INSTITUTE OF CURRENT WORLD AFFAIRS

ILN - 18

Turniškių 10 - 1 Vilnius 232016 Lithuania July 20, 1991

Mr. Peter Bird Martin Executive Director Institute of Current World Affairs 4 West Wheelock Street Hanover, New Hampshire 03755 USA

"Brezhnev's Villa"

Dear Peter,

Not so very long ago, there were at least six flights a day from Vilnius to Palanga, Lithuania's most popular summer resort on the Baltic Sea. They were always full; waiting lists were not uncommon. Today, there are only about ten flights a week. Often, they are half empty.

This is not only because, due to colder than usual weather, the summer season here has gotten off to a slow start. It is also not only because the Soviet airline Aeroflot is having financial difficulties (it is, and how.)

Since political turmoil went into overdrive here last year, tourist travel to Lithuania -- from the East as well as the West -- has been way down. Tourists from the West don't come because they are afraid of possible physical danger, coupled with the uncertainty that there might be a lack of even basic amenities (where to get a decent meal sort of thing). Tourists from the East don't come because, more than ever before, they are convinced that Lithuanians are ready to lynch anyone who speaks Russian. These fears, awakened by sporadic news reports and, in the case of those from the rest of the Soviet Union, exagerrated by imaginations long trained to view life as pessimistically as possible, have little basis in reality. But in tourism, as in politics, that doesn't really matter. Perceptions are usually far more real than reality itself.

Lithuania has a very short coastline -- only 99 kilometers. What little there is of it is precious to Lithuanians and to Soviet authorities alike, albeit for very different reasons. Soviet authorities look at the coast and see strategic outposts; Lithuanians look at it and see the golden amber shores of their ancient legends.

Ina Navazelskis, a journalist, has written extensively about East European and Soviet affairs. She is the author of biographies of Leonid Brezhnev and Alexander Dubcek.

Since 1925 the Institute of Current World Affairs (the Crane-Rogers Foundation) has provided long-term fellowships to enable outstanding young adults to live outside the United States and write about international areas and issues. Endowed by the late Charles R. Crane, the Institute is also supported by contributions from like-minded individuals and foundations.

The Soviet government -- as the czarist Russian one before it -- coveted the Baltic region not only because it was a handy buffer zone against attack from Western Europe. It had another very attractive feature -- ports that could be used year-round. Baltic ports are the only ones in the Soviet Union that do not freeze over in winter. So it is not surprizing that today, Soviet presence in the central port of Klaipėda* -- with over 200,000 people, the 3rd largest city in Lithuania -- is, with the exception of Vilnius, more pronounced than elsewhere in the republic. About one third of Klaipėda's inhabitants are ethnic Russians; most are employed either directly for the military or in any of related industries that serve the military.

For Lithuanians, the coast is the jewel of the country. From the sand-dunes of Nida at the southern end of the Kuršių Spit --which are as splendid as anything I've seen at the tip of Cape Cod near Provincetown -- to the northern end of the Šventoji River, near the Latvian border, miles and miles of pine forests lining the shore have been designated national parks. The coast has been purposely left almost untouched; development there is strictly forbidden. Only Klaipėda, with her tankers and docks, is a blip on this otherwise unbroken line.

If the Soviet government looks at the Baltic coast through strategic eyes, the same cannot be said of the vast majority of ordinary Soviet citizens. Like native Lithuanians, they value the coast for her unspoiled beauty. That can help explain why last summer, turmoil notwithstanding, tourists still flocked to Palanga, 330 kilometers northwest of Vilnius and 25 kilometers north of Klaipėda. It had, in fact, been a record season, with some 140,000 - 160,000 tourists pouring into the seacoast town during the summer months. That was more than any other year in recent memory. This year Palanga's town fathers -- with mixed feelings -- do not expect a repetition. (Like resort towns the world over, Palanga's 20,000 permanent residents resent their town being overrun every summer. But like citizens of resort towns the world over, they grudgingly realize while they may not like the tourists, they do like their money.)

^{*} Klaipėda's turbulent history attests to her attractiveness to foreign powers. At the turn of the century, Klaipėda (Memel in German) was the densest German enclave in Lithuania. Using this as an excuse, Hitler occupied Klaipėda in 1939, on the heels of annexing Czechoslovakia. But when the Soviets marched in in 1945, Klaipėda was literally an empty city. Almost all her ethnic German inhabitants had fled. Only a handful are left today.

Only a sprinkling of last year's tourists were Westerners. Most from outside Lithuania were predominantly from Moscow and Leningrad. They came believing that it could be the last summer that travel to Palanga would remain unhindered. Most vacationers from Lithuania, on the other hand, were often on an extended involuntary vacation — a result of the spring 1990 economic blockade imposed by the Kremlin when scores of enterprises in Lithuania had been forced to lay off workers.

