

MGT 407



International Management Practices

**Soviet
Socialist
Management**

Soviet Model of Socialism

The Soviet Union's ideological commitment to achieving communism included the national communist development of socialism in one country and peaceful coexistence with capitalist countries while engaging in anti-imperialism to defend the international proletariat, combat the predominant prevailing global system of socialism.

Soviet Model of Economy

The economy of the Soviet Union was based on state ownership of the means of production, collective farming, and industrial manufacturing. An administrative-command system managed a distinctive form of central planning.

Two characteristics of Soviet economy

Two characteristics of the Soviet economy during the cold war days were as follows:

➤ **It had a complex communication network, vast energy resources including oil, iron and steel.**

➤ **It had a domestic consumer industry that produced everything from pins to cars.**

Main Features Of Soviet System Of Government

- (i) The Soviet System was very bureaucratic and authoritarian.**
- (ii) Lack of democracy and the absence of freedom of speech.**
- (iii) Tight control over all institutions and was unaccountable to the people.**
- (iv) Russia dominated everything and people from other regions felt neglected and often suppressed.**

The Positive And Negative Features Of The Soviet System

Positive features:

- 1) Soviet system was more developed than rest of the world except USA.
- 2) Minimum standard of living was ensured for all the citizens.
- 3) Government subsidized the basic needs including health, education, etc.

Negative features:

- 1) System was very bureaucratic and authoritarian.