

Holland Hunter and Janusz M. Szyrmer, *Faulty foundations: Soviet economic policies, 1928-1940* (Princeton, NJ: Princeton University Press, 1992. Pp. xvi+339, 49 figs., 81 tables)

For more than 30 years, Holland Hunter and his associates have researched the Soviet economics of 'more haste, less speed'. Many findings of their earlier work on evaluating Stalinist economic policies and performance are already widely accepted by western scholars.

This book distils the Hunter methodology and findings in final form. Its main message is that the long run defects of Soviet economic development were present in the 'faulty foundations' laid down before World War II. Different policies could have led to better results with reduced effort, and the differences are quantifiable. Agricultural policies of forced collectivisation and excessive food procurement opened up the worst of the self-inflicted wounds, seriously retarding the attainment of regime objectives while also undermining living standards and demographic survival. The damage attributable to external trends - worsening terms of trade, the diversion of resources to defence - was limited in comparison, although not negligible.

The book's early chapters are taken up with a clearly written analysis of the real, historical policy choices and constraints facing interwar Soviet decision makers, and the delineation of appropriate counterfactual hypotheses. This part alone should be appreciated as a very valuable contribution.

Alternatives are then explored, and findings supported, by means of a multi-sector, multi-period linear model (KAPROST, a Russian acronym for 'capital growth') with 12 processing industries, 2 technologies, 4 classes of income recipient, and 7 final demand categories. In such work two issues arise. First, such a model needs adequate support in data and assumptions. Second, the broad findings must be interpretable in the light of assumptions and procedures, without being trivial (in the sense of being obviously predetermined by starting points, in which case the model would be unnecessary). On the whole, KAPROST seems to meet these criteria. Assumptions and procedures are clearly explained, and results do not seem critically sensitive to their choice over plausible alternatives. Collectivisation did more damage to regime objectives than rearmament because it came earlier, when economic expansion possibilities were already more constrained, and the damage had more years over which to be compounded.

I am not convinced by the modelling of imports. In a previous version, KAPROST required imported intermediate goods in fixed proportions to domestic output, so that reduced export possibilities and declining terms of trade in the early 1930s threatened to have an unduly savage effect on output; in the present version imports and domestic products are treated as infinitely substitutable, permitting only a pure terms of trade effect on output. On the other hand the criticisms levelled against Moorsteen and Powell's capital stock index appear to be partly a product of KAPROST's linear, fixed-coefficients methodology.

In summary, students will surely refer to this book for many years to come, for background as also for results. Detailed evaluation could also take many years! Regardless of the outcome, the Hunter-Szyrmer collaboration will be seen as a landmark in quantitative economic history, and also in evaluation of the former Soviet Union's development strategy.

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