9 Financing of Schools and Material Resources

According to world practice, in fact not less than 10 per cent of our national income should be spent on education, just in order that it should barely survive.¹

In the 1990s when the Russian economy generally was in a state of crisis, financing of education became a major problem. The proportion of GDP being spent on education by Russia fell in 1992 to 3.4 per cent, half of what was spent in 1970, and a third less than that spent by the United States, the United Kingdom and France. Between 1991 and 1992 educational spending declined by 29 per cent. The biggest drop of 35 per cent was in kindergarten and pre-school level. Spending on primary and secondary education decreased by 29 per cent, vocational education by 17 per cent and higher education by 9 per cent.²

THE SOVIET PERIOD

Historically, during the Soviet period, the majority of financing for the school system came from the State, through the relevant union, republic, oblast or krai organizations, and down to the local or raion and town authorities. According to the American expert on Soviet school finance, Professor Harold J. Noah, approximately one half of all budget funds for the area known as prosveshchenie (that is education, culture and scientific research) came from the union and union republic budgets and one half came from local budgets. However 80 per cent of the funds provided for the financing of general education (that is pre-school, primary and secondary schools) was provided from local budgets. But as the majority of the money raised for local budgets came from money assigned from taxes raised by the Union authorities, in fact the financing of schools was largely derived from the Union budget, that is the State.

Precise statistics were not available but it is thought that approximately a fifth of school finance came from non-state sources, such as money from state or collective farms, state enterprises, trade union organizations and cooperatives. This support which was known as
Sheftstvo, was encouraged by the government but it did not give the organizations involved any say in the running of the schools or in any change in their status. Their benefactions rarely did more than raise the level of school provision where it would otherwise be especially backward, particularly in rural areas. There was also a very small contribution to the educational budget from private sources, in the form of fees paid by parents for private tuition in such subjects as music, foreign languages, mathematics and other school subjects, usually by parents anxious for their children to gain entrance into the more prestigious higher education establishments. Parents also contributed to the cost of their children’s maintenance in state-provided institutions such as children’s homes, crèches, kindergartens and boarding schools, although this cost could be said to be a contribution not so much towards their education as to their housing, feeding and clothing. Another instance of parental contribution was the maintenance of children at secondary specialized and higher teaching establishments. The stipends paid to students often did not provide enough to keep them during their studies at university and if they could afford it the difference was provided by the families.

A greater voluntary contribution by non-state organizations (particularly kolkhozes) would have been welcomed by the Soviet Government but was not encouraged because it might have resulted in even greater differences in the standard of education, as the various regions of the country varied enormously in their financial resources. There were indications of a similar situation in the 1990s when the financing of education was being decentralized, and as a result some areas found themselves better off than others.

The amounts spent on education in the Soviet Union varied considerably throughout the years. Harold Noah says that the highest percentage of the state budget to be spent on prosveschchenie was 17.5 per cent in 1937, that understandably it declined during the war years, but rose again by 1950 to 13.8 per cent. It declined the following year and did not regain the level of 1950 until in 1960 it rose again to 14.1 per cent, and in 1963 reached 15.8 per cent. Figures for percentages spent on general education also followed this trend, being 6.9 per cent in 1940, 7.3 per cent in 1950, 5.9 per cent in 1954 and 7.8 per cent in 1963.

TEACHERS’ SALARIES

Owing to the changes in the value of the rouble over the years, it is difficult to give a realistic picture of the variation in wages of school-