



Title	<BOOK REVIEW>SOREN NO KOKUMIN KEIZAI [THE SOVIET NATIONAL ECONOMY], By Akira Shigemitsu, Tokyo : Toyo Keizai Shinpou sha, 1989,viii+235pp., 4,000
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Citation	Acta Slavica Iaponica, 9, 226-227
Issue Date	1991
Doc URL	http://hdl.handle.net/2115/8034
Type	bulletin (article)
File Information	KJ00000034204.pdf



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SOREN NO KOKUMIN KEIZAI [THE SOVIET NATIONAL ECONOMY]. By *Akira Shigemitsu*, Tokyo: Toyo Keizai Shinpou sha, 1989, viii + 235 pp. ¥4,000.

Ambassador Akira Shigemitsu is a very famous Japanese diplomat of 74 year old. At the same time, he is an excellent specialist on the Soviet economy and diplomacy. This book, *The Soviet National Economy*, is his 3rd and the most recent book. As a diplomat, especially as the Japanese Ambassador in Moscow and Bucharest, he has had a very long and respectable career of living and working in the Soviet Union and East European countries. However, this book does not contain reminiscences or personal talks of his daily-life experiences but is a very precise and academic writing of the analyses on the Soviet national economy.

Though he does not use any sophisticated econometric method, all of his analyses are based upon very accurate quantitative measurements which are mainly worked out, using the macro-level Soviet official statistics, including the input-output tables. From the results of this study, he has made a lot of very important findings. It seems that amongst them, the most interesting (and probably the most important) one is his inductive reasoning about the process and cause of the downfalls and destitutions of the Soviet enterprises.

He has pointed out that, during the period from the early years of the 1960s to the present day, the large increases in the payments to the government from enterprises' profits and the rapid growth of the state collection (i. e., an enforced borrowing by the government) of the 'depreciation funds' of enterprises for the financing of the state budgetary deficit, coupled with the 'priority-state-allocation system' of investment-and-depreciation funds, landed the Soviet enterprises in an extremely bad destitution in most economic sectors to which 'priority' had not been given. No doubt, this theoretical explanation is the very basic hypothesis in this book. It seems that Ambassador Shigemitsu succeeded to cite a great deal of supporting evidences to prove the plausibility of this basic hypothesis.

The large part of the western specialists on the Soviet economy did not become aware of the hypothesis. Recently, most of them were greatly surprised by the tremendous backwardness in technologies and extreme insufficiency of the depreciations and replacement-investments in the Soviet civilian industries. The hypothesis presented by Ambassador Shigemitsu could afford a beautifully consistent explanation to these inconceivable phenomena.

In the Soviet economy, the percentage share of the wage-earners' income in GNP went down and entered into the bottom zone during the planned era from the 1st FYP to the 5th FYP. The long continued process of the 'strong' intensification of the 'exploitations' to wage-earners since the 1st FYP had approached its limit at the end of the 1950s, though the process itself had been endured up to the 1980s. As the substitutive way to it, according to the analyses cited in this book, the Soviet government had drastically increased the intensity of the 'exploitations' to the incomes of enterprises since the beginning of the 1960s. For the Soviet economy, it was nothing but the real cost of the over-riding military buildup since

the 1960s.

Regarding the restructuring (*perestroika*) of the Soviet economy, the evaluations of it and recommendations for it by Ambassador Shigemitsu are not so conservative but preferably radical. However, compared with some very radical way of thinking in the 'transition program' to market economy in the present-day Soviet Union, it could be considered that the attitude of Ambassador Shigemitsu on this issue is rather moderate.

Undoubtedly, this book is an excellent one. All the analyses provided by him are very plausible and trustworthy. The only short-coming of this book is that it does not have any footnote or list of documentations except some appendix tables of statistics. In view of the fact that the specific character of the contents of the book is rather an academic one, this short-coming is quite regrettable.

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