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Collective and Individual Responsibility -- Environment, Education, and Other Concerns in the Transition from Socialism in Russia

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Collective and Individual Responsibility -- Environment, Education, and Other Concerns in the Transition from Socialism in Russia

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Abstract

The strong movement in the West toward an increasingly laissez faire approach to the economy has led international agencies to urge countries in transition from state socialism to adopt free market approaches for both enterprises and labor.

This greater reliance on the market in the West has resulted in increased privatization of social services and reductions in economic regulation. Countries in a transition from state socialism have been strongly encouraged to follow similar approaches. Three principal forces underlie this movement:

1. A concern with finding the most cost-effective means of providing services.
2. The ideology that governmental endeavors should be restricted to areas, such as national defense, which require direct provision by the public sector, resulting in increased efforts to privatize areas such as health care, education, environmental protection, and prisons.
3. With globalization, international agencies are increasingly able to compel relatively weak countries dependent on external aid to adopt free market strategies.

The appropriateness of these arguments for countries in transition from state socialism is less clear than in the West. These countries have a history of substantial social welfare. In the former Soviet Union, there has been an ideological debate about the optimal pace of marketization and which areas of social welfare are suitable for privatization.

Under state socialism the views of the public about governmental policies were of marginal importance. In the new democracies, elected officials need to be more aware of the views of the population. What kinds of policies do people see as cohering together and what are the characteristics of people who support particular policies? Specifically:

1. What kinds of people are willing to take personal economic risks?
2. How is a willingness to take personal risks related to opinions about overall economic policies?
3. Is support of laissez faire economic policies related to support for a laissez faire approach in other areas, such as responsibility for care of the disabled and elderly or in protection of the environment?

Examination of the views of Russians in a survey in Estonia in 1991 before the coup indicated that:

1. Males, those with higher education and those who preferred to work alone rather than in a group tended to be willing to take economic risks and to support laissez faire economic policies. Those who supported one kind of laissez faire economic policy tended to support other laissez faire economic policies.
2. A willingness of individuals to take risks and support laissez faire economic policies did not translate into thinking that the government did not need to support the elderly and the disabled or that there need be little concern about the environment.

Russian members of focus groups in Estonia in 1996 showed a high degree of understanding of the tradeoffs between economic opportunities and increase in social inequality, impoverishment of the elderly, and increased costs of educational opportunities for the young.

The results for Russians in Estonia may or may not parallel the views of people in Russia. Further research in Russia can reveal the extent to which views of personal action and of public policy in economic and social welfare areas do or do not cohere. This can throw light on likely public support for various initiatives in Russia in the future.

Datasets used:
Soviet Interview Project: 1983
Introduction

The strong movement in the West toward an increasingly lassez faire approach to the economy has led international agencies to urge less developed countries and countries in transition from state socialism to adopt free market approaches for both enterprises and labor. The lack of income or employment assurances is viewed as a way to motivate individuals and enterprise owners and managers to their best, most productive efforts. A kind of social Darwinism is seen as leading to an economy with profitable enterprises and productive workers.

This emphasis on market-driven economic policies has resulted in new approaches to the funding and administration of social services. Since the early 1980's there has been an acceleration of interest in modifying the basic infrastructure of public services throughout the world. This movement has been characterized in various ways, but the fundamental thrust has been to bring about a reduced role for government at all levels and in all societies. The underlying notion is that governmental services should be restricted solely to those activities which, because of their centrality to social stability, require provision by the public sector. Moreover, such services should also, wherever possible, be provided through the private market which is presumed to be a more efficient means to deliver these services. The changes in public policy in both the developed and developing world resulting from this movement provide a context in which to examine issues of collective and individual responsibility not only in Russia, but in other societies in transition, either from state socialism to a market economy or from a less developed to a more developed status.

Arguments for Privatization of Social Services

The pressure toward the privatization of public services has been fueled by three distinct, but related, forces. First is an interest shared across the political spectrum in finding the most cost-effective means of providing public services. Proponents of privatization argue that the private sector is inherently a more efficient vehicle for the delivery of services than the public sector. Many also contend that, with the possible exception of national defense and one or two other functions, most governmental activities can be performed by private enterprise at a lower cost to the taxpayer. Privatization in this context has come to mean using "private producers for services for which government remains responsible and continues to finance." (Kolderie, 1986) Illustrative is the opening statement of the current (May 2001) British election campaign by Tony Blair, the Prime Minister and Labor Party head. He called for the privatization of a variety of British social services, especially in the areas of education and health care. His rationale was that there would be greater availability and higher quality of these services if they were run by the private sector (British Broadcasting Corporation, 2001).

The interest in finding private providers for “public activities” has also intensified as resources – particularly for social programs in all societies – have declined with no appreciable or corresponding reduction in the demand for these services. Indeed, increases in populations requiring additional services coupled with new needs emerging from the stress of transition has created an increase rather than a decrease in demand for these functions. This has notably occurred in demands for pensions and services for the elderly as populations throughout the world have aged (United Nations, 1999: 15-17, 28).

