

# Zero, zero, zero. . .

*That is what "Uncle Vikta" Chernomyrdin has reduced Russia's economy to, as Roman Bessonov documents.*

In the year 1980, when the Olympic Games were opened with great pomp in Moscow, a lot of different kinds of goods, beginning with watches and ending with underwear, were decorated with an Olympiad symbol—either the five interlocking rings, or a stylized Russian bear called Misha. This phenomenon enriched the Russian folklore with a lot of jokes: For example, Communist Party boss Leonid Brezhnev is unfolding his report and starts reading, "O, O, O. . ." but is quickly interrupted: "Leonid Ilyich, this is the Olympic symbol; your speech is below." Another anecdote said that the Olympic Games had been cancelled because Misha Talisman (the word "talisman" sounds like a Jewish surname) emigrated to Israel.

At its last public appearance, the leadership of the political movement "Our Home Is Russia," headed by Prime Minister Viktor Chernomyrdin, displayed a new manual for physicians (translated from English) and a magazine for teenagers called, for some reason, *Misha*. Both were decorated with Our Home's symbol, a triangle featuring a stylized Russian village house. An American medical book may be somehow associated with the Russian elections, but not more intimately than a lady's nightgown is associated with the Olympic Games.

At the press conference, some flattering journalist asked Chernomyrdin whether Our Home was going to become a ruling party, and was a little embarrassed when the prime minister said: There will be no return to the totalitarian regime, when one party was ruling!

Probably Mr. Chernomyrdin has forgotten that the Communist Party of the Soviet Union called itself simply and clearly, "The Party." And any schoolboy already knows that a ruling party is one that wins a majority in the Parliament. So, the prime minister's answer was very much like Brezhnev's "O, O, O," with only one difference: It was not a joke.

Both Chernomyrdin's bushy eyebrows and his manner of speaking, not to mention the solemn unanimous voting at his pompous party congresses, remind Russians of something very familiar. Still, there is another significant difference between Chernomyrdin and his historical analogue. Leonid Brezhnev's speeches were no less long or dull than Chernomyrdin's today, but they contained a lot of numbers demonstrating the achievements of the Soviet economy for the last five-year period, the *pyatiletka*. These numbers often looked a little bit better than the real results, "improved" by 3 or 4%. Still, any citizen could witness that new houses and plants were being built, or even experience the enthusiasm of 1920s

FIGURE 1  
**Russia's industry collapsed after 'reform'**  
(index 1991=100)

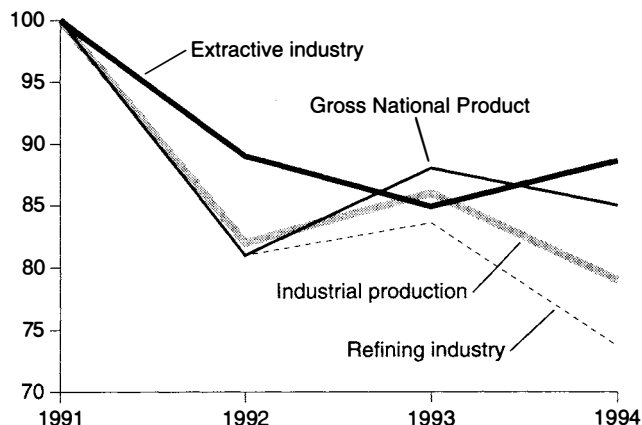


FIGURE 2  
**Russia's capital investment disaster**  
(index 1991=100)