Palanga's new municipal officials, elected soon after the new Parliament went and declared independence on the first day it convened, spent their first summer season grappling with the unexpected influx. The immediate crisis they faced was how to feed all these hungry tourists, for Palanga's some dozen restaurants and cafes were overwhelmed. Each lunch-time saw long lines at restaurant doors.

These were among the short-term concerns. There were long-term ones as well. Like everyone else in Lithuania last year, Palanga's new officials began wistfully gazing westwards, dreaming of wooing a new kind of tourist -- the kind with hard currency in his pockets.

That may not necessarily be just another pipe dream. Palanga -- along with Nida, a smaller resort some 70 kilometers south on Kuršių Spit -- is as yet undiscovered by Westerners. I wouldn't be surprized if once they do discover her, they get hooked. Imagine a 15-kilometer sandy white beach, crystal blue water on one side and a pine forest on the other. (There is also a separate, closed-off area of the beach for women, where if they want, can bake in the sun au naturel). There are wide tree-lined streets, sprawling wooden dachas from the late nineteenth century, a 212-acre state park, sanitoriums with indoor and outdoor pools, and probably the largest amber museum in the world, housed in a 18th century mansion that once belonged to one of Lithuania's aristocrats. There may be few restaurants, but there are also none of the trappings to which many less fortunate seaside resorts in the West have been relegated. There are no twenty-story hotels right on the beach, no seedy amusement parks, no pizza shacks, no penny arcades -- in a word, no honky tonk.

Palanga has a great deal of potential -- if only someone will know how to properly realize it. Some of the infrastructure is already in place. In the greater Palanga area, there are over 250 guest houses -- literally called "rest houses" in Lithuanian -- with over 21,000 beds. But only one of these is a hotel in the sense that we understand it in the West; that is, a place where you simply can call up and make reservations. All the other guest houses are not open to just anybody who happens to have the money to stay there. You have to be plugged in -- as in employed in the Soviet Union -- to gain entrance. In the true spirit of collectivism, all who work together, play together.

What do I mean by that? Well, this. Each larger factory, enterprise, place of work, trade union, etc., takes it upon itself to guarantee its workers a vacation spot. Larger enterprises build their own guest houses in resort areas; smaller ones buy a certain amount of space in the guest houses belonging to the larger establishments. Guests houses are of various standards, but it is common that a typical suite will have a sitting room, bedroom, toilet and bath, sometimes even a kitchenette. In addition, each larger guest house has its own restaurant, with regular hours for breakfast, lunch and dinner (but just try and drop in a 3 p.m. for a cup of coffee...)

The Lithuanian Union of Writers, for example, has its own guest house for its members in Nida, and that is where all the writers head for vacation. You can see the disadvantages that this integrated system has now, and will have in the future if the Western tourist is to be wooed here. Even for a native, today it is still not possible to really "get away from it all". Your vacation spot may be a thousand miles away from the office, but the chances that your least favorite co-worker is in the room next to yours during the very two weeks that you are scheduled to catch some rays are disappointingly high.

And today, if you are an outsider with no job here, well, too bad, Palanga's 250 guests houses are off-limits to you. (Unofficially, of course, all sorts of stuff goes on. You can get friends to reserve rooms for you in their name. And that's not all that is done. Let's say, for example that you are an enterprise in Lithuania that produces refrigerators. You have a splendid quest house in Palanga built for your workers. But what you don't have is some widget that you need for the production of your refrigerators. That blasted piece is manufactured in Kazakhstan. What do you do? As director of the factory, you go to Moscow (or Kazakhstan) and say to those in Charge of the Distribution of Widgets, "Hey, we really need that stuff. What say you send us a couple of tons, and we can fix you and the wife up in Palanga for vacation this year, all expenses paid?" That's just business as usual, Soviet-style. It is not all that dissimilar from the practices that we all know about in the West -- with the one difference that rewarding one person here with a little something extra means depriving someone else. Some poor schmoe who works in the refrigerator factory has his space at the quest house taken away from him and allocated to a widget distributor. He then has to scramble to find a spot somewhere else.

