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## MANAGEMENT OF THE ECONOMY AND POLITICAL POWER: The Latvian Case

GUNDAR J. KING  
Pacific Lutheran University

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This paper was prepared to show the interrelationships of some major problems faced by Latvian communists in the late 1950's.<sup>1</sup> In view of the preceding events in Hungary and Poland, as well as the more recent crisis in Central Europe, this brief analysis may be useful to improve the interpretation of Soviet policy priorities.

The general model of the situation may be relevant to cases where demanding and excessively centralized Soviet economic authority conflicts with the countervailing efforts of regional communist organizations to gain or to maintain popular support through political liberalization and rising standard of living.

The tasks of any economic system are well established: (1) determination of assortment and quantity of economic goods to be produced, (2) efficient use and development of resources, and (3) distribution of goods to provide increasing prosperity and happiness to the population. Realistically, certain desirable, if not essential, conditions — such as law and order, and minimal freedoms — are also provided.

The process through which these tasks are accomplished in the Soviet Union — and in Latvia — is management. This is quite clear when Terry's definition<sup>2</sup> is considered in the Soviet setting: "Management is a distinct process consisting of planning, organizing, actuating, and controlling, utilizing in each both science and art... to accomplish predetermined objectives."

### The Managed Economy

The Soviet Latvian economy is a part of the managed economy of the Soviet Union. Since the process of management includes the allocation and use of all resources available, manpower management in Latvia cannot be meaningfully discussed without some analysis of the regional management and its relationship to the Soviet Union.

**Guides for the Managed Economy.** Fundamental Soviet policies are summarized in several basic documents, i. e. the constitutions of Communist Party of the Soviet Union (C.P. of S.U.), the Union of Soviet Socialist Republics (U. S. S. R.), and Latvian Soviet Socialist Republic (L. S. S. R.). The important features added to typical economic aims are (1) the increase of Soviet military power, and (2) the perpetuation of the Soviet system.<sup>3</sup>

Khrushchev reaffirmed the hierarchy of Soviet objectives when he claimed achievements in several areas under his leadership in 1959: (1) building of communism, (2) stronger Soviet military might, (3) industry, (4) agriculture, (5) science, (6) culture, and (7) higher living standards.<sup>4</sup>

Therefore, from the Soviet point of view, economic activity is properly subordinated to political and ideological considerations. Similarity, national, i. e. central interests take precedence over regional or local desires.

Communist leaders of Latvia have reaffirmed adherence to the guides ever since the establishment of Soviet power. Achievements along these lines usually stressed the speed of Soviet integration: (1) establishment of Soviet institutions in Latvia, (2) elimination of hostile or suspect elements, (3) the growing interdependence between Soviet and "socialist peoples", and (4) economic gains — mostly in terms of increasing production volumes.<sup>5</sup>

Open criticism of present or past Soviet economic policies was rare. It was usually confined to policies which had been already condemned or changed by central Soviet authorities.

Public discussion of Soviet managerial policies was initiated and guided by central authorities.

**Management Functions in the Centralized System.** Strictly speaking, there were no overall regional plans formulated by the Latvian Communist Party and/or government agencies before 1956. Within the framework of Soviet institutions, the republican authorities were planning (1) some details for the Gosplan, (2) special local action to support achievement of Gosplan targets, and (3) efforts of purely local significance. Their role was primarily to support, stimulate and expedite production in facilities located in Latvian territory. Soviet Latvian authorities also participated to some degree in the management of certain industries (under Union-Republic ministries),<sup>6</sup> and had considerable authority only over enterprises of local significance. The latter accounted for less than 10% of Latvian industrial production before the industrial reorganization in 1967.<sup>7</sup>

Organizing, also a pre-executive function, was also centralized. Republican authorities were effectively prevented from developing their own organizational institutions. Standard Soviet practices were adopted without modifications. Moreover, the organizing function was increasingly performed by central authorities.

There was a partial exception with respect to staffing. No doubt, centralized ministries selected, appointed, promoted and demoted executives within their own hierarchy. However, there were also the republican party and government hierarchies, with two interrelated and interpenetrated hubs of power — the Central Committee of L. C. P. and the Council of Ministers of the L. S. S. R. Executive offices of both, which were entrusted with considerable actuating and controlling tasks, were permitted to exercise some influence over staffing in their own and related organizations.