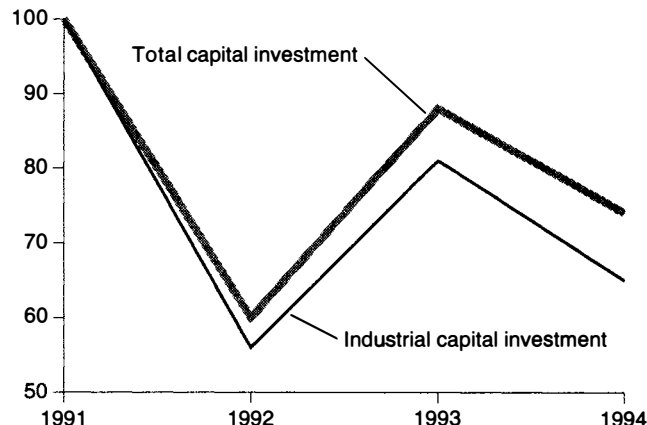


TABLE 1

### Dynamic of production: industry since 1992

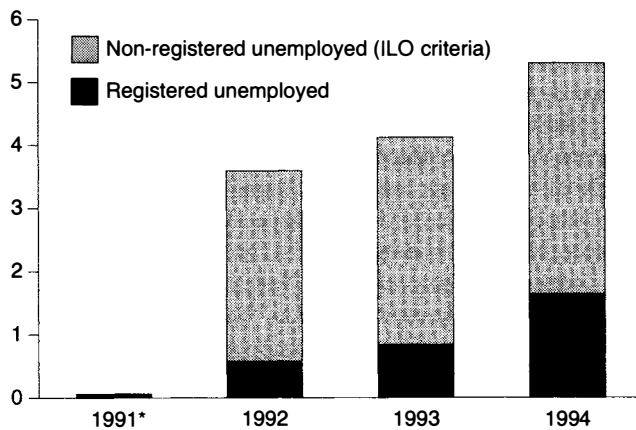
(as % of the previous year)

	1993	1994
Total production in large and medium enterprises	-16.2	-22.8
Energy	-5.3	-8.8
Fuel industry	-15.0	-11.0
Ferrous metallurgy	-16.6	-17.4
Chemicals & petrochemicals	-21.5	-28.9
Machine building	-16.6	-39.4
Timber & paper	-18.7	-31.2
Construction materials	-17.6	-28.9
Light industry	-23.4	-47.3
Food industry	-9.2	-21.9

FIGURE 3

### Unemployment in Russia since 1991

(millions)



\* ILO data unavailable for 1991.

Komsomol, the Young Communists League, being assigned to dig coal in the Far North or construct the Baikal-Amur railroad.

Chernomyrdin is very much interested in support from the poorest population, and the left-oriented voters generally. Recently he visited a collective farm in the Moscow region, trying to look as concerned about the people as he could. Old people were listening and grinning.

Television, which became available for the rural population in the Brezhnev era, allows them now to draw their own conclusions, and freedom of the mass media now works against those who had been eagerly promoting it. People know, for example, that the glorified Baikal-Amur Mainline is covered with rust and snow, and does not run, and the Khalmer-Yu mine, which produced the most precious coal

TABLE 2

### Registered number of refugees and those forced to resettle

	1/1/93	1/1/94	1/1/95
<b>Total</b>	<b>160,341</b>	<b>447,933</b>	<b>643,135</b>
From:			
Azerbaijan	32,860	77,339	88,649
Armenia	126	1,990	4,889
Belarus	0	17	93
Georgia	24,817	90,880	106,012
Kazakhstan	283	7,948	53,140
Kyrgyzia	897	20,971	48,512
Latvia	85	4,245	9,073
Lithuania	44	510	1,414
Moldova	10,341	14,664	16,898
Russia (Chechnya, Dagestan, etc.)	21,826	69,551	88,733
Tajikistan	65,448	134,046	152,424
Turkmenistan	54	504	1,817
Uzbekistan	3,247	21,613	64,285
Ukraine	19	281	1,715
Estonia	60	2,050	4,303
Not identified	234	924	1,178

TABLE 3

### Profile of pre-school education, 1990-93

	1990	1991	1992	1993
Kindergartens and nurseries (thousands)	87.9	87.6	82.0	78.3
Children attending (millions)	9.0	8.4	7.2	6.8
Children in State pre-school (percent)	66%	64%	57%	57%
New kindergartens built (capacity in thousands)	225	147	96	60

in the world, is shut down, along with the town nearby.

And the local statistics bureaus, now free of control from The Party, as well as The Movement, are still making their calculations. They are not published in the regime's *Rossiyskaya Gazeta*, but still, they are available. They help one to realize what Chernomyrdin's "stabilization" is—a real process, or a sort of formula for mass hypnosis. Though the first impression they make is that Chernomyrdin's version of Brezhnev's "O, O, O," should be read as: zero, zero, zero (Figures 1-2 and Table 1).

