Contents

1	Introduction	1
2	The Service Sector and the Level of Development	7
3	The Industrial Structure of the Soviet Union	21
	The Soviet Service Sector: 1959	21
	The Service Gaps in the Soviet Union: 1959	28
	Gaps in the Shares Within the C and OS Sectors	31
4	Service Performed but not Recorded in the Service Industries	39
	Occupational Structure within the M Sector	39
	Services in Agriculture	45
	Public Administration in Public Services	51
	Illegal Services	54
5	The Quality of the Service Labor Force	56
	The International Findings	59
	The Relative Quality of the Soviet Labor Force by Industry	64
6	The Service Gap in Trade: I	76
	The Theoretical Framework	78
	The Change in the FT Labor Share with the Level of Development	81
	The Gap in the Soviet Trade Industry Explained: A First Attempt	84
7	The Service Gap in Trade: II	99
	The Introduction of Self-Supplied FT Services	99
	The Share of Trade in the Supply of Final Services in the	
	Soviet Union	106
	Catering	123
8	The Effects of the Socialist Economic System:	
	Empirical Tests	127

viii / Contents

	An Empirical Test	127
	A Second Test: The Historical Record	134
)	The Socialist Economic System and the Level of	
	Development: Conclusions and Prospects	148
	The Effect of the Economic System-A Survey	148
	A Note on the Gap in Public Administration	157
	Conclusions and Prospects	159
	Appendixes	
	A. The Regressions	169
	B. The Adjusted Soviet Figures	171
	C. Formal Presentation of the Quality Adjustments	175
	D. The Derivation of Tables 23 and 24	182
	E. Historical Changes in the Industrial Structure	
	Of Russia and the Soviet Union	185
	Bibliography	191
	Index	199