The actuating and controlling functions characterized the principal management activities of the republican authorities. The party had the dominant role: (1) it provided a direct link of communications between the top central authorities and operating managers and employees, and (2) it was in charge of other organizations which could influence economic performance throughout the country. Government agencies seemed to have their province in routine matters.

Similarly, the party's participation in controlling was more influential than that of government agencies. Although performance standards were developed largely by central authorities in Moscow, there was some latitude in applying them. L. C. P., as a branch of the C. P. of S. U., was responsible only to party authorities. Its actions, in some cases at least, were not bound by laws.

The general picture of the management of Latvian economy may be summarized this way:

Top authority and responsibility with respect to all economic functions was concentrated in Moscow. Republican authorities did not have unified management role in the region. Rather, they were agents of a multitude of centralized agencies, and were concerned primarily with the actuating and controlling — executive functions of management.

**Problems of Management.** A multitude of symptoms pointed to the problems of Soviet economic management in Latvia. Thus there was some unemployment coupled with shortages of trained specialists and managers, employment of submarginal workers, hoarding and misuse of labor resources, and the strange paradox of relatively successful private sector in agriculture and the failure of collective farms. Farm machinery rusted away for lack of parts or horses, cumbersome tractors bogged down in undrained fields, and mountains of mineral fertilizer were wasting away at railroad sidings. Weeks of semi-idleness in factories due to lack of materials were followed by frantic month-end rushes to meet production targets. Shipments of local products to local distribution points were made through warehouses scattered throughout the Soviet Union. Thousands of planners and statisticians prepared formal reports and fictitious schedules, and hordes of informal middlemen and expeditors worked hard to undo the work of planners. While empty farmhouses fell in disrepair, waves of new immigrants streamed into overcrowded Latvian cities.

It is difficult to assess the significance of these shortcomings. Available economic statistics are inadequate to measure this waste. In statistical data, wasteful production only increases gross product aggregates — production increases with costs. It is clear from Soviet discussion, however, that a gradual breakdown of centralized detailed planning was evident in 1956. Still, the authorities in Soviet Latvia probably found it too risky to recommend changes which would go beyond their own scope of authority and responsibility. The most frustrating problem was the dogma of centralized leadership itself. In practice, this principle had given birth to comprehensive centralized management as a **sine qua non** of the Soviet system.

The second problem area was closely related to Soviet development policies. Industrial development was considered more important than the maintenance of the agricultural sector. Metal working and machine building (under centralized management) was in turn favored over light industry (typically under Union-Republican management). Food processing

and related industries (much of it under local control), handicapped by lack of materials and investment funds, were expanded more slowly. Compared to the Soviet Union, Latvian industry was pushed along faster in terms of both production and industrial labor force used.

Many of the Latvian difficulties can be traced to this unbalanced development. Local authorities had to see that priority industries were adequately supplied with skilled and unskilled manpower, and housing and services for new employees and their families. As Latvian industry was centralized more and more, local authorities were unable to perform these supporting functions. With respect to manpower, it seems that labor imports arranged by central ministries over the opposition of local authorities were a major contributing factor in overtaxing all existing social facilities in Latvia. Moreover, coordination of production and distribution between centralized ministries had, in part, broken down, and individual enterprises hoarded resources and increased inefficient self-sufficiency.<sup>8</sup> Thus the burden of local authorities increased. Indeed, production data for other industries showed great year-to-year variations during the post-Stalin **interregnum**. This "stop-and-go" pattern in less favored industries was possibly a sign of an effort to switch very scarce resources from local to centrally managed industries.

There were some factors of political dogma which explained the Latvian communists' unwillingness to suggest remedies to the problem of unbalanced economic development. Since they had virtually no top management functions with respect to industrial development, requests for additional authority could be regarded as attempts to whittle down centralized power, i. e. political revision. On the other hand, there were reasons to believe that local communists accepted and favored this trend in principle: (1) they were quite proud to see Latvia "lead" other areas of the Soviet Union in production, (2) Soviet policies of income distribution assured higher incomes in industrial communities, and (3) they saw industrialization as an answer to some local political problems. Thus, in final analysis, it is possible that Latvian communists did not see unbalanced development as a problem. Rather, they would associate symptoms of this problem with overcentralization, i. e. mismanagement by centralized authorities.

The third problem area was simply the underdeveloped state of regional economic institutions and regional management specialists. Since there was no real regional management function, local economists and managers were primarily line supervisors or staff specialists of central agencies.