In the first quarter of 1995, the machine-building industry's output was 22% less than in the last quarter of 1994. Capital investments decreased by 20% for the corresponding period.

The figures above demonstrate that the slight slowing in the

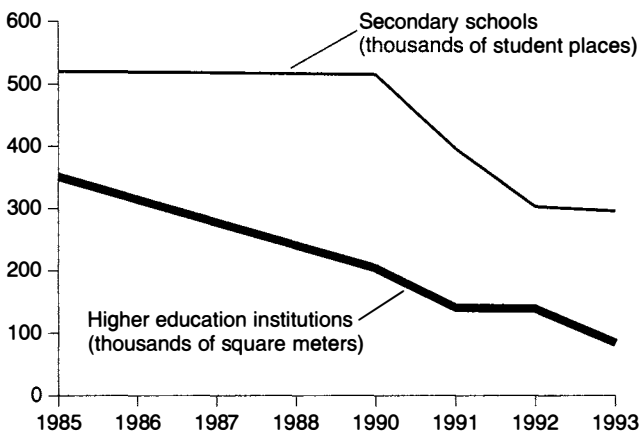
TABLE 4

### Number of secondary students rose, but number of graduates plunged, 1980-94

School year	No. of schools	Students (thousands)	Teachers (thousands)	Graduates, full program (thousands)
1927/28	80,265	7,469	228	NA
...				
1980/81 through 1989/90 (average)	67,320	18,570	1,188	1,479
1990/91	67,571	20,328	1,442	1,035
1991/92	67,891	20,427	1,497	1,081
1992/93	68,270	20,503	1,561	1,050
1993/94	68,113	20,565	1,624	985

FIGURE 4

### New secondary and higher education facilities



economic breakdown in 1993, after Yegor Gaidar resigned as prime minister, has been followed by a new slope of depression. The only branch of industry in which the rate of decrease is becoming slower, is the extractive industries, whereas oil refining is rapidly declining. This means that the country is becoming not “a partner in the world economy,” as had been many times declared, but just a source of raw materials.

Under the management of Gazprom’s ex-director Chernomyrdin, the export of natural gas is overwhelming other exports, increasing by 16% over the first quarter of 1994, while the share of fuel production in export grew from 47% to 51% for the last year. The volume of import is increasing primarily by machinery and food products, especially meat and butter. Obviously, this leads to the suppression of domestic production of these goods. Whole industrial regions, previously proud of their machine-building and textile industry, are shut down. This process is widely called “chernomyrdiza-

FIGURE 5

### Children in summer recreation camps (millions)

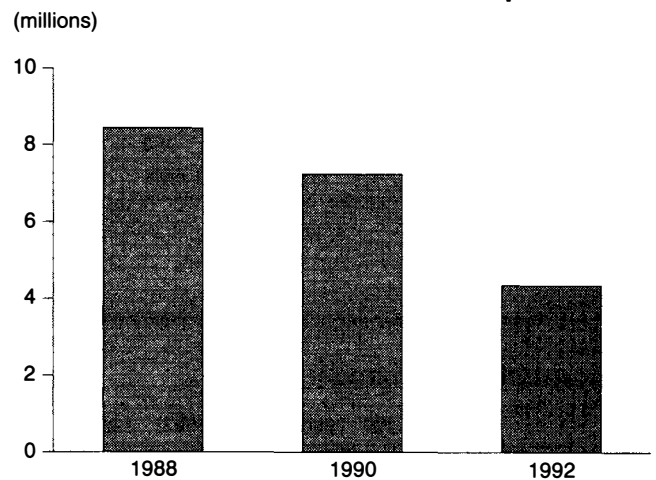
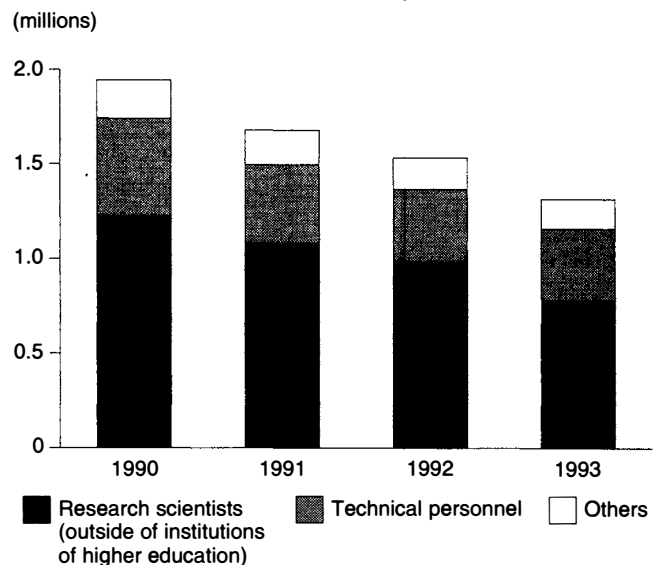


