



Was Liberty Really Bad for Russia?

By Leon Aron

Criticizing preceding regimes is a popular pastime of Russian leaders. But in denouncing the “chaos of the 1990s,” the Vladimir Putin regime seems to have an additional purpose: to defame the idea of liberty itself. Part I of this two-part Russian Outlook examines the claim that the revolution was entirely responsible for Russia’s economic woes in the 1990s. Part II will take issue with the assertion that the Yeltsin years brought nothing but “chaos.”

“Like Providence in reverse, the Russian government seeks to arrange for the better not the future, but the past.”

—Alexander Herzen¹

It is very much in the Russian and, even more so, Soviet political tradition for rulers to deprecate their predecessors. As they climb up the power ladder, the would-be Kremlin occupants must profess complete loyalty to the current leader in order to succeed. Once in power, the country’s new masters bolster their authority by dissociating themselves from previous leaders. Along with the weakness of the country’s political institutions, which undermines the legitimacy of the transitions, such repudiations almost inevitably result in the personalization of power, as the new occupants mold the political, social, and economic systems to their liking. Hence, Russian and—again and especially—Soviet history have often looked like a succession of very distinct personal political regimes—indeed, sometimes different states under the same name.

Thus, at first blush, there is nothing unusual in this Kremlin’s castigation of the 1992–99 period, which is portrayed as an unmitigated disaster. It is described as a time of gratuitously

and maliciously inflicted humiliation, of “a failed state,” and, most of all, of “chaos.”² Advanced relentlessly, this line of argument has been largely adopted not just by many Russian commentators (who quickly recovered their Soviet skill of line-toeing), but also by some leading Western media, editorialists, and pundits.³ The latter are apparently untroubled by the fact that a booming economy has sprung from the alleged calamities of the preceding years, like Athena who appeared fully armed from Zeus’s head.⁴

For all its conformity to national tradition, the “chaos” propaganda campaign has several features that do not fit the usual pattern. First, President Vladimir Putin was—and continues to be—very popular, and is in no need of gaining additional legitimacy at the expense of his predecessor. In the 1990s, moreover, the breadth and intensity of public criticism of the government (in newspapers, on television, and in the parliament) were unprecedented in Russian, let alone Soviet, history. All the many warts and boils, real and imagined, of the Boris Yeltsin regime were exposed and lanced at the time. Indeed, many Russian pollsters believe that much of Putin’s popularity is due simply to his *not* being the late Yeltsin: very sick,

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often inebriated, and increasingly unsteady and erratic in public. Thus, harping on the very real failures and hardships of the Yeltsin years can hardly be expected to bring the public's opinion of them any lower than it already is.

A plausible explanation is that the aim of the "chaos" mantra is much higher. As often happens in Russia, the past is invoked to shape the present and the future. In this case, the denunciations of the 1990s may, the Kremlin hopes, help manage the tense transition ahead (or the risks of Putin's decision to rewrite the constitution and run again) and, more importantly, establish the direction that Russia should take in the long run. No one disputes that in the 1990s, Russia was the freest it had ever been, save for the nine months between February and November 1917. Just as undeniable is the ideology of the first post-communist regime. As a leading Russian political analyst put it, it was based on two "simple ideas": that "personal liberty is the foundation of progress of a modern state" and that "Russia has no other way but to follow the Western model of development."⁵

It is this ideology and this model that the current regime seems to be determined to stamp with the "chaos" cliché. If the freest Russia in history produced nothing but misery and disorder, then liberty is, in principle, bad for her. Ergo, Putin's proto-authoritarian "sovereign democracy" and the "vertical of power," in which the executive controls (or owns outright) other branches of government and key sectors of industry.

Such fateful implications make the veracity of the "chaos" claim worth exploring. Specifically, one needs to ascertain, first, whether economic liberalization and democratization bear the primary responsibility for the "chaos," and, second, whether there was anything but chaos in the 1990s.