A second argument for "privatizing" public functions is the ideological contention that governmental endeavors should be restricted solely to those activities which, because of their centrality to social
stability, require direct provision by the public sector. The dismantling by the Conservative Party in Great Britain of several of the state run enterprises which had been established immediately after World War II is illustrative of this belief. The notion that certain public activities such as health, welfare and social services, were entitlements of citizens in a society has also been challenged and resulted in a diminution in the level of support for such activities. Reductions in state provision of social services also has occurred in other parts of Western Europe and Scandinavia which had been exemplars of the welfare state. Privatization, in these terms, means the removal of specific functions or activities from those offered by government. Whether a particular service will continue to be available depends upon decisions made by potential providers and consumers. Called "load-shedding," this strategy leaves the provision of many existing public services to the operations of market forces without regard to other considerations (Perry and Babitsky, 1986).

A third consideration is the swiftness with which a global economy has developed. Reductions in trade barriers brought about by the establishment of the European Union, the North American Free Trade Agreement and the projected free trade zone for the Western Hemisphere have changed dramatically the way business and trade are now conducted. The rapid development of technology now enables the almost instant transmission of information and assets, which allows enterprises to function on a world-wide rather than national basis. Societies seeking investment to assist in their development are under growing pressures to open their borders to the needs of private enterprises and to provide favorable tax and regulatory environments for these enterprises.

Coincident with these developments has been the increasing impact on domestic economies of supra national agencies such as the World Bank and the International Monetary Fund in those countries receiving assistance from these agencies. Similar is the enlarged role of the World Trade Organization and the agencies of the European Union whose decisions concerning expenditures and regulatory policy frequently take precedence over local decisions (Farazmand, 1999). Decisions on the levels of taxation and expenditures are, in many cases, determined by the conditions under which the assistance is provided, regardless of local situations which might argue for different tax policies and budgetary allocations. In developing countries and transitional economies seeking loans or aid from international organizations, these organizations have compelled the adoption of market-driven policies not just in the area of the economy but also in the provision of social services. Thus, what had been policy choices to be determined domestically have been transformed into policy requirements in order for countries to receive external help or to join international consortia.

**Reservations About Privatization of Social Services**

The meaning of these developments for transitional societies - such as Russia and several of the other parts of the former Soviet Union - raise at least three central issues that require exploration. First and foremost is the degree to which the assertions concerning privatization are correct. Second is the need for a clearer understanding of what is required to make the availability of certain public functions dependent on private enterprise and the conditions under which these transfers or moves might occur. Third are the perceptions and views of the citizenry concerning the trade-offs which are involved in any endeavor to privatize public functions.

The evidence concerning the relative advantages or disadvantages of privatization is, at best, skimpy. Most studies have dealt with experience in the United States with inconclusive results. A number of questions remain about not only the effectiveness of privatization, but also about the assumptions on
which privatization efforts have been undertaken. The editor of a symposium concerning this issue noted:

“As might be expected from any careful review, these essays suggest serious reservations about the notion that market based public policies can provide a panacea for solving social problems. While there are certainly examples of successful applications of market policies, significant questions remain.” (Hula, 1986)

While this examination of the question was done several years back, there has been little in the recent literature to challenge its conclusion. Illustrative are the debates concerning public education and whether for-profit companies have, in fact, been more effective than public providers in achieving desired improvements in educational outcomes. Also relevant are mixed results from several studies of privately run job-training centers and drug treatment programs. Some of the concern with the proposal to include a broader range of “faith based” organizations in conduct of various social service programs in the United States is over whether these agencies have been more effective in meeting the needs of clients in these programs than have government-sponsored programs.

A more important issue is the conditions under which it is possible to shift responsibility for a public activity to the private sector. First is whether a market exists or can be developed to provide a particular service. It is clear there are markets in areas like education and refuse collection where it is possible to relate what an individual or household pays to the amount of service received. A key question, however, is whether there are markets for other traditional public activities such as law enforcement, pollution control or environmental regulatory functions in which the community as a whole benefits and the benefits are not easily allocated to particular individuals or households. If the question is simply put: Are there contractors--vendors in the private sector able to perform these tasks? The answer is probably yes for things such as public safety. This is demonstrated by consideration, at least in the United States, that most new prison facilities are privately operated, a marked change from a few years ago when this function was viewed as one which needed to be carried out by public agencies with public employees.

Beyond this basic question are other issues. Will vendors, even if available, bid on these tasks? If not, a government seeking to privatize a function may well become dependent upon a single provider which might mean substitution of a private monopoly for a public monopoly. The manner in which performance of providers should be monitored as well as development of means to assure adherence to a standard of quality are also concerns which need to be addressed. These matters are difficult to deal with in societies with well-developed legal systems as well as experience and understanding of a capitalist system. The absence of these conditions in many transitional societies suggests that the problems of depending largely on private markets to provide basic human services will be even greater.

A second premise held by proponents of privatization is that markets are neutral. That is to say that the source of the service (public or market) has little impact on how resources are distributed; determination of the range and type of services to be provided is seen as remaining with the political authorities who established the program. There is some evidence, however, that this is not always the case. The economic interests of a private provider can affect the nature of the program. For example, one study of home care showed that proprietary agencies sought to maximize profits by increasing the number of visits and the types of care provided the clients, thus changing the nature of the program (Hill, Blaser and Bolmet, 1986).
Third is the contention that the operations of the market and politics are similar. This assumption rests on the premise that society is an economy (Hula, 1986). If they are similar, activities carried on by government can be segmented and the consequences of choices by purchasers (consumers) are immediate and direct. While this may be true for some direct service activities, such as refuse collection, it is not necessarily true for matters such as environmental regulation. The results from regulations designed to reduce contaminants in air and water are neither immediate nor direct. Indeed, one of the issues most environmental workers constantly face is that their efforts are seen as having long term and indirect impacts, making them much less analogous to goods and services on the private market.