FIGURE 6

### Scientific workers in Russia, 1990-93 (millions)



tion” of the economy, which is equal to colonization.

Another aspect of the process is reflected in the unemployment statistics (see Figure 3).

In November 1995, the official statistics given by the ITAR/TASS information agency show that the number of registered unemployed has reached 2.2 million people, while the real number is estimated at 5.9 million. Even if the last number is not an underestimate, these 5.9 million comprise over 8% of the “economically active” population.

These figures are increasing not only because of the economic collapse, but because of war conflicts and inter-ethnic tensions in the post-Soviet republics and Russia. A great

TABLE 5

**Budget expenditures on science**

(billions of nominal rubles)

	1992	1993	1994
Total state budget	5,970	57,677	234,800
Science expenditures	108	958	3,115
Percent of total budget	1.81%	1.66%	1.32%

TABLE 6

**Demographical estimates**

	1985	1990	1991	1992	1993	1994
Total population (millions)	143.6	148.2	148.3	148.3	148.0	147.9
Population increase (thousands)	749.9	332.9	103.9	-219.8	-750.3	-920.2
(percent)	0.53%	0.22	0.07	-0.15	-0.51	-0.62
Economically engaged (millions)	74.9	75.3	73.8	72.0	70.9	70.2

	1960 . . . 1990	1991	1992	1993	1994	
Births (per 1,000)	23.9	13.4	12.1	10.7	9.4	9.4
Deaths (per 1,000)	7.4	11.2	11.4	12.2	14.5	15.6
Infant mortality (per 1,000 live births)	36.6	17.4	17.8	18.0	19.9	19.0

FIGURE 7

**Demographic estimates: population increase or loss**

(percent)

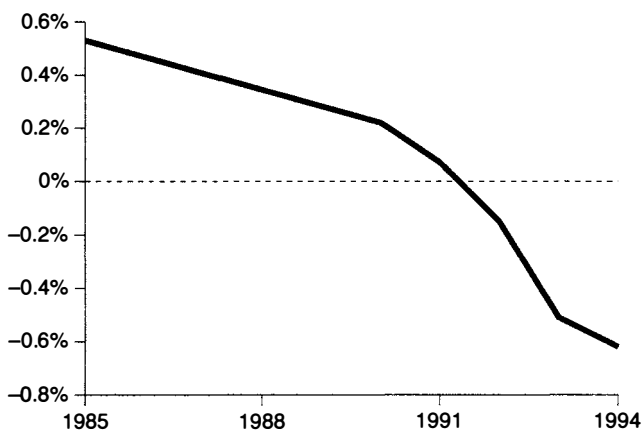


FIGURE 8

**Demographic estimates: births and deaths**

(per 1,000 population)