Whose "Chaos"?

By the mid-1980s, the Soviet Union, as the title of a fine 1990 primer on the Soviet economy declared, was "an impoverished superpower"—or, as the West German chancellor Helmut Schmidt allegedly quipped in the 1970s after his visit to the Soviet Union, an "Upper Volta with

nuclear missiles."⁶ Strategic nuclear parity with the United States, the largest military in the world, more coal and steel than any other country, and more tanks than the rest of the world combined had come at the cost of unimaginable sacrifice, horrific waste, and ecological catastrophes. Millions of prison camp inmates had been worked to death building cities, factories, and hydroelectric dams and digging for coal, diamonds, and gold. The collectivized village had been robbed to pay for the industrialization, starved, and, in the end, severely depopulated.

By the mid-1980s, the "extensive" mode of economic development—in which virtually unlimited labor and raw materials ensured growth—was nearly exhausted. The urgency of radical modernization and restructuring, which had been obvious since the early 1960s, grew with every year of procrastination, as did the cost of such an overhaul. Yet chained to the Marxist-Leninist orthodoxy and operating within the choking confines of the state forged by Joseph Stalin, the Soviet leadership was unable to overhaul this bizarre system in which politics and ideology dictated the allocation of resources and set prices; in which barter, rather than money, dominated the relations among economic actors and between them and the state; in which there were no effective incentives to work hard and efficiently; in which the labor and raw materials expended per

unit of output exceeded those in the West by the orders of magnitude; and in which manual labor was used on a scale unseen in the West since the 1930s.

The "Self-Consuming" Economy

In what the glasnost authors labeled a "self-consuming" (*samoedskaya*) economy, millions of workers were occupied, and hundreds of billions of rubles were invested in the "value-subtracting" production of low-quality products that no one could use or would buy—from shoes and textiles (for instance, no use could be found for almost 11 million square feet of fabrics produced in 1986–87), to the giant and very expensive Don harvesters, which fell apart after six months, and which the large collective farms, or kolkhozes, refused to take, even free of charge.⁸

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By one estimate, 30 percent of all labor and raw material was wasted; by another, 25 percent of all labor force was “superfluous,” composed of people paid for performing useless tasks or several workers doing jobs that could be done by one.⁹ Post-Soviet Russia was to find itself saddled with the equivalent of 39 percent of the GDP spent on subsidizing unprofitable industrial enterprises.¹⁰

Of the 600,000 Soviet Union construction sites, no less than three-fourths were *dolgostroy* (literally, “long to build”), meaning they took years, sometimes decades, to complete because of the shortages of materials and labor. Yet each year, thousands more buildings were started, despite the fact that the unfinished construction was already three times greater than could be supplied with necessary building materials.¹¹ In addition, every year hundreds of thousands of doctors, engineers, nuclear physicists, and university professors were sent to the countryside to dig potatoes, yet up to one-third of the grain and potato yields were left rotting in the fields or were lost on the way to silos and depots. Most *kolkhozes* lost money, and by 1987 they cost the state treasury 140 billion rubles (or about 17 percent of the GDP) in accumulated debt.¹² Year after year, mammoth irrigation projects drowned millions of acres of fertile lands and visited ecological disasters on rivers and seas.¹³

Oil for Food

The rate of the GDP growth, of which all this useless or harmful “production” was a large part, had fallen steadily since the late 1970s. The quality of virtually everything the Soviet Union produced, with the exception of advanced military and aerospace hardware, was lagging further and further behind the West. Gorbachev’s first prime minister, Nikolai Ryzhkov, was stunned to learn that the country imported “everything from grain and pantyhose to industrial machinery and equipment,” and “half of the chemical industry worked on imported equipment, eighty percent of light industry and food production.”¹⁴