This last premise also raises the issue as to what environmental and other public health work is about. Pressures towards privatization which are grounded in the ideological argument that governments and governmental services need to be severely limited challenge the concept that governments and governmental programs are an expression of how societies seek the general welfare of all, rather than the specific welfare of individuals. Dan Beauchamp advances this argument concerning public health:

“Public health as a second language reminds us that we are not only individuals, we are also a community and a body politic, and that we have shared commitments to one another and promises to keep. . .By ignoring the communitarian language of public health, we risk shrinking its claims. We also risk undermining the sense in which health and safety are a signal commitment of the common life, a central practice by which the body-politic defines and affirms its values” (Beauchamp, 1985).

In these terms, public health activities, like environmental regulations, have objectives that reach beyond those of efficiency which must be taken into account in determining the appropriateness of a given means for the delivery of such services. Further the decision to privatize a given public function, by whatever means, must consider the impact of that approach on such matters as access to services, the allocation of services to different socio-economic groups and the other distributive effects of alternative organizational forms.

**Privatization of Social Services in Transitional Societies**

Development of answers to these questions is much more complicated in transitional societies such as Russia and the other parts of the former Soviet Union. With the movement away from state socialism has also come the development of new modes of governance. Elections now have important political consequences, and they are increasingly hotly contested. Governmental agencies find it necessary to be responsive to a broader range of constituencies than before. The attitudes and views of the citizenry -- while important under the previous regime -- have taken on a new significance. In these societies,

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1 A variety of activities are included in by public health (Institute of Medicine, National Academy of Sciences, 1988). Some, such as delivering health care to the poor, serve individual clients and, in principle could be privatized. Even if the government supported this, payment could occur through a voucher or insurance system. How other areas of public health, such as epidemic control and assurance of water quality, could be privatized is much less clear.
elections, although at times flawed, have become a means of selecting governmental leaders.\textsuperscript{2} Several former state socialist societies have voted out elected representatives who have been seen to have pursued too quick a path to marketization and too quick a dismantling of the social safety net, despite the advice from international organizations, such as the World Bank (World Bank, 1996).

The promise of better conditions resulting from the basic changes taking place has raised expectations. When the expected improvements are not immediately felt or seen, there may be some dissonance among the views of the populations most affected. In addition, the opportunities have often been perceived more readily than the risks. In the late 1980's, when some enterprises began to base salaries on production, one of the first strikes was in the Russian city Gorky (now Nizhni Novgorod) in the late 1980's, when the salaries were reduced for transport workers. Apparently many people had thought that basing salaries on profits meant that after this change, salaries would always go up.

The move toward marketization in former state socialist countries in Eastern Europe and the former Soviet Union, the decline in the availability and the increase in the cost of client-based social services, such as health care and child care has been widely acknowledged. Some see this as an inevitable cost of structural adjustments, although the costs of these changes has been increasingly criticized (United Nations Development Program, 1998).

An increase in incomes might eventually solve the problem for client-based social services. However, in truly communitarian areas, such as environmental protection and pollution control, the solution is much less clear if a market-driven approach is adopted. In Eastern Europe, the World Bank and other Western development bodies maintained that the development of a free market would lead to environmental clean-up. This was sometimes expressed as a win-win strategy (World Bank, 1992). The argument was that cleaner industrial facilities were more efficient and that market forces would lead to a cleaner environment. However, the desire to attract foreign investors has often led to the neglect of environmental regulations. This behavior by governments is rational if income generation is the only goal. A 1992 survey showed that two-thirds of North American and Western European large companies thought that environmental risks were as great a danger to foreign investors as non-environmental risks (Environment for Europe, 1992).

With some exceptions, the expected environmental clean-up has not happened.\textsuperscript{3} In situations in which pollution levels have declined, a substantial part of this decline can be attributed to lessened industrial activity, related to a stalling of the economy, not the mechanisms which the policy-makers and analysts at the World Bank had in mind. Cerna, Tosovka, and Cetkovsky (1995: 393) concluded that a decline in air pollution and water consumption between 1989 and 1993 in the Czech Republic was mainly the result of a decline in economic activity in that period rather than to the effects of higher prices and charges. Manser (1993: 72) reached a similar overall conclusion that decreases in environmental pollution in the region in the early 1990s were mainly due to decreased economic activity.

\textsuperscript{2} In every democratic society, factors other than the degree of popular support play a large role in determining what policies the government adopts (Kingdon, 1995). However, public opinion is more important in democracies than in non-democratic societies.

\textsuperscript{3} The Dutch Electricity Generating Board contributed to Poland’s Clean Air Foundation. However, the actual amount of aid for environmental clean-up and prevention of pollution was far less than anticipated by the formerly state socialist countries (Manser, 1993: 76-77).
Views and Preferences About Economic and Social Policies

In order to understand how people in the Soviet Union and former Soviet Union have viewed the issues discussed in this paper, we examine the results of three projects that collected information related to views and preferences about economic and social policies. The projects covered different populations and employed different approaches. However, they suggest some conclusions about how satisfied the population has been about existing social policies and what trade-offs people said they would be willing to accept. The insights from these studies can aid in targeting data collection in the future and suggest concerns relevant to likely support for various social and economic policies.