### **The Role of the Latvian Communist Party**

**Orientation and Growth.**<sup>9</sup> In practice, the Latvian Communist Party was always an integrated part of the Communist Party of the Soviet Union and its direct predecessors. As an autonomous regional organization, the L. C. P. was reduced to insignificance during the Latvian independence period. By 1940, there remained about 230 disorganized party members in Latvia. The majority of the exiled Latvian communists were active in the C. P. of S. U. and Soviet government. Their leaders rose to prominent positions, only to be decimated in Stalin's purges. The remainder were, for the most part, minor party or government officials with demonstrated ability to follow the "party line", and had lost ties with the Latvian population.

An intensive recruiting campaign began in 1940, immediately after the establishment of Soviet regime in Latvia. Also, L. C. P. membership was increased by transfers from C. P. of S. U., with key party and government posts going to returning Latvian communists and other transfers. By January 1941 total membership was increased to 2,800.

While members were lost during World War II, recruiting continued among communist sympathizers who had fled with Soviet forces. These new members were, so to speak, the third generation of Latvian communists. Compared to the residue of old revolutionaries and pre-World War II recruits, this group had its peculiar strengths and weaknesses. Presumably, their loyalty to the Soviet Union had been tested; many of them had demonstrated leadership ability and personal courage during the war. They were younger and better educated, and yet relatively unschooled in communist doctrines. Moreover, many of them had fought with those Soviet units which had a considerable Latvian ethnic element in them and preserved some peculiar sense of loyalty or obligation to Latvia. With respect to the latter, it must be noted that ethnic Latvians, including communists, generally considered themselves superior to Russians and other Slavs. Justified or not, this feeling of superiority was a source of discontent and subdued criticism of unpopular "Russian" measures.

Soviet integration measures favored immigration of non-Latvian communists and handicapped recruitment among ethnic Latvians. Thus in 1949, ethnic Latvians were a bare majority of L. C. P.'s 31,000 members, and this majority included large numbers of Russianized Latvians from the Soviet Union. During the rest of Stalin's era membership increased slowly to 50,000 by 1956. The number of the old Latvian revolutionaries began to decline, and these losses were difficult to offset. Again, most of the new members came from non-Latvians, and the ethnic Latvian majority in the L. C. P. was eventually lost.

During the post-Stalin period the total membership increased to 66,000 in 1960. There was also a relative decline of ethnic Latvians in L. C. P. The latter was due, at least in part, to the 1959 - 1960 purges of the L. C. P.

**Membership Deficit.** The weakness of L. C. P. became more apparent when it is compared with C. P. of S. U. strength elsewhere. In 1959, it averaged 3.65% of the population.<sup>10</sup> To keep up with this, L. C. P. should have had about 77,000

members in 1959. However, considering the higher degree of urbanization in Latvia<sup>11</sup> "normal" membership should have been about 105,000, or 5% of population.

The enormous deficit of Latvian communists is apparent when this 5% yardstick is applied to the 1959 ethnic structure of Latvian population:

	Total	Non-Latvians	Ethnic Latvians
"Normal" 1959			
Membership	105,000	40,000	65,000
Actual 1960			
Membership	§5,950	45,325	20,625 <sup>12</sup>
Surplus or			
(deficit)	(39,050)	5,325	(44,375)

Additional strength was sorely needed. Although there were about 1,000 manufacturing enterprises and thousands of state and collective farms alone, L. C. P. had but 3,500 party cells in 1961.<sup>13</sup> Indeed, party control without ancillary organizations, local collaborators and activists was unthinkable, particularly in agriculture. Entire rural districts were without party cells.

### A Bid for Regional Autonomy

*The Rise and Fall of Autonomists.* What might be called autonomist movement was the development and partial consolidation of centrifugal forces in the L. C. P. With respect to the management of Latvian economy, most of the autonomists wanted a greater delegation of management authority and responsibility to regional, i. e. Latvian, authorities. In the political and cultural spheres, they supported measures which would preserve Latvian cultural institutions, and improve L. C. P.'s standing in the eyes of the ethnic Latvian population.

The autonomists did not have an organization of their own. Latvian communists were usually allotted a majority of slots in the Bureau of the Central Committee of L. C. P., the Council of Ministers, and the Latvian Supreme Soviet. Their power, especially in the former two hubs of power, was balanced off with Russians. Moreover, the Latvian majorities on important boards and committees did not necessarily carry with them autonomist sentiments. Most Latvian communists transferred from the Soviet Union were strictly Soviet-oriented; some did not even speak Latvian. Therefore, autonomists were in no sense organized until they were in control of the L. C. P. executive committee, i. e. the Bureau, and the chairmanships of the Council of Ministers.