Agriculture never recovered from the trauma of murderous Stalinist “collectivization,” which, for all intents and purposes, turned the peasants into state serfs. In possession of the largest areas of the fecund “black earth” humus, the country—which before 1917 was one of the

world’s leading exporters of grain—could no longer feed itself, and every year imported tens of millions of tons of grain, from which every third loaf of bread was baked.¹⁵

Following the sharp rise in the price of oil in the early 1970s, the Soviet Union could, in effect, barter its energy resources for modern technology, food, and consumer goods.¹⁶ Yet between 1985 and 1986, the average price of a barrel of oil in the world markets was down from \$40 to under \$20 (in 2000 prices), and continued

to decline throughout the 1990s, bottoming out at \$13.60 in 1998 and beginning to rise only in 1999 at \$18.40 a barrel.¹⁷

The Unraveling of Daily Lives

In 1990, the Soviet Union ranked seventy-seventh in the world in terms of personal consumption.¹⁸ People stood in lines for hours to buy milk or eggs. In most cities, meat was for sale twice a year, before the country’s main official holidays on May 1 and November 7. In many regions, ration coupons were used for a purchase of 900 grams (less than two pounds) of vile sausage per person per

month, as in the city of Kirov in northwest Russia.¹⁹ Butter was rationed at 400 grams (less than a pound) per month.²⁰ Outside Moscow and Leningrad, children grew up without ever seeing a steak, a piece of unprocessed cheese, an orange, or a banana. By the summer of 1989, of 211 “essential food products,” only twenty-three were regularly found in stores.²¹

By 1988, the ubiquitous lines grew longer and longer, and there were fewer and fewer things to buy.²² In the ancient Russian city of Kostroma, in order to purchase children’s soap in a department store, a parent had to show a stamp in his internal passport to prove that he had children under three-years-old.²³ In the summer of 1989, a reader wrote to the popular *Ogonyok* magazine about his ration coupons, which allotted two packages of detergent, one bar of household soap, and one bar of bath soap for three months.²⁴ When the miners of the Kuzbass Coal Basin in southwest Siberia went on strike that same summer, in addition to towels, they demanded 800 grams of soap for post-shift washing.²⁵ Reporting from Kuzbass, a Soviet journalist concluded, “There is no canned meat, no soap, no money—and none is coming any time soon. What to do? Only one thing: to replace poverty and despair with hope.”²⁶

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Poverty. In 1988, 43 million people, or 17 percent of the Soviet population, had incomes only five rubles above the official poverty level of seventy-five rubles a month (\$7.50 on the black market).²⁷ One-third of the Soviet Union's urban pensioners and eight in ten in villages received sixty rubles or fewer a month.²⁸ Altogether, 80 million people (nearly one-third of the total) earned fewer than 100 rubles a month and, commented a Soviet newspaper, "hardly made ends meet."²⁹ According to the Federal State Statistics Service, in 1992, post-Soviet Russia inherited from the Soviet Union 49 million people, or 34 percent of the total, whose income was below the official "minimal subsistence" level.³⁰ By 1995 the number would decline to 25 percent.³¹

Education and Health Care. Half of Soviet schools were reported by the chairman of the State Committee on Education to have no central heating, running water, or indoor toilets.³² Every sixth hospital bed (571,000 altogether) was in a facility without running water;³³ 19 percent of Soviet hospitals had no central heating; 45 percent lacked indoor toilets and showers; and 49 percent, hot water.³⁴ There were shortages of the most elementary medical paraphernalia, including aspirin, rubbing alcohol, scalpels, surgical gloves, thread for sutures, and gauze. Disposable syringes were a rarity. In early 1989, 3 billion were needed and only 50 million available.³⁵ The first reported outbreak of AIDS in the Soviet Union occurred in the spring of 1989 in the children's hospitals in Elista and Volgograd, in the Russian southeast, because injection needles were reused.³⁶ Infant mortality was higher than in Barbados, Mauritius, and the United Arab Emirates.³⁷