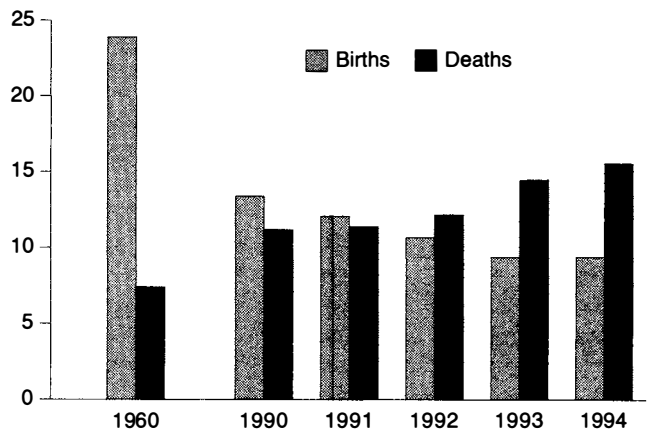
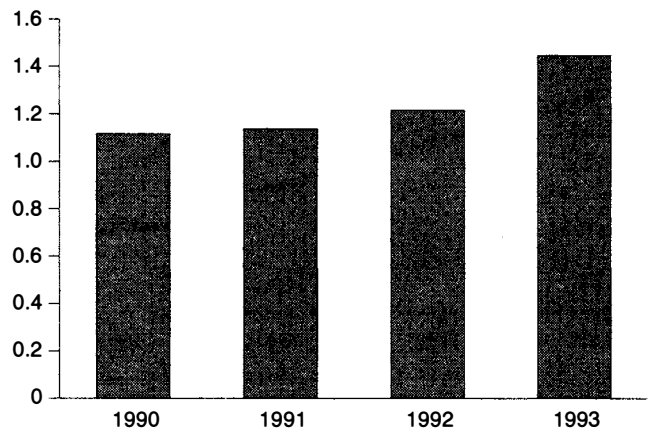


FIGURE 9

**Demographic estimates: total mortality**

(millions)



contribution was made by the war in Chechnya, which was started on the prime minister's initiative, and then transformed into a chronic conflict by the same prime minister (see **Table 2**).

Russian workers and engineers are returning from the regions and former Soviet republics where they had been sent on economic projects during the Soviet period. Each of them brings his family with him. Will their children enjoy reading *Misha* magazine in new schools being built for them? (See **Tables 3-4** and **Figures 4-5**.)

In 1994, thirty-four percent of higher and secondary schools were in need of physical repair. Many children, instead of finishing secondary school, had no opportunity other than to get involved speculative business dealings, often becoming an only source of income for their parents' families.

FIGURE 10

**Mortality from alcohol-related diseases**

(per 100,000 population)

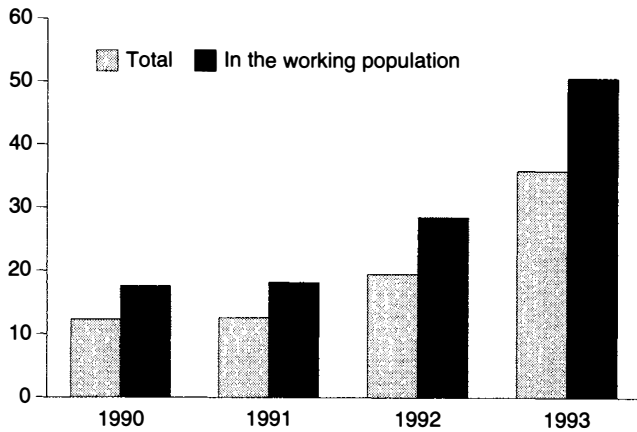


TABLE 8

**Percent increase of various causes of death**

Mortality	1/1/93-1/1/95	1/1/95-4/1/95
Infectious diseases	48%	11%
Pulmonary diseases	42%	NA
Total accidents, other trauma, and intoxication	41%	4%
Alcohol intoxication	210%	NA
Homicide	42%	6%
Suicide	35%	7%

No wonder, therefore, that in 1990-94, the number of students attending institutions of higher education decreased by 11%. Still, a lot of those who decided to get a higher education regard this decision as a mistake. For 51,000 post-graduate students and 126,000 college students were unable to move into their previously defined appointments. A raw-materials export economy, or colonial economy, has little need for science (Figure 6 and Table 5).