SOVIET INTERVIEW PROJECT

The Soviet Interview Project was a survey of 2,793 persons who emigrated from the Soviet Union to the United States between January 1, 1979 and April 30, 1982. The fieldwork took place in the United States in 1983. The purpose of the study was to find out about daily life in the Soviet Union (Anderson and Silver, 1987).

Since the respondents had all left the Soviet Union, they would be expected to be less supportive of all aspects of the Soviet regime than those who remained. However, even this selected group of respondents supported many aspects of the organization of Soviet society. There was a high degree of satisfaction with state-supplied medical care, with satisfaction being higher among less-educated respondents (Millar and Clayton, 1987). A substantial portion of respondents in the Soviet Interview Project reported that they had used private medical care. However, the main reason reported for using private medical care was not complaints about the quality of state-supplied medical care, but rather was that there was a shorter wait for non-emergency procedures from private than from state medical care, a common complaint in virtually all state-supplied health care systems.

There was substantial support for state control of several aspects of the society and economy. There was strong support for state control of health care and moderately strong support for state control of heavy industry, while there was little support for state control of agriculture. Respondents were asked an open-ended question, “Think for a moment about the Soviet system with its good and bad points. Suppose you could create a system of government in the Soviet Union that is different from the one that currently exists. What things in the present Soviet system would you want to keep in the new one?” The educational system was the most frequently mentioned (28% of responses) and the health care system was the second most frequently mentioned (24% of responses) (Silver, 1987).

4 Millar (1987) noted that over time in the Soviet period, there was an increasing increase of privatization in many parts of life since Stalin, as manifested in both legal and illegal activity. Although the availability was limited, private medical care was legal in the Soviet Union.

5 Respondents were asked whether heavy industry (health care, agriculture) should be state owned/financed or privately owned/financed. In each area, a rating was given on a seven-point scale with 1 being private/individual and 7 being state collective. The average rating on medical care was 5.45, on heavy industry was 4.51, and on agriculture was 2.30.
NON-ESTONIAN RESPONDENTS IN 1991 SURVEY IN ESTONIA

A survey in Estonia in 1991 contained several items that can inform thinking about the willingness of a person to take risks, the relation between that willingness and views of what economic policies are desirable, and their connection with views on desirable social policies, such as state or family support of the elderly, and the extent to which ecological pollution is a serious problem.

Social psychological research has shown that there is not always a strong connection between people’s attitudes or their view of their own likely behavior and what policies they support. For example, in the United States, whether a person supports busing of school children in order to achieve racial integration often is not strongly related to overall interracial attitudes and seems to be determined by different factors than interracial attitudes (Anderson, Silver and Abramson, 1988; Schuman and Converse, 1971; Schuman and Hatchett, 1974).

The respondents in the 1991 survey included people who were in their last year of general secondary school in schools in which the primary language of instruction was Estonian in 1966 and also those who were in their last year of general secondary school on Estonia in schools in which the primary language of instruction was Russian in 1965, 1966 or 1967. Thus, the respondents to the 1991 survey were in their early forties. Women comprised over 60% of both the Estonian and Russian respondents. This is due to the higher education of women than men in Estonia, especially the greater tendency of females than males to attend general secondary schools (Saar 1990; Titma 1989). For both Estonians and Russians, post-secondary education was quite common, with more than half graduating from a higher educational institution.

Ethnic Estonians administered interviews in Estonian and native speakers of Russian (usually ethnic Russians) administered the surveys in Russian. The survey included 1,921 people. The fieldwork began in February 1991 and ended in August 1991 before the August 19 coup.

The analysis in this paper from the 1991 survey is based on the respondents who identified by nationality with some group other than Estonians. Of the non-Estonian respondents, 76% identified themselves as Russians, and 93% of the non-Estonians identified themselves as Russians, Ukrainians, Belorussians, or Jews. They overwhelmingly claimed Russian as their native language and are viewed as members of a “Russian-language population” in Estonia. The analysis is not restricted to those who stated “Russian” as nationality due to the benefits of some increase in sample size, and since the non-Estonian non-Russians did not differ substantially from the Russians in their responses. There were 505 non-Estonians. For convenience, these people will sometimes be referred to as “Russians” in this paper.

Overall Views on Relevant Issues
A variety of questions the bear on the issues addressed in this paper was asked in the 1991 survey. The most relevant are shown in Table 1. Table 1 also shows the mean value for the given item for the

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6 Graduation from general secondary school puts the respondents in the top half of their cohort educationally.

7 When the survey was designed, it was not known what political events would happen in the future, even in the course of the field work. All interviews were completed before the August coup. Only two interviews took place in August. In addition, analysis of responses to some potentially very sensitive questions indicated no relation of the responses to the month in which the interview took place.
Russian respondents in 1991. These mean values also are graphed in Figure 1. Each of the items had four possible answers. The coding on some items was reversed so that for all items a lower value indicated a more collective or state-supported response, and a higher value indicated a more individualistic or market-driven response.