Housing. One-hundred million Soviets (more than one in three) lived in a space smaller than allowed by the meager Soviet "health standards" of nine square meters (less than 100 square feet) per person.³⁸ In Moscow, almost 400,000 families were on the waiting lists for an apartment that would meet this standard; in Leningrad, almost 300,000.³⁹ It was common for an entire family, often consisting of three generations, to live in one room in a communal apartment, sharing a bathroom and kitchen with several other families. Fifteen percent of

the population did not have its own living space, living "in hostels, huddling in huts and half-basements," or renting a room.⁴⁰ Families waited for a telephone for years, often decades, and only one Russian family in five had a phone.⁴¹ There were fewer miles of paved roads in the entire Soviet Union than in the state of Ohio.⁴²

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A Moral Crisis. The country was sinking into hopelessness and cynicism. Corruption and theft of government property were rampant; abortions and alcoholism were reaching unprecedented levels.⁴³ "The country was drinking itself into the ground," Ryzhkov wrote. "[People] drank everywhere. Before work. After work. In *obkoms* [regional party committees] and in *raykoms* [district party committees]. At construction sites and on the shop floor."⁴⁴ The production of vodka doubled between 1958 and 1984⁴⁵ (after oil, vodka was the single largest source of government revenue, accounting for 12–13 percent of the state's income⁴⁶).

In 1987, 15 million drunks a year were arrested, and premature deaths from alcohol accounted for one-fifth of all deaths.⁴⁷ Between 1964 and 1980, the male life expectancy decreased from sixty-seven years to sixty-two.⁴⁸

From Crisis to Free Fall: 1990–91

By 1990, Mikhail Gorbachev's liberalization undermined the twin pillars of the Soviet economy: police control and the power of the Communist Party. For sixty years both institutions held together the bizarre system and forced it to work through a combination of fear and the promise of the *nomenklatura* benefits. Yet unlike its former Warsaw Pact allies, the reformist government was incapable of breaking the ideological taboos and introducing radical reforms.

Instead, the appallingly ignorant economic policy, begun in 1987, permitted state enterprises to set salaries for their workers and prices for their products, while the state continued to provide them with resources and subsidize them. The managers, naturally, started to raise both salaries and prices. In addition, the bills for the decades of penury and neglect of the poor, the invalids, and the elderly, among others, suddenly came due as the

newly elected deputies to the all-Union, republican, and local assemblies began demanding improvements in their constituents' lots. The government responded in the only way it could at the time: by printing more money for increased welfare benefits and pensions.⁴⁹

The money supply exploded, creating the overhang of trillions of empty rubles, with which there was nothing to buy, and unleashing inflation, which turned people's savings into worthless paper. (At the time, the Moscow wits were offering to exchange a pound of rubles for a pound of sterling.) Along the way, the government incurred an enormous and growing budget deficit and saddled the country with a huge foreign debt.

As early as the autumn of 1989, leading Russian economic writers warned that financial autonomy combined with the preservation of planning and state funding would destroy whatever was left of the system of distribution and bury it in the avalanche of worthless rubles.⁵⁰

The governments continued the suicidal partial reforms, however, which at the time were aptly likened in Moscow to traffic rules, under which half the cars drive on the right and the other half on the left. "Analyzing the situation, we reach this conclusion: the collapse of the economy has happened not because we began the restructuring but because of the delay in reforms," Vasily Selyunin, perhaps the finest economic essayist of the glasnost era, wrote in the fall of 1989.⁵¹

The Forced Choices

With every passing day, rescuing the economy from a complete disintegration involved harder and more painful choices. Soon there were no good options left. "Life is relentlessly pushing us toward hard alternatives," Selyunin noted. "The first alternative is [controlled] stable prices—and empty shelves of the stores. The second, growing prices—and goods aplenty. The third, stable prices and goods—but only with ration coupons."⁵²

In the end, concluded Selyunin, only a market model could produce a well-balanced economy in which real money could buy real goods—and there would be plenty of them, with no shortages. To stop the economic hemorrhaging, Russia would have to abandon an economy whose hundreds and thousands

of "planned" projects were "squeezing the last juices" out of the country.