It is likely that the powerful Russian second secretary of L. C. P. who was elected right after the Latvian agricultural disappointments of 1955, was willing to entrust local problems to Latvians.

The control of the party Bureau passed into Latvian hands when the Russian secretary himself was not re-elected in 1958. A Russian general remained, at least temporarily, the sole non-Latvian in the Bureau. A Latvian autonomist with considerable experience as a party and government executive soon succeeded to the vacant position of second secretary. Another Latvian autonomist got one of the deputy chairmanships on the Council. Other administrative changes and appointments followed with the result that the number of Russians in key positions decreased. Autonomists also took over the top spots of the **Komsomol** and the trade union council by mid-1958.

It is significant that the rise of autonomists took place simultaneously with Khrushchev's reorganization of the economy. It seems that most of the offices went to Latvians as presumed or actual specialists of the regional economy. The latter were in demand because a host of enterprises were transferred to the jurisdiction of the Economic Council. It is in the process of reorganization that some Russian officials found their jobs eliminated and a Latvian majority emerged in the new Council of Ministers. This was even more true of the Economic Council where only two Russians were established as department heads.<sup>14</sup>

Another important aspect was the authority possessed by Latvian communists. The days of 1940 when the most detailed orders were transmitted to them from Moscow were long gone. The reorganization of economy was, to the Latvian communists, a promise of some autonomy:

The establishment of the Economic Districts (Regions) and People's Economic Councils in the Republics will contribute widely to the extension of their rights. The Republican organs will work out plans for the development of the Republican economy and will carry out the organizational work. Of course, guided by the tasks imposed by the entire Union, they could much better consider the geographical, economic and national (ethnic) peculiarities of their Republics and would solve quickly and precisely the complex of questions and pertaining to development of their own economic districts (regions).<sup>15</sup>

The emphasis on regional economy brought into prominence other autonomists. Also, the reorganization of the economy gave Latvian communists patronage. Reportedly, preference was given those who could speak Latvian.<sup>16</sup> This, inevitably, led to promotions of local communists of the "third" generation. Politically, leaders of L. C. P. became more tolerable, if not popular, with the Latvian population. Party membership increased substantially.

However, the autonomists became suspect of national communism. The commander of the Baltic Military District reportedly felt that by July 1959 anti-Russian sentiment in Latvia was endangering Soviet authority there. Moreover, the local security chief agreed with him.

The following purge <sup>17</sup> — aimed at the leaders of the autonomists — was limited at first. However, the purge assumed mass proportions when the majority of the Central Committee was accused **collectively** as guilty of "localism", Latvian communists were demoted, replaced and even exiled wholesale. Thus, "third" generation Latvian communists were at least temporarily eliminated from the power hubs; the purge was also extended to the press and other organizations, including **Komsomol**, the Institute of Economics, the Planning Committee and the Economic Council. In comparison with Stalin's purges, however, the 1959-1960 Latvian events were tempered with moderation:

Only those who refused to confess their faults have been exposed to public disgrace. Well known long-time communists have been treated with certain tolerance. This is not, of course, due to the services these people have rendered communism, but in order to keep up the party's prestige.<sup>18</sup>

Although the activities of the L. C. P. were again closely supervised by special representatives from Moscow, other administrative changes also reduced the influence of Latvian authorities substantially. The economic regions were consolidated in fewer units in 1961, and they became regional subsidiaries of the reorganized **Gosplan**.<sup>19</sup>

**Problems and Policies of the Autonomists.** One of the problems which the autonomists were trying to reduce was the unpopularity of the Soviet regime itself. Dissatisfaction manifested itself in social boycott of Russians and communists, and passive as well as active acts of resistance. As noted, L. C. P. had a relatively weak following among ethnic Latvians. Although the autonomists controlled the power hubs, the minority of Latvian communists in the L. C. P. was about to be washed under by Soviet immigrants. Paradoxically, the strength of Latvian communists could be increased by reducing the Russian influence, i. e. weakening of ties with the Soviet Union itself. One observer summed it up this way: "Gomulka has been the model of how Communism can be united with national interests. Lively contacts are maintained with Poland, and Polish newspapers have many interested readers in Latvia today."<sup>20</sup>