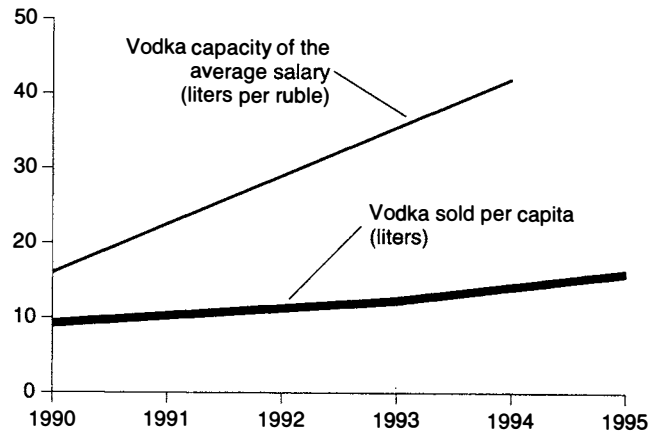
Still, "kind" Uncle Vitya, though not very popular among young men, old men, and especially refugees, can report to the modern malthusian ideologues at the United Nations, about his outstanding results in the implementation of the five-year plan for population decrease. In those circles, where the "zero growth" theory was originally developed, he will be more likely understood and praised than among the native population (see Tables 6-7 and Figures 7-9).

In the working population, total mortality increased even more dramatically—from 488,200 in 1990 to 741,200 in 1993 (see Figure 10).

The year 1994 brought a rapid increase of all the mentioned

FIGURE 11

**Alcohol consumption in Russia\***

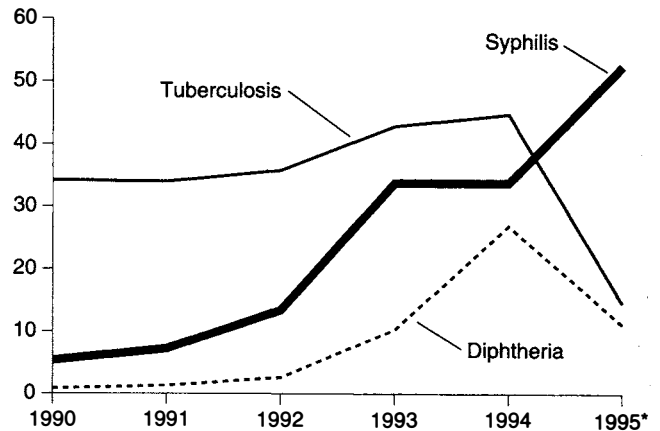


\* Exclusive of illegal sales and substitutes.

FIGURE 12

**Diseases associated with malnutrition and moral decay**

(cases per 100,000 population)



\* First through third quarter.

parameters. The second column shows the increase for the first three months of 1995 (Table 8 and Figures 11-12):

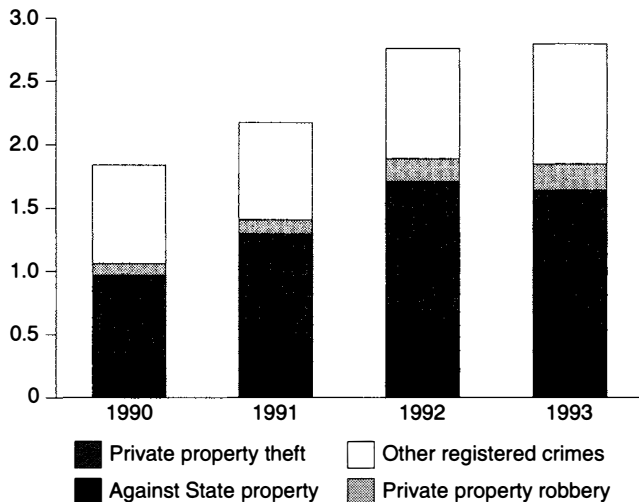
The incidence of syphilis will reach an enormous level this year: In the first quarter of this year alone, it was almost 10 times more than the annual level in 1990.

Unfortunately, two other figures are lacking in these statistical summaries: the increase of beggars in the streets, and restaurants for the "new Russians." It would be interesting to draw a correlation between these estimates and the dynamics of venereal diseases.