"Let me say this again," Selyunin continued, "[T]his would be a very hard decision as tens of millions of people might be deprived of their salaries for a limited time. Yet only in this case, money, rather than goods, would be in short supply, which is the necessary condition of recovering finances."⁵³

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Selyunin could have added that the single most egregious "juice squeezer" was the Soviet military-industrial complex, consuming, at the very least, between 25–28 percent of the GDP.⁵⁴ (Then-foreign minister Evgeniy Primakov noted in 1998 that as much as 70 percent of the Soviet GDP was spent "on defense and defense-related projects."⁵⁵) Yet a drastic reduction of defense spending, a measure without which a country could not claw its way out of the crisis, would jeopardize the livelihood of between 10–12 million workers⁵⁶—or, counting family members, at least 30–36 million in a country of 150 million. Millions more would suffer in the defense industry's "company

towns," where the parent plants maintained virtually all social services, including housing, utilities, schools, hospitals, and kindergartens.

Wartime Shortages

By 1991, shortages began to reach levels unknown since the end of World War II. Rationing was introduced for every major staple, even in Moscow. There were bread lines and tobacco riots. In April, butter was reported to have been found in state stores by just 8 percent of the respondents in a national survey; eggs by 17 percent; milk by 23 percent; and flour and groats by 6 percent.⁵⁷ Nearly half said they "saw nothing in stores."⁵⁸

At about the same time, Gorbachev's top aide, Anatoly Chernyaev, wrote in a diary, "We are short of 6 million tons of bread . . . in Moscow and other cities' bread lines are now equal in length to the lines for sausage two years ago. We have tried to scrape around for hard currency and credits. But we are no longer financially viable. . . . I have driven all around Moscow [searching for bread]. All bakeries are either locked or there is a horrifying, absolute emptiness inside."⁵⁹

In a September 1991 report to the country's leadership, the KGB stated that 30 percent of the population had trouble buying sugar, butter, or any meat products with ration coupons.⁶⁰ The same report established 250 grams of bread (about half a pound) a day as the allotment norm.⁶¹

No one who visited Moscow that fall will forget the absolutely bare shelves of stores and the sacks of potatoes on the balconies as the capital of Russia was preparing for a famine. By that time, the budget deficit reached an equivalent of 30 percent of GDP, and inflation—most of it hidden by the still-controlled prices on most goods—was 138 percent.⁶² In October, the Vnesheconombank, which handled foreign trade, announced that it could no longer service foreign debt and would default on domestic hard currency accounts. For what must have been a very rare, if not unique, case in Russian history, the country had neither bread nor gold.⁶³

Two years before, Selyunin had warned:

I don't discount the possibility that the time that was given us for a managed process of change has already run out. Even if I am wrong, the time still left must be counted not by years, but by months, as the economy is falling apart right before our eyes. . . . Having lost the time, we will still start a radical restructuring, [as] we simply have no other chance to save ourselves, but then we will be forced to restructure under the conditions of economic chaos.⁶⁴

This prophecy was being borne out.

Part II of this Russian Outlook, which will be published later this summer, will deal with the allegation that the 1990s brought nothing but "chaos."

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Notes

1. Quoted in Vasilii Selyunin, "Istoki" [The Sources], *Novyi Mir*, May 1988, 169.

2. See, for example, then-foreign minister of the Russian Federation Sergei Lavrov, "One Cold War Was Enough," *Washington Post*, February 25, 2007; and Sergei Rogov, "A Russian Plea for Collaboration," *Washington Post*, March 4, 2007.