The autonomists sought major policy changes with respect to manpower. They repeatedly asked for greater autonomy in Latvian education. They requested that the waves of Soviet immigrants be reduced, and encouraged non-Latvians to go to Khrushchev's projects in the virgin lands.<sup>21</sup>

Another of the autonomists' objectives was to increase the standard of living in Latvia.<sup>22</sup> Their economic experts had taken a good look at Sweden. They suggested shipments of additional consumer goods from Latvian factories to local stores, specially in rural areas. Medical services to the population were increased substantially during 1958, and housing construction was pushed about 70% ahead of original plans. The volume of pension payments doubled during the two-year period of 1957 and 1958.

**Latvian Economic Council.** It was primarily an institution concerned with current operations of Latvian industry. The Council's managerial authority remained limited. With respect to planning and organization, the Council was pushing against the ultimate limits of its authority. Some enterprises were consolidated, and new plants were plugged in where needed. New products to satisfy regional needs were adopted, and numerous product lines were dropped or de-emphasized.<sup>23</sup>

The main objectives apparently were: (1) to eliminate unused industrial capacity, (2) to optimize the size of enterprises, and (3) increased regional autarchy. The latter was related to unsatisfied regional demand for appropriate agricultural and industrial tools and instruments.<sup>24</sup>

Immediate results were minor. There were lags between actions and their effects. Additional difficulties came from the lack of clearly defined relationships. Although the Council had some definite duties with respect to long-term plans, major responsibilities rested with the Latvian State Planning Committee and its counterpart in Moscow, and some specialized centralized agencies.<sup>25</sup>

Coordination and control of shipments between Latvian and Soviet factories remained by far the biggest problem in current operations. Skimpy inventory reserves and hand-to-mouth deliveries would have created work stoppages and delays in any economic system. In Latvia, the situation was especially bad with respect to separate parts and subassemblies of complex products which Latvia was receiving and sending to and from most regions of the Soviet Union. The Council acted early to minimize this problem of regional shipments.

The Council helped the work of enterprises by allowing transfers of inventories from one plant to another within the region. In other attempts to minimize the shortcomings of existing relationships the Council arranged for more rational "cooperation" with other nearby regions. Still, the major handicap to using all resources effectively were excessive ties with other Soviet economic regions.<sup>26</sup> Late deliveries to its plants forced them to erratic and uneven production. In most of these plants, 50% of the monthly volume was produced in the last 10 days of the month.

**Policies Advocated by the Institute of Economics.** The main source of the autonomists' policies was the Institute of Economics, a research organization of the Latvian Academy of Sciences. It became a **quasi** management consulting group for the autonomists.<sup>27</sup> In this staff capacity the Institute assessed the planned trends of Latvian economic development for the 1958-1965 period, and suggested a number of changes in plans and policies.

The basic policies advocated by autonomists were:

To develop Latvia's industrial structure and specialization so that the most rational and economical use of *all* Latvian natural and labor resources would maximize the Latvian contribution to the development of the Soviet Union's economy as well as the living standard in Latvia.<sup>28</sup>

Clearly, regional specialization or industrial development were no longer the sole economic goals. The bid for regional autonomy was made for the benefit of Latvian population, and the price offered was an increased amount of economic goods for the Soviet Union.

The bargaining process to establish the price for and the degree of economic autonomy probably centered on changes of the 1959-1965 plan targets and Soviet immigration policies.<sup>29</sup> The autonomists and their supporters used public discussions to bring about modifications in some of Latvia's obligations.<sup>30</sup> It was proposed that production of railroad rolling stock, streetcars, diesel engines, and oiling equipment for steel mills be slowed down or eliminated in favor of specialization in precision instruments and agricultural implements. The shift from products with a high metal content to labor intensive products was to be facilitated by increased mechanization and by accelerated industrial development in rural areas where ample labor resources were reported available. To bring power to dairy farms and to conserve labor used in peat production, rapid development of Latvian hydro-electric power resources was recommended. Increased agricultural production, helped by immense reclamation programs, would in turn permit the expansion of consumer goods industries which would use primarily local raw materials.

In short, the structural changes in Latvian economy would bring into production unused land resources, and capital would be used to increase labor productivity in the whole economy.