In Palanga, all 250 guest houses -- except for that one rather dark seedy-looking hotel -- operate on this principle. Some are owned by enterprises from across the Soviet Union, enterprises which built them with their own money and their own materials. This is one of the thornier problems that Palanga's town fathers have to somehow resolve in the future, as they hope

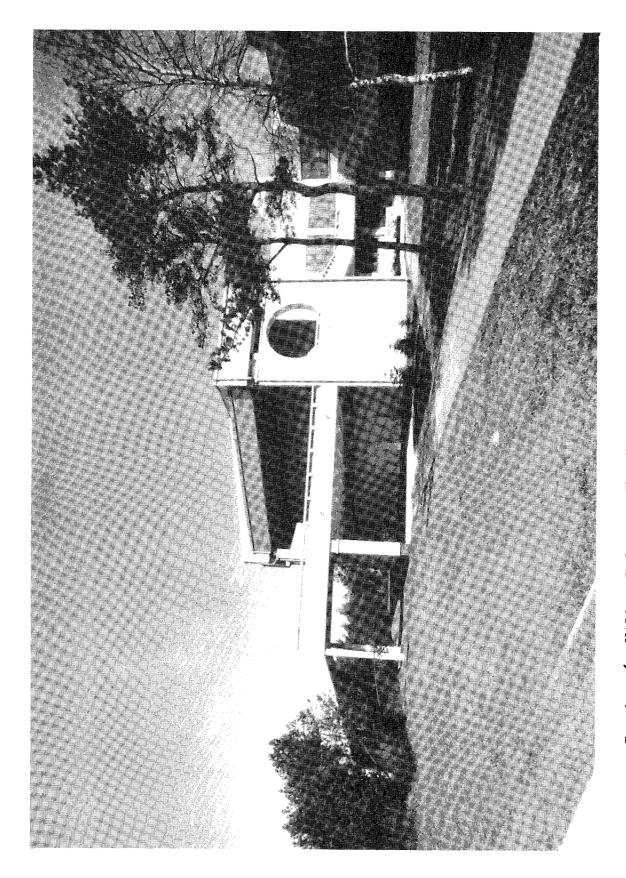
to change course and branch out into the wide world of international tourism. What should the relations between the municipal authorities and the separate guests houses be? How can you even start a Western tourist trade if you don't even control one guest house? Should the guest houses therefore, especially those owned by non-Lithuanian enterprises, be penalized with extra taxes in order to pay for the development the town might want?

All these questions plagued the Palanga officials I spoke with during one of my visits to the resort last summer. The deputy mayor and Palanga's chief administrator, both men in their 30's, took me on a tour to see some of what their town had to offer. We toured one of their prize guests houses, with some 350 rooms, open year-round. It offered a heated outdoor swimming pool even in winter. We walked through the park, dined in one of the better restaurants (without having to wait in line.) The high point of our tour was a visit to what Palanga officials hope will be the prize goose that lays a golden egg. What follows is a more detailed account of that visit.

Inside a fenced-off compound just outside Palanga, a warm afternoon breeze wafted through the pine trees, carrying the fragrance of both evergreen forest and salt sea one hundred meters away. A concrete path, strewn with browned pine needles, wound its way to a modern white mansion. Dr. Zigmas Paulauskas, director of the 62-acre (25 hectare) compound, escorted two visitors -- Palanga's new deputy mayor, 33 year old Rimantas Garolis, and myself -- up the path. He paused, swishing some pine needles to one side with the toe of his shoe. "In the old days," he said, "you would never have seen this. In the old days, this path would have been swept clean."

In the old days not only pine needles would have been absent from that path. None of us would have gotten anywhere near the front gates. But on this late August afternoon, we were inside an inner sanctum. Not long ago the lords of the Soviet empire came here to rest and to play. We were on our way to see what local people have dubbed "Leonid Brezhnev's villa."

Brezhnev himself never set foot in it. Still, the nickname fits, far more than many other honors — those literary prizes and war medals — that the late Soviet leader bestowed on himself during his two decades (1964-1982) in power. The villa symbolizes the system of privileges that Brezhnev championed, a system that provided a tiny minority of Communist Party elite with a very comfortable existence while well over 90% of the Soviet population lived just above subsistence.



Brezhnev's Villa, Palanga. The View From the Front Drive.

Brezhnev himself sported custom-tailored Western suits, drove luxury foreign cars and vacationed in several summer "cottages", all much like the palatial Palanga villa, scattered throughout the Soviet Union. That he never visited Palanga was due more to the increasing infirmities towards the end of his life than lack of intent. When construction on the villa began in 1978, Brezhnev was already ailing. By the time it was finished in 1981 — to the tune of some eight million rubles — he was only one year away from death, and too feeble to travel far from Moscow.