3. Peter Finn, "Kinder View of Yeltsin Emerges in Eulogies," *Washington Post*, April 26, 2007; Charles Krauthammer, "Boris

the Liberator, RIP," *Washington Post*, April 28, 1997; "Boris Yeltsin's Bequest," editorial, *New York Times*, April 24, 2007; Serge Schmemmann, "When the Bear Cries Wolf: Trying to Understand Vladimir Putin," *New York Times*, July 19, 2007; and "Boris Yeltsin," editorial, *Times* (London), April 24, 2007.

4. Peter Finn, "Kinder View of Yeltsin Emerges in Eulogies"; "Boris Yeltsin," editorial; and "Boris Yeltsin's Bequest," editorial.

5. Andrey Ryabov, "Ya mozaiku slozhu iz razbivshikhysya zerkal" [I Will Make a Mosaic Out of Broken Mirrors], *Gazeta*, June 27, 2007, available at www.gazeta.ru/comments/2007/06/27_a_1852689.shtml (accessed June 27, 2007).

6. Quoted in Henry S. Rowen and Charles Wolf Jr., eds., *The Impoverished Superpower: Perestroika and the Soviet Military Burden* (San Francisco, CA: Institute for Contemporary Studies, 1990).

7. Mikhail Antonov, "Tak chto zhe s nami proiskhodit?" [So What Is Happening with Us?] *Oktyabr*, no. 8 (August 1987): 43.

8. Vasilii Selyunin, "Istoki" [The Sources], *Novyi Mir*, May 1988, 179.

9. Robert Conquest, *Reflections on a Ravaged Century* (New York: Norton, 1999), 103; and Nikolai Shmelyov, "Novye trevogi" [New Anxieties], *Novyi Mir*, April 1988, 173.

10. Anders Åslund, *Building Capitalism* (New York: Cambridge University Press, 2002), 315, table 8.5.

11. Mikhail Antonov, "Tak chto zhe s nami proiskhodit?" 5; and Nikolai Shmelyov, "Novye trevogi," 172–73.

12. Nikolai Shmelyov, "Novye trevogi," 172.

13. The Ministry of Water Economy, with 2 million people and an annual budget of 2 billion rubles, "in plain view is doing mostly damaging work that nobody needs" (Nikolai Shmelyov, "Novye trevogi," 171).

14. Nikolai Ryzhkov, *Perestroika: istoriya predatel'sv* [Perestroika: A History of Betrayals] (Moscow: Novosti, 1992), 236.

15. A. Sizov, "Sverim tsifyr" [Let's Compare the Numbers], *Kommunist* 15 (October 1989): 63.

16. Yegor Gaidar, *Gibel' imperii: Uroki dlya sovremennoi Rossii* [The Collapse of an Empire: Lessons for Modern Russia] (Moscow: Rossiyskaya Politicheskaya Entsiklopediya, 2006); and Yegor Gaidar, "The Soviet Collapse: Grain and Oil," *On the Issues*, April 2007, available at www.aei.org/publication25991/.

17. Yegor Gaidar, *Gibel' imperii: Uroki dlya sovremennoi Rossii*, 118, table 3.7.

18. V. Radaev and O. Shkaratan, "Vozvrashchenie k istokam" [The Return to the Roots], *Izvestia*, February 16, 1990.

19. Alexander Bekker, "Where's the Beef?" *Moscow News*, July 17–26, 1988. In a letter to *Ogonyok* magazine, a metalworker in Cherepovetsk in the Russian northwest wrote of receiving half of a kilo, or one pound, of sausage a month (Letter from V. V. Gurevich in *Small Fires: Letters from the*

Soviet People to Ogonyok Magazine, 1987–1990 [New York: Summit Books, 1990], 50).

20. Alexander Bekker, “Where’s the Beef?”

21. Vasilii Selyunin, “Soviet Reformer Fears Collapse of Economic House of Cards,” *Glasnost 2* (January–March 1990): 57.