To help accomplish this, it was proposed to split planing functions according to demand: production of export (foreign countries and other regions of the Soviet Union) would be planned separately from production for primarily local demand.<sup>31</sup> Whatever the political risks and practical shortcomings of the proposal, it was an attempt to get full planning authority for the local segment of Latvian economy. Its adoption would have helped introduction of new planning techniques in Latvia and increased production for local demand, inefficiency of central planing would have been exposed, and more of the living standard gains would have been contained in Latvia.

## Conclusions

Deutscher, writing in 1953, predicted a democratic regeneration in the Soviet Union through a process of intra-party discussions:

Diverse shades of internationalism and nationalism will come to life. Divergent attitudes towards peasantry will be expressed. Conflicting views will arise about the tempo of further industrialization, consumer interests, educational issues, and a host of other vital problems.<sup>32</sup>

This process did not come to life in Latvia until de-Stalinization and Khrushchev's reorganization of industry on a regional basis.

At this time a significant portion of Latvian communists, a minority of the weak L. C. P., came into a precarious control of top party and government posts. The reorganization itself substantially increased regional authority over the management functions of Latvian economy. Although Latvia came closer to autonomy than ever before during Soviet occupation, the authority granted was inadequate to apply effectively policies which, regionally oriented, would have led to more efficient management of Latvian resources and a higher standard of living for Latvian population.

Although tolerated by the Latvian population, the autonomist movement itself did not gain strong and active following down to the grass roots level. The bid for autonomy, which conceded greater economic benefits to the Soviet Union, was, in final analysis, a gamble to establish conditions more conducive to such development.

The 1959-1960 purges underscored the **primacy of perpetuation of highly centralized Soviet government among Soviet objectives**, and relegated the ethnic Latvian communists to a role of minor subordinates in the regional political and economic life.

Thus the reorganization of industry became a sterile rearrangement of administrative units from product to geographical divisions under comprehensive centralized management. Regional managers were again unable and unwilling to institute changes which would substantially improve the use and development of economic resources through a better management of the regional economy.

Therefore, the Latvian economy will continue to have an economically indefensible product mix, and its land, capital and human resources will remain misallocated. Unless initiated by centralized authorities, no major changes in manpower management were forthcoming. Promising segments of the economy where adequate manpower and accelerated capital investments would yield a greater return than in the metalworking industry will be starved.

With respect to current operations, production management will continue to suffer from the ills observed before 1957: (1) centrally determined tasks which exceed actual capacity, (2) errors in very complex scheduling of shipments to and from Latvia, and (3) effects of rising social costs due to Soviet immigration, and (4) periodic disruptions in production and distribution.

Barring a collapse of centralized, detailed planning under its own weight, productivity increases will have to come, within the limits of allocated resources to the plant or farm, primarily from the ingenuity of individual managers, staff specialists and workers — at the enterprise level.

#### Notes:

1 For a more detailed discussion of these topics see Gundar J. King, *Economic Policies in Occupied Latvia, A Manpower Management Study* (Tacoma: Pacific Lutheran University Press, 1965), pp. 170-206.

2 George R. Terry, *Principles of Management* (3rd ed.) (Home-wood: Richard D. Irwin, Inc. 1960), p. 32. While many writers adopt Soviet terminology, at least one American scholar now consistently uses commonly accepted management concepts with reference to the Soviet economic system: Nicholas Spulber, *The Soviet Economy, Structure, Principles, Problems* ("New York: W. W. Norton Company Inc., 1962). On the other hand, the recent Alex Inkeles and Kent Geiger, eds., *Soviet Society — A Book of Readings* (Boston: Houghton Mifflin Company, 1961), seems to indicate that most Western authors prefer to use Soviet terminology.

3 See quotations in Herbert McCloskey and John E. Turner, *The Soviet Dictatorship* (New York: McGraw-Hill Book Co., Inc., 1960), pp. 601, 617, and *Daugavas Vanagi*, No. 4, July-August 1960, p. 18.

4 N. S. Khrushchov, *Control Figures for the Economic Development of the U. S. S. R. for 1955-1965* (Moscow: Foreign Languages Publishing House, 1959), p. 7. More recent statements by Khrushchev stress the same principles — see Harrison E. Salisbury, ed., *Khrushchev's "Mein Kampf"* (New York: Belmont Productions, Inc., 1961), p. 94 ff.

5 See, for example, F. Deglavs, *Rakstu izlase* (Riga: Latvijas valsts izdevnieciba, 1960), vol. II, pp. 206-214, 225-230.