Table 1. Items in 1991 Survey that are Relevant to Collective versus Individualistic Choices and Policy Positions

<table>
<thead>
<tr>
<th>Item</th>
<th>Mean Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferences for Self</td>
<td></td>
</tr>
<tr>
<td>PRIVENT “I would be willing to work in a private enterprise if it could give me a much higher salary, even if it meant that I would have a greater risk that at some time I could lose my job. Do you agree strongly, agree somewhat, disagree somewhat, or disagree strongly?”</td>
<td>2.96</td>
</tr>
<tr>
<td>PRIVMED “I would rather seek medical care from private physicians to obtain higher quality care, even if the price of private medical care is high. Do you agree strongly, agree somewhat, disagree somewhat, or disagree strongly?”</td>
<td>3.42</td>
</tr>
<tr>
<td>Economic Policies</td>
<td></td>
</tr>
<tr>
<td>COMPETE “There must be competition among firms even if it may result in bankruptcy for some of them. Do you agree strongly, agree somewhat, disagree somewhat, or disagree strongly?”</td>
<td>3.68</td>
</tr>
<tr>
<td>INCINEQ “Differences in incomes should be large enough to give people more stimulus to work hard, even if it means there will be less equality in society. Do you agree strongly, agree somewhat, disagree somewhat, or disagree strongly?”</td>
<td>3.26</td>
</tr>
<tr>
<td>ALLJOB “The government must assure that everyone has a job and that prices are stable, even if the rights of private enterprises have to be restricted. Do you agree strongly, agree somewhat, disagree somewhat or disagree strongly?”</td>
<td>1.91</td>
</tr>
<tr>
<td>Social Welfare and Environmental Concerns</td>
<td></td>
</tr>
<tr>
<td>FAMCARE “The costs of caring for the sick and the disabled, for those out of work, and for the elderly should become more the responsibility of individuals and families rather than of the state. Do you agree strongly, agree somewhat, disagree somewhat, or disagree strongly?”</td>
<td>1.48</td>
</tr>
<tr>
<td>POLLUTE “Do you think ecological pollution is a very serious problem, a serious problem, somewhat of a problem, or not a problem at all?”</td>
<td>1.53</td>
</tr>
</tbody>
</table>

Note: All items are coded 1-4. Items have been recoded so that a lower score represents a more collective/state-supported position and a higher score represents a more individual/market-driven position. To do this, the coding was reversed for PRIVENT, PRIVMED, COMPETE, INCINEQ, and FAMCARE.

With scores ranging from 1 to 4, a middle response would be 2.5. The first two items measure an individual’s willingness to take economic risks or spend money to obtain medical care. They do not solicit an opinion about an overall social policy. With an average score of 2.96 for PRIVENT, the
respondents were on balance fairly willing to take the economic risk of losing a job if they could obtain a high-paying job.\textsuperscript{8} With an average value of 3.42 out of 4 for PRIVMED, almost everyone was quite willing to pay for private medical care.\textsuperscript{9} Of course, people may not have had a realistic view of what private medical care would cost.

Viewing economic policies, there was a mixed level of overall support. There was almost universal support for competition among firms (COMPETE), and there was very strong support for income inequality to stimulate people to work hard (INCINEQ). However, these same respondents thought that the government should assure that everyone has a job and that prices are stable (ALLJOB).\textsuperscript{10}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{figure1.png}
\caption{Average Views of Russians in Estonia on Various Issues, 1991}
\end{figure}

\textsuperscript{8} There was no relation between PRIVENT and whether a person thought it was very likely, somewhat likely, not very likely or not likely at all that he or she would lose his or her job in the next 6 months (r=.018).

\textsuperscript{9} Fifty-five percent agreed strongly that they would pay for private medical care, and thirty-four percent agreed somewhat that they would pay.

\textsuperscript{10} Seventy-four percent of the respondents agreed strongly that there should be competition among firms, 81\% agreed somewhat or agreed strongly that income inequalities were necessary, but 74\% agreed somewhat or agreed strongly that the government should assure that everyone had a job and that prices were stable.
Despite support of some market-driven economic policies, there was strong support that the government should bear the costs of care for the elderly and disabled (FAMCARE). There also was agreement that ecological pollution was a serious problem. 

Relations Among Views on Various Issues
We have seen that the overall average opinion of well-educated Russians in Estonia in 1991 about various market-related policies differed greatly, from almost universal support for competition among firms to almost universal support for the view that the government should assure that everyone has a job. Although these general views may seem contradictory, it is still possible that those individuals who have relatively market-oriented views on one issue also tend to have relatively market-oriented views on other issues, within the range of variation in responses.

Table 2 shows the correlations between the items in Table 1. Since all items have all been coded so that a higher value is associated with a more market-driven response, a positive correlation between two items indicates that those individuals who had a relatively market-driven response to one item also tended to have a relatively market-driven response to the other item.