22. “I just can’t understand how a woman who [daily] gives ten hours at work, including the trip there and back, can be expected to stand two or three hours in lines,” wrote a reader to *Ogonyok* magazine. “For what? Nowadays, for practically anything at all” (*Small Fires*, 56).

23. Leon Aron, “The Soviet Union on the Brink,” *World Affairs* (Summer 1989): 5.

24. L. U. Yegorova, “Advice Requested,” *Small Fires*, 122.

25. Yuriy Apenchenko, “Kuzbass. Zharkoe leto” [Kuzbass. A Hot Summer], *Znamya*, no. 8 (October 1989): 166.

26. *Ibid.*, 186.

27. A. Chernyak, “Edoki po statistike i v zhizni” [Food Consumers in Statistics and in Real Life], *Pravda*, September 1, 1988.

28. Yu Rytov, “Kak zhivyotsya pensioneru?” [How Is the Pensioner Faring?] *Izvestia*, August 20, 1988.

29. Boris Bolotin, “Vadim Kirichenko’s Debut: Goskomstat [Federal State Statistics Service] Provides Food for Thought,” *Moscow News*, August 20, 1989. Responding to the first published questionnaire in 1989, one-third of people reported their incomes as “modest but sufficient,” a quarter had to limit themselves to bare necessities, and another quarter “could barely make ends meet” and had to borrow constantly from friends and family. See “Chto my думаем” [What We Think], *Literaturnaya gazeta*, March 29, 1989.

30. “Main Socio-Economic Indicators of Living Standard of Population,” *Goskomstat* (Federal State Statistics Service), available at www.gks.ru/free_doc/2006/rus06e/07-01.htm (accessed on July 10, 2007).

31. “Chislennost’ naseleniya s denezhnymi dokhodami nizhe velichiny prozhitochnogo minimuma” [The Size of the Population with the Monetary Income Below the Minimal Subsistence], *Goskomstat*, available at www.gks.ru/free_doc/2006/b06_13/06-25.htm (accessed on July 10, 2007).

32. G. A. Yagodin, speech, XIX All-Union Party Conference, June 30, 1988.

33. Zoriy Balayan, “Kogda bolezni obgonyaet lekarstva” [When Disease Is Faster Than Medicine], *Literaturnaya gazeta*, February 3, 1988.

34. Barrie R. Cassileth, Vasily V. Vlasov, and Christopher Chapman, “Health Care, Medical Practice and Medical Ethics in Russia Today,” *The Journal of the American Medical Association* 273, no. 20 (1995): 1570. (Cf. Jason Bush: “The ‘shock therapy’ economic reforms of the 1990’s left a bitter legacy as a handful

of tycoons became billionaires, while schools and hospitals fell into disrepair” [“Russia’s New Deal,” *Business Week*, April 9, 2007, 40]).

35. S. Tutorskaya, “Potryasenie” [Shock], *Izvestia*, March 7, 1989.

36. S. Leskov, “Zarazilis v bol’nitse” [Infected in a Hospital], *Izvestia*, May 12, 1989.

37. Evgeniy I. Chazov, speech, XIX All-Union Party Conference, June 30, 1988.

38. L. Velikanova, “A Healthy Apartment for Each Family,” interview with S. Nikolaev, director of the Research Institute of Housing, *Literaturnaya gazeta*, August 31, 1988.

39. Andrei A. Gromyko, speech by the chairman of the Supreme Soviet of the Soviet Union, *Izvestia*, September 4, 1988.

40. L. Velikanova, “A Healthy Apartment for Each Family.”

41. V. Rusakova, “Telefonnye istorii, kotorye tyanutsya 22 goda” [The Telephone Stories That Have Stretched for 22 Years], *Pravda*, December 2, 1987. The article cites a letter to the newspaper *Pravda* from a worker from the town of Pushkino in the Moscow region who wrote of waiting for a telephone, without a result, for twenty-two years.