6 Gundar J. King, "Industrial Management Problems in Soviet Russia Reviewed," *Oregon Business Review*, No. 7, July 1958, p. 1.

7 J. Bokalders, "Decentralizacija," *Latviesu almanachs 1958*. gadam (Kobenhavn: Imanta, 1957), p. 133.

8 Z. Glibina, *Rupniecibas parvaldisanas reorganizacija Latvija un tautas saimniecibas padomes darbs jaunajos apstaklos* (Riga: Latvijas valsts izdevnieciba, 1958), p. 16. Also, A. Sumins, *Apcerejums par Padomju Latvijas ekonomisko attistibu (1940-1958)* (Riga: Latvijas valsts izdevnieciba, 1960), pp. 110-111.

9 For a more detailed analysis see Andris Trapans, "A Note on Latvian Communist Party Membership," *The Baltic Review*, No. 26, April 1963, pp. 17-3

10 McClosky and Turner, *op. cit.*, p. 246.

11 *Loc. cit.* — compare with data for Saratov.

12 *Daugavas Vanagi*, July-August 1960, p. 15. However, Trapans, *op. cit.*, p. 30, shows ethnic Latvians as 44% of L.C.P. membership in mid-1961.

13 Vilis Hazners "Who is in Power in Latvia?", *The Baltic Review*, No. 24, March 1962, pp. 10-16.

14 The Chairman, the three deputy chairmen and eight department heads were Latvians.

15 From *Padomju Latvijas Komunisti*, No. 6, June 1957.

16 See remarks by Vilis Kruminis in *Cina*, October 8, 1958, p. 2.

17 Compare *Newsletter from Behind the Iron Curtain*, No. 5/6, September-December 1959, pp. 37-38; *Briviba*, No. 3, March 1960, p. 1; *Laiks*, August 15, 1959, p. 4, October 3, 1959, p. 1, February 6, 1960, p. 1, and February 27, 1960, p. 1; *Latvija Amerika*, December 16, 1961, p. 2; *Survey*, vol. IX, October 1960, pp. 67-69.

18 *Newsletter from Behind the Iron Curtain*, No. 3, July-September 1960, p. 23.

19 *Latvian Information Bulletin*, No. 2, June-July 1961, p. 5, with reference to a May 29, 1961 decree.

20 *Newsletter from Behind the Iron Curtain*, No. 5/6, September-December 1959, p. 38.

21 See A. Pelse in *Padomju Latvijas Komunisti*, No. 9, September 1959, p. 13 for accusations against the autonomists.

22 Compare Sumins, *op. cit.*, p. 207, and A. Prosandejevs, *Dzive iet augsup* (Riga: Latvijas valsts izdevnieciba, 1960), pp. 27-28, and Y. B. Turcins, V. R. Purin, V. F. Tumshevits and R. V. Soms (eds.) *Razvitiye Narodnovo Khoziaistva Latviiskoi S. S. R.* (Riga: Izdatel' stvo Akademii Nauk Latviiskoi S. S. R., 1961), pp. 417-423.

23 Glibina, *op. cit.*, p. 30, ff.

- 24 *Padomju Latvijas Komunisti*, No. 11, November 1957, p. 51, and Glibina, *op. cit.*, pp. 33-34, and 54.
- 25 Glibina, *op. cit.*, p. 30; there was quick action by the Council in cases where outside approval was not required. Sumins, *op. cit.*, pp. 121-122, also argues for more regional planning.
- 26 Compare Gaile in *Padomju Latvijas Komunisti*, No. 11, November 1957, p. 46 and Glibina, *op. cit.*, pp. 31, 38, and 49.
- 27 *Padomju Latvijas Komunisti*, No. 1, January 1959, p. 9.
- 28 Summarized from *Karogs*, No. 1, January 1959, p. 103.
- 29 *Padomju Latvijas Komunisti*, No. 1, January 1960, p. 11.
- 30 See articles in *Cina* by K. Svilpe and I. Bistrovs, December 5, 1958, p. 2; P. Dzerve and T. Apse, November 20, 1958, p. 2. All four articles are devoted to the control figures for 1959-1965.
- 31 *Padomju Latvijas Komunisti*, No. 1, January 1960, pp. 10-11; Sumins, *op. cit.*, p. 117. For more "acceptable" suggestions to planning, see Sumins, *op. cit.*, p. 121.
- 32 Isaac Deutscher, *Russia After Stalin* (London: Hamish Hamilton, 1953), p. 173.