy, eds. (2009). Soviet State and Society under Nikita Khrushchev, etc.
- <sup>37</sup> Markevich A.M., Sokolov A.K. Loc. cit. p.262-263.
- <sup>38</sup> The share of the top grade workers in the 1970s and 1980s did not exceed 15% even in the most modern Soviet plants, like the Volzhsky Automobile Plant in Togliatti, where the newest foreign equipment was used. This suggests both the lack of serious motivations for skill development, and the prevalence of equalizing psychology in the workplace (Zhuravlev S. V., Zezina M. R., Pikhoya R. G., Sokolov A. V. (2006) AVTOVAZ mezhdru proshlym i budushchim. Istoriya Volzhskogo avtomobil'nogo zavoda. 1966–2005. p.237).
- <sup>39</sup> Zhuravlev S. V., Zezina M. R., Pikhoya R. G., Sokolov A. V. (2006) AVTOVAZ mezhdru proshlym i budushchim. Istoriya Volzhskogo avtomobil'nogo zavoda. 1966–2005 p.142.
- <sup>40</sup> Markevich A. M., Sokolov A. K. (2005) «Magnitka bliz Sadovogo kol'tsa»: Stimuly v rabote na

moskovskom zavode «Serp i molot», 1883–2001. p.265

- <sup>41</sup> Zhuravlev S. V., Zezina M. R., Pikhoya R. G., Sokolov A. V. (2006) AVTOVAZ mezhdru proshlym i budushchim. Istoriya Volzhskogo avtomobil'nogo zavoda. 1966–2005 pp.143, 235.
- <sup>42</sup> Zhuravlev S. V., Zezina M. R., Pikhoya R. G., Sokolov A. V. (2006) AVTOVAZ mezhdru proshlym i budushchim. Istoriya Volzhskogo avtomobil'nogo zavoda. 1966–2005 p.235.
- <sup>43</sup> For more details: Vihavainen Timo (2006) *Inner Adversary: The Struggle Against Philistinism as the Moral Mission of the Russian Intelligentsia*. New Academia Publishing; Gronow Jukka, and Zhuravlev Sergey (2015) *Fashion Meets Socialism: Fashion Industry in the Soviet Union after the Second World War*.
- <sup>44</sup> Ivanova G.M. (2011) *On the Threshold of the 'All-Nation Welfare State': Social Policy in the USSR: mid 1950's-early 1970's*.
- <sup>45</sup> The absence of unemployment was considered an important advantage of socialism. Since the Soviet constitutions guaranteed the right to work, it was extremely difficult to dismiss even a negligent worker, a drunkard, or an absentee.
- <sup>46</sup> All the main incentives for work in the USSR—salaries and bonuses, provision of free housing in order of priority, acquisition of scarce goods (for example, cars), access to the social infrastructure of the enterprise—all this was available to almost all employees and their families almost equally. This equalizing principle had little effect on the production process, and was not directly related to the increase in labour productivity.

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