42. Robert Conquest, *Reflections on a Ravaged Century*, 103.

43. In the Ural industrial city of Perm, out of 1,000 first pregnancies, 272 were terminated by abortion. Almost 8 million abortions were performed in the Soviet Union every year—or about one-fourth of the total number of abortions in the world. The incidence of abortion was estimated “6–10 times higher than in the developed capitalist countries” (Evgeniy Starikov, “Marginaly” [Marginal People], *Znamya*, no. 10 [October 1989]: 152). In his memoirs, Nikolai Ryzhkov wrote: “[We] stole from ourselves, took and gave bribes” (*Perestroika: istoriya predatel’sv*, 33). An eminent émigré legal scholar, Konstantin Simis, called the Soviet Union “a land of kleptocracy” (*USSR: The Corrupt Society* [New York: Simon and Schuster, 1982], 248). Renowned Soviet film director Stanislav Govorukhin noted in 1989: “We have turned into a country of universal thievery. Virtually all of us steal. We steal sugar, coffee, tea, candy, nuts, planks, transistor radios, or paper from plants and factories. We steal time from enterprises where we work by going to work late, leaving earlier” (“Voyna s prestupnost’yu” [The War on Crime], *Novoe Russkoe Slovo*, August 19–20, 1989).

44. Nikolai Ryzhkov, *Perestroika*, 94.

45. Vladimir Treml, “Gorbachev’s Anti-Drinking Campaign: A Noble Experiment or a Costly Exercise in Futility?” *RL Supplement* (March 18, 1987): 8.

46. “Ekspertizma” [Examination], *Moskovskie Novosti*, February 15–21, 2000.

47. Vladimir Treml, “Gorbachev’s Anti-Drinking Campaign: A Noble Experiment or a Costly Exercise in Futility?”

48. Ibid.
49. Dmitriy Pinsker and Larisa Piyasheva, "Sobstvennost' i svoboda" [Property and Liberty], *Novyi Mir*, November 1989, 196.
50. See, for example, Vasilii Selyunin, "Chyornye dyry ekonomiki" [Black Holes of the Economy], *Novyi Mir*, October 1989, 153–78; and Dmitriy Pinsker and Larisa Piyasheva, "Sobstvennost' i svoboda," 184–98.
51. Vasilii Selyunin, "Chyornye dyry ekonomiki," 166.
52. Ibid., 170.
53. Ibid., 165.
54. David F. Epstein, "The Economic Cost of Soviet Security and Empire," in *The Impoverished Superpower: Perestroika and the Soviet Military Burden*, 153, table 5.4.
55. Evgeniy Primakov, "Russia Must Be a Star Player on the World Arena" (speech, Conference of the Council on Foreign and Defense Policy, Moscow, March 14, 1998). Distributed by the Information Department of the Embassy of the Russian Federation in Washington, DC.
56. Clifford Gaddy, *The Price of the Past* (Washington, DC: Brookings Institution Press, 1996), 22–23.
57. Irina Starodubrovskaya and Vladimir Mau, *Velikie revoliutsii on Kromvelya do Putina* [The Great Revolutions from Cromwell to Putin] (Moscow: Vagrius, 2001), 168, table 5.1.
58. Ibid.
59. Quoted in Yegor Gaidar, *Gibel' imperii: Uroki dlya sovremennoi Rossii*, 361.
60. Ibid., 386.
61. Ibid.
62. Joseph Blasi, Mayya Kroumova, and Douglas Kruse, *Kremlin Capitalism* (Ithaca, NY: Cornell University Press, 1997), 190, table 2.
63. Cf. "Yeltsin's shock therapy led to the collapse of Russia's economy" ("Boris Yeltsin's Bequest," editorial) and "Yeltsin's . . . attempt to deregulate both economy and political system caused . . . the gross domestic product to fall by half" (Charles Krauthammer, "Boris the Liberator, RIP").
64. Vasilii Selyunin, "Chyornye dyry ekonomiki," 178.