Table 2. Correlations Among Items of Interest, Russians in Estonia, 1991

<table>
<thead>
<tr>
<th></th>
<th>PRIVENT</th>
<th>PRIVMED</th>
<th>COMPETE</th>
<th>INCINEQ</th>
<th>ALLJOB</th>
<th>FAMCARE</th>
<th>POLLUTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIVENT</td>
<td>1.000</td>
<td>.261**</td>
<td>.204**</td>
<td>.168**</td>
<td>.292**</td>
<td>.018</td>
<td>-.071</td>
</tr>
<tr>
<td>PRIVMED</td>
<td>1.000</td>
<td></td>
<td>.159**</td>
<td>.201**</td>
<td>.134**</td>
<td>.061</td>
<td>-.120**</td>
</tr>
<tr>
<td>COMPETE</td>
<td>1.000</td>
<td>.349**</td>
<td></td>
<td>.202**</td>
<td>-.002</td>
<td>-.007</td>
<td></td>
</tr>
<tr>
<td>INCINEQ</td>
<td></td>
<td>1.000</td>
<td>.206**</td>
<td>.099*</td>
<td>-.032</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ALLJOB</td>
<td></td>
<td></td>
<td>1.000</td>
<td>.099*</td>
<td>-.032</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAMCARE</td>
<td></td>
<td></td>
<td></td>
<td>1.000</td>
<td>-.062</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POLLUTE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* p < .05; ** p < .01

In Table 2, all of the preferences for self indicators and indicators of attitudes toward economic policies have significant positive correlations. This means that supporting (or not supporting) one market-driven policy is related to supporting (or not supporting) every other market-driven policy considered, at least in comparison to other respondents. The significant positive correlations between PRIVENT and PRIVMED and the economic policy items also means that being willing to take economic risks oneself and being willing to pay more for higher quality medical care translate into overall support for market-driven policies.

---

Sixty-eight percent disagreed strongly that individuals and families should bear more of the costs for caring for the elderly and the disabled, and 95% thought that ecological pollution was a somewhat serious or a very serious problem.
Earlier analysis showed that for ethnic Estonians in the 1991 survey, views of the seriousness of ecological pollution as a social problem were seriously affected by views of the Soviet state. Anti-Soviet sentiments were substantially expressed as concern about the environment. This was much less true of the Russian respondents (Anderson and Romani, 1997a).

The economic policy items are not significantly related to policy positions on care of the elderly or how serious a problem a person considers ecological pollution to be. Only ALLJOB is significantly positively related to FAMCARE. The only significant correlation with POLLUTE is with PRIVMED, and it is negative. Clearly a different set of factors is related to views on social welfare and environmental concerns than to views about economic policies.12

Multivariate Analysis of Views on Various Issues

Table 3 shows the results of multiple regression analyses of all the items in Table 1, using the same three independent variables: a dummy variable for whether the respondent was male, a dummy variable for whether the respondent had at least some post-secondary education, and a variable indicating whether the person thought that he or she worked better alone or as a member of a group.13

### Table 3. Multiple Regression Results for Items of Interest, Russians in Estonia, 1991

<table>
<thead>
<tr>
<th></th>
<th>PRIVENT</th>
<th>PRIVMED</th>
<th>COMPETE</th>
<th>INCINEQ</th>
<th>ALLJOB</th>
<th>FAMCARE</th>
<th>POLLUTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MALE</td>
<td>.236**</td>
<td>.077</td>
<td>.203**</td>
<td>.244**</td>
<td>.432**</td>
<td>-.182*</td>
<td>.154**</td>
</tr>
<tr>
<td>(0=Female,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1=Male)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HIED</td>
<td>.120</td>
<td>.054</td>
<td>.178**</td>
<td>.200*</td>
<td>.417**</td>
<td>-.093</td>
<td>.190**</td>
</tr>
<tr>
<td>(0= No HiEd,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1= Some HiEd+)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WORKLONE</td>
<td>.253**</td>
<td>.106</td>
<td>.066</td>
<td>.032</td>
<td>-.038</td>
<td>-.032</td>
<td>-.047</td>
</tr>
<tr>
<td>(0=Prefer Group,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1=Prefer Alone)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>2.611**</td>
<td>3.271**</td>
<td>3.457**</td>
<td>3.035**</td>
<td>1.530**</td>
<td>1.625**</td>
<td>1.401**</td>
</tr>
<tr>
<td>R²</td>
<td>.033</td>
<td>.008</td>
<td>.051</td>
<td>.031</td>
<td>.085</td>
<td>.016</td>
<td>.043</td>
</tr>
<tr>
<td>Sig. of F</td>
<td>.001</td>
<td>.278</td>
<td>.000</td>
<td>.002</td>
<td>.000</td>
<td>.055</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>469</td>
<td>483</td>
<td>483</td>
<td>487</td>
<td>487</td>
<td>483</td>
<td>492</td>
</tr>
</tbody>
</table>

* p< .05; ** p < .01

---

12 Earlier analysis showed that for ethnic Estonians in the 1991 survey, views of the seriousness of ecological pollution as a social problem were seriously affected by views of the Soviet state. Anti-Soviet sentiments were substantially expressed as concern about the environment. This was much less true of the Russian respondents (Anderson and Romani, 1997a).

13 The question was: “Please read statement A and statement B and tell me which one is closer to your own opinion. A: I usually do better working alone than working with a group. B: I usually do better working with a group than working alone.” None of the three independent variables are significantly correlated with each other. Thus, there are not multicollinearity problems.
For the individual preference and economic policy dependent variables, all of the coefficients are positive. This means that men, those with post-secondary education, and those who prefer to work alone tend to support more individual or market-driven economic policies. Except for PRIVMED, two of the three independent variables are statistically significant for every economic dependent variable. None of the independent variables in the analysis of PRIVMED are statistically significant, and the F value for the equation as a whole also is not statistically significant.