Nestled inbetween the 212-acre (86 hectare) Palanga Botanical Park on one side, a Soviet military base on the other, and the sea at the back, the villa sits on well cultivated, prime beach-front property. Sounding very much like an enthusiastic real estate agent, Dr. Paulauskas happily listed the compound's special features. That's the tennis court, he said pointing in the direction_of a cluster of trees, a mere four-minute walk from the main house. On the way there, he added, don't forget to smell some of the hundred variety of roses that brighten the grounds. As we neared the front entrance of the house, Paulauskas pointed out a modern sculpture, The Bird Goddess, the work of a prominent Lithuanian sculptor, Vladas Vildžiūnas. By now enthusiastically immersed in his role, Paulauskas drew our attention to the surrounding woods. Amidst the pine, linden, and maple trees, he explained, there was an abundance of berries and mushrooms. In the time he had been there, even some wild animals == such as foxes and rabbits -- had been spotted. It was, all in all, as unspoiled an enivronment as you could get. "You can tell a place is unpolluted if there are tiny ants on the ground," Paulauskas summed up. I looked down at my feet. There were tiny ants among the pine needles at Brezhnev's villa.

Once there were also scores of microphones (now removed), installed in the outside guard houses as well as inside bathrooms. Completely blocked from view by high steel gates and a concrete wall at the front, and only slightly more visible from the back beach entrance, local people never caught more than a glimpse of the villa. Those who wandered too close were immediately shooed away by quards.

Not so long ago, the compound was once under the control of the Ninth Administration of the KGB in Moscow, a division, according to Paulauskas, responsible for the maintenance of similar compounds throughout the Soviet Union. But during his visit to Lithuania in January 1990, Mikhail Gorbachev turned the entire facility over to the (then-Soviet) Lithuanian Ministry of Health. At first, the villa was to be used as a sanatorium for children for nervous disorders. On February 1, 1990, Paulauskas, already chief physician of the sanatorium, was also appointed director of the compound.

Plans changed slightly. "We didn't want children running around the villa, tearing it apart," he explained. Today, the children are housed instead in the former servants quarters -- a modest solid two-story red brick building outside the compound's front gates. And the villa remains empty.

"When was the last time someone stayed here?" I asked Paulauskas. "I don't know," he shrugged, adding that only the KGB who handed the keys over to him in February 1990 have such information, and "they aren't talking."

Nor are any of the 35 people who once worked at the villa, keeping it ready to accept visitors at any time. (Today, there are only two maintenance workers left.) But it is a safe bet, speculated my escorts, that the villa was more often vacant than occupied. True, Politburo members such as Moscow's party boss Victor Grishin or his Leningrad counterpart, Gregory Romanov, were known to have stayed there. Palanga residents usually knew that the villa was occupied only because the streets would be cordoned off for hours beforehand. Official black Volga limousines — unhindered by either other vehicles or even traffic lights — would then whisk their high-ranking passengers from the tiny Palanga airport some five kilometers north of the town to the villa three kilometers south of it.

In those days, there were of course always rumors -- many rumors -- about Brezhnev's villa. One involved Gregory Romanov, who, according to my escorts, might still be regretting that he ever heard of the place. As one of the younger members of the Politburo when the old guard -- Brezhnev, followed by Yuri Andropov and then Konstantin Chernenko -- was still in power, Romanov was often considered one of the top contenders for the leadership post. But in the winter of 1985, when Chernenko died, Romanov was not on the scene in Moscow to secure the crown for himself. He was in Palanga. Supposedly, he quit the villa immediately and hurried back to the Kremlin. But he was too late; Mikhail Gorbachev had outmaneuvred him.

Today, both Paulauskas and new municpal officials in Palanga look at Brezhnev's villa in a new light. Once it was an inaccessible bastion of privilege; now it just might be a way to fill their empty coffers with precious hard currency. One idea being toyed with is turning the villa into an_exclusive guest house_for wealthy foreigners -- anyone from Western rock stars to Middle East oil barons. And ironically enough, they believe that the villa's association with the previous leaders of the Soviet Union only adds to its allure. "I think that the Brezhnev name could pull in a lot," mused Paulauskas.

How much, I was asked, did I think a Western rock star might pay to stay at Brezhnev's villa?

I gulped, at a loss for an answer, and responded weakly, "Well, how many rooms does it have?"

"That's hard to say." Paulauskas answered after a long pause. "It's not your standard kind of house."

That it wasn't. From the outside, the bright white stucco villa has no definable shape -- it sprawls in geometric angles and patterns, here an tri-angular roof joint, there a large circular hole in a wall -- resembling a high-tech-conference center or a pristine futuristic hotel. Inside, the angles and wide spaces continue -- landings, split levels, niches for sofas and and plush armchairs. Where one room ends and another begins was not always clear. I stopped after counting 16 spaces, which, by the presence of doors, could definitely be called rooms.