Poverty and alcoholic beverage substitutes were not the

**FIGURE 13**  
**Incidence of criminality in Russia, 1990-93**

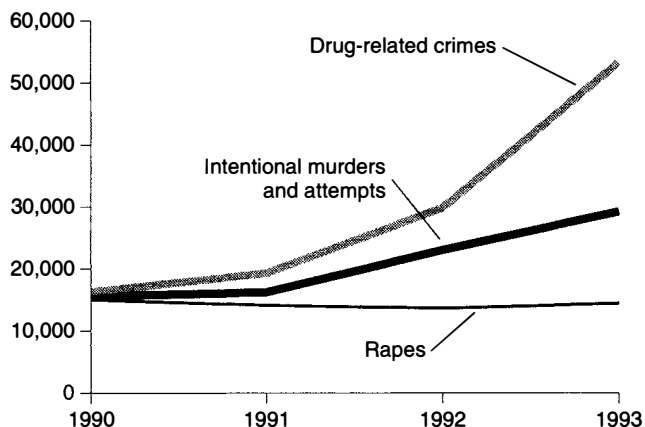
(millions of crimes)



Additional sources: "Russia Before Its Choice," *Obozrevatel*, Moscow, 1995; recent newspaper reports.

**FIGURE 14**  
**Crimes against persons, 1990-93**

(number of crimes)



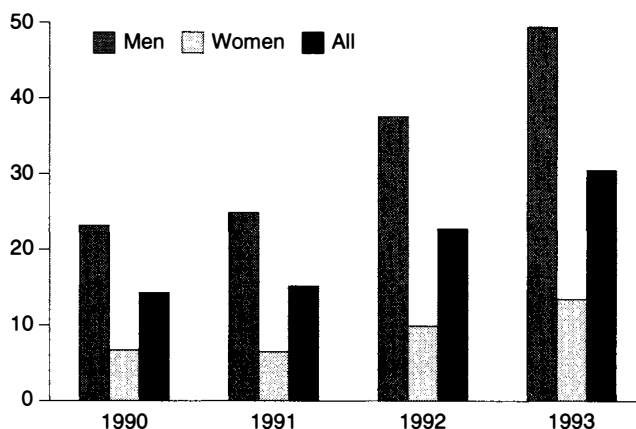
only means for implementation of the U.N.'s population decrease ideology (Figure 13).

The U.N. ideologues should be pleased by the fact that crimes against property are growing more slowly than crimes against persons. Moreover, more and more often people don't need to be assisted in leaving this world! (See Figures 14-16.)

When Viktor Chernomyrdin replaced Yegor Gaidar as prime minister in December 1992, his appointment was met enthusiastically even by the Communists. Gennadi Zyuga-

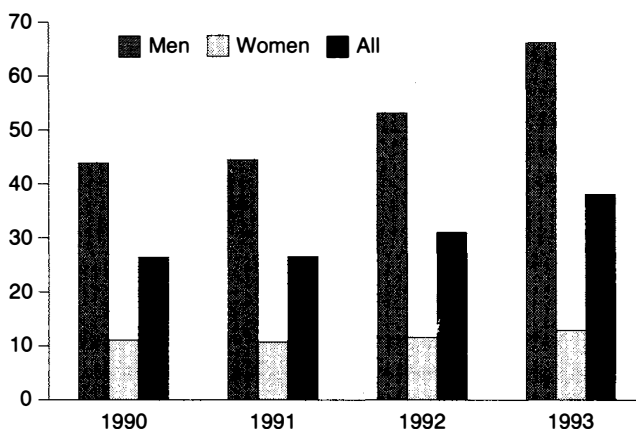
**FIGURE 15**  
**Mortality from homicides, 1990-93**

(per 100,000 population)



**FIGURE 16**  
**Mortality from suicides, 1990-93**

(per 100,000 population)



nov, the Communist Party leader, hailed him as "an experienced industrialist." It really seemed that this change would result in some qualitative changes, enabling the State sector of the economy at least to halt its breakdown.

If Chernomyrdin's government could be strong and independent enough to introduce a new economic strategy, people thought, if he were personally brave enough to get rid of the IMF's dictatorship, the results would surely be different. But it's a question of a personal choice—to be a person with a feeling of dignity, or just a triple zero; to be a national leader, or an IMF stooge; to serve one's homeland, or the corrupt world of the financial elite.

Chernomyrdin made his choice. Now he must not be surprised if the people do not choose in his favor.