It is not clear why the independent variables considered are not significantly related to whether people say they would pay more for higher quality private medical care (PRIVMED). Willingness to pay for private medical care is significantly positively correlated with dissatisfaction with the quality of public medical care.\(^{14}\) However, a willingness to pay for private medical care may stem from unfortunate experience with state supplied medical care. This contrasts with results from the Soviet Interview Project.

The relation of the independent variables to FAMCARE is also quite different than to the economic policy variables. Women are significantly more likely to support an individual solution to financing of care of the elderly and the disabled than are males. This may be related to the greater role that women typically play in such care than men.

The equation explaining POLLUTE is not very different from that explaining views on the economic policy variables. Males and those with post-secondary education are likely to consider ecological pollution to be a relatively unimportant social problem.

### Table 4. Partial Correlations Among Items of Interest, Controlling for Gender, Education, and Orientation toward Working With Others, Russians in Estonia, 1991

<table>
<thead>
<tr>
<th></th>
<th>PRIVNT</th>
<th>PRIVMED</th>
<th>COMPETE</th>
<th>INCINEQ</th>
<th>ALLJOB</th>
<th>FAMCARE</th>
<th>POLLUTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIVNT</td>
<td>1.000</td>
<td>.238**</td>
<td>.186**</td>
<td>.161**</td>
<td>.263**</td>
<td>.035</td>
<td>-.085</td>
</tr>
<tr>
<td>PRIVMED</td>
<td>1.000</td>
<td>.162**</td>
<td>.217**</td>
<td>.123*</td>
<td>.057</td>
<td>-.133**</td>
<td></td>
</tr>
<tr>
<td>COMPETE</td>
<td>1.000</td>
<td>.326**</td>
<td>.168**</td>
<td>.019</td>
<td>-.070</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INCINEQ</td>
<td>1.000</td>
<td>.190**</td>
<td>.126*</td>
<td>-.096*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ALLJOB</td>
<td>1.000</td>
<td>.038</td>
<td>-.078</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FAMCARE</td>
<td>1.000</td>
<td>.052</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>POLLUTE</td>
<td>1.000</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* p < .05; ** p < .01, two-tailed tests

**Note:** The partial correlations control for the independent variables used in the analysis in Table 3.

\(^{14}\) The question was asked: “How satisfied are you with the quality of public medical care? Are you very satisfies, somewhat satisfied, somewhat dissatisfied, or very dissatisfied?” The correlation between PRIVMED and extent of dissatisfaction was .104 (p=.022 two-tailed test).
Relations Among Various Issues After Some Respondent Characteristics are Taken Into Account

Table 4 replicates Table 2, except that rather than bivariate correlations being presented, partial correlations are presented, controlling for the three independent variables from Table 3. The partial correlations in Table 3 are virtually the same as the simple correlations in Table 2. Thus, the coherence of the individual preference variables and the positions on economic policies is not an artifact of respondents’ gender, educational attainment, or views about working alone. We may not know what determines views on use of private medical care, but many factors responsible for having this view also determine views on economic policy issues.

RUSSIAN FOCUS GROUPS IN ESTONIA IN 1996

Results from focus group interviews of Russians in Estonia in 1996 can inform the mechanisms through which some Russians saw various economic and policy issues as related. The focus group interviews were conducted as part of the project “Group Identity and Social Issues in Estonia, Ukraine and Uzbekistan.” This paper is based on transcripts from focus group with ethnic Russian participants interviews in Estonia (See Anderson and Romani (1997b) for more discussion of this study). The focus groups were stratified by gender, location, educational attainment, and nationality. Each focus group had 6-8 members.

The focus group participants were age 30-49. The focus group interviews concentrated on what things had gotten better in the previous ten years for “people like you” and what things had gotten worse in the previous ten years for “people like you.” In addition, the focus groups discussed whether there were some social groups for which things were especially improved or worsened.15

The Russian focus groups are:

- Russian men with higher education in Tallinn
- Russian women with higher education in Tallinn
- Russian men without higher education in Narva
- Russian women without higher education in Narva
- Russian men without higher education in Sillimae
- Russian women without higher education in Sillimae

Tallinn, the capital of Estonia, contains about one-third of the population of the country. Tallinn’s population is about half and half Estonian and non-Estonian. It is one of the few locales in Estonia where both Estonians and Russians reside in substantial numbers. Narva is a city in northeast Estonia, bordering on Russia. The population of Narva is overwhelmingly Russian. Sillimae is also overwhelmingly Russian. Sillimae was formerly a “closed city,” and its residents had very little contact with the rest of Estonia. There are high levels of environmental pollution in Sillimae. The project needed special permission to enter Sillimae and conduct the focus group interviews.

15 The same female moderator conducted all of the women’s focus groups, and the same male moderator conducted all of the men’s focus groups.
Table 5. Views of Russians in Estonia on Improvements and Deterioration on Economic and Social Welfare Issues, 1996

<table>
<thead>
<tr>
<th>BETTER THAN 10 YEARS EARLIER</th>
<th>WORSE THAN 10 YEARS EARLIER</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Men with higher education in Tallinn</strong></td>
<td></td>
</tr>
<tr>
<td>Payoff and opportunity for individual initiative, although some thought there were substantial opportunities for this in the Soviet period</td>
<td>Lack of social maintenance, predatory privatization Greater inequality in society generally Economic uncertainty about the future</td>
</tr>
<tr>
<td><strong>Women with higher education in Tallinn</strong></td>
<td></td>
</tr>
<tr>
<td>Opportunity for economic improvement</td>
<td>Financial barriers to obtaining education for children Worsening economic situation Uncertainty about the future Lack of social guarantees, destructive individualization Increased social stratification</td>
</tr>
<tr>
<td><strong>Men without higher education in Narva</strong></td>
<td></td>
</tr>
<tr>
<td>Rising standard of living, some disagreement Improvement in quality of education and possibility of (foreign) education Absence of shortages and lines for shops</td>
<td>Feeling of uncertainty and lack of social and legal protection Lack of social security Growth of poverty, growth of social stratification</td>
</tr>
<tr>
<td><strong>Women without higher education in Narva</strong></td>
<td></td>
</tr>
<tr>
<td>The wide availability of goods to buy, no shortages The possibility to realize one’s abilities, for self and for children Better possibilities for children</td>
<td>Material problems, in general and in costs for camps and other activities and opportunities for children Growth in unemployment, including for young people Age discrimination against unemployed older people (in 40s) Falling of living standards Increased inequality in society Lack of social safety net High cost of tickets to cultural events Uncertainty about the future</td>
</tr>
<tr>
<td><strong>Men without higher education in Sillimae</strong></td>
<td></td>
</tr>
<tr>
<td>Possibility to spend money on what you want (availability of goods)</td>
<td>Lower standard of living Increased stratification Low purchasing power Decline in social security Low pay and unemployment, but some think the unemployed are lazy Environment</td>
</tr>
<tr>
<td><strong>Women without higher education in Sillimae</strong></td>
<td></td>
</tr>
<tr>
<td>Availability of goods in shops Opportunity to get housing Better social services for the unemployed More choice in the medical system</td>
<td>Unemployment Worry about (economic) future of children Fear of losing your job Cost of schooling Drug addiction among teenagers, related to lower prices for drugs and due to economic despair Lack of social organizations for young people and children Environment, but is not seen as so bad by some people</td>
</tr>
</tbody>
</table>
Table 5 summarizes what members of each group mentioned as better or worse aspects of changes in the previous decade in areas related to this paper. The aspects that were seen as having improved mainly had to do with opportunities and possibilities. Only in Sillimae, where there was a special social service program for the unemployed, was an aspect of social welfare seen as having improved. The difficulties stemming from lack of social protection and increased economic inequality seemed much more salient.16

One man without higher education in Narva expressed the trade-offs between the existence of opportunities and the inability to take advantage of those opportunities quite clearly:

“In general the appearance of a chance to choose is positive. But the choice is not always...Let’s say that a possibility to choose does not always correspond the realization of a choice. It’s exactly the same as when one enters the shop; there are enormous possibilities but not everybody may realize his choice. That means that he probably likes one thing, likes something else, but as they used to say - it is as far as the stars in the sky, speaking of some choices. Let’s consider that it’s the same about the children’s education abroad. Even a simple school education is now not possible for everybody. That’s why a possibility to choose is good but there seems to remain a possibility.”

A woman in Sillimae articulated the difference between not having something in an earlier time due to an allocation system and the situation in 1996, when availability was not a problem but price was:

“The phone is also expensive. Earlier I really wanted to have a telephone installed. But by the time they installed it, I didn’t want it any more. I can’t even afford to speak with my mother. It’s far too expensive.”

Concluding Remarks

Discussions about implementation of market-driven economic and social policies in Russia and other former state socialist countries derives both from internal dynamics in those countries and from discussions in and pressures from Western developed countries and international agencies. As democracy proceeds further in these countries and as the population comes to have even more experience with the advantages and disadvantage of marketization, the meaning of various policy options will become clearer. The views of the public also are likely to strengthen and become increasingly influential

There is a diversity of views about the desirability of various market-driven economic policies. Individuals may support one policy but oppose another policy, even when the policies seem logically related. The tendency to support these policies varies systematically by a person’s socio-demographic characteristics. Nonetheless, individuals who are willing to take economic risks themselves and who tend to support one market-driven economic policy are also likely to support other market driven economic policies, at least in comparison to other individuals.

16 Issues specifically related to Estonia but not generalizable to Russia, such as Estonian language requirements for some jobs are not included in Table 5.
However, the link between support of market-driven economic policies and of market-driven social welfare policies is not as close. A variety of other considerations can influence a person’s opinion on what constitutes a desirable social policy. This is reminiscent of the American literature on busing of school children in order to achieve racial integration. That literature has examined the relative importance of political and social attitudes and self-interest in determination of views about busing, with mixed results (Bobo and Kluegel, 1993; Green and Cowden, 1992; McClendon, 1985; McConahay, 1982). It is clear from this literature that simply knowing a white person’s attitudes toward African-Americans provides a very poor predictor of that person’s attitudes about busing. Similarly, political leaders in Russia and other countries in transition should not assume public support for market-driven policies in areas such as support of the elderly or environmental protection, even if there is wide public support for market-driven economic policies. Further research, especially in Russia, can show the extent to which these observations are relevant to that country’s future development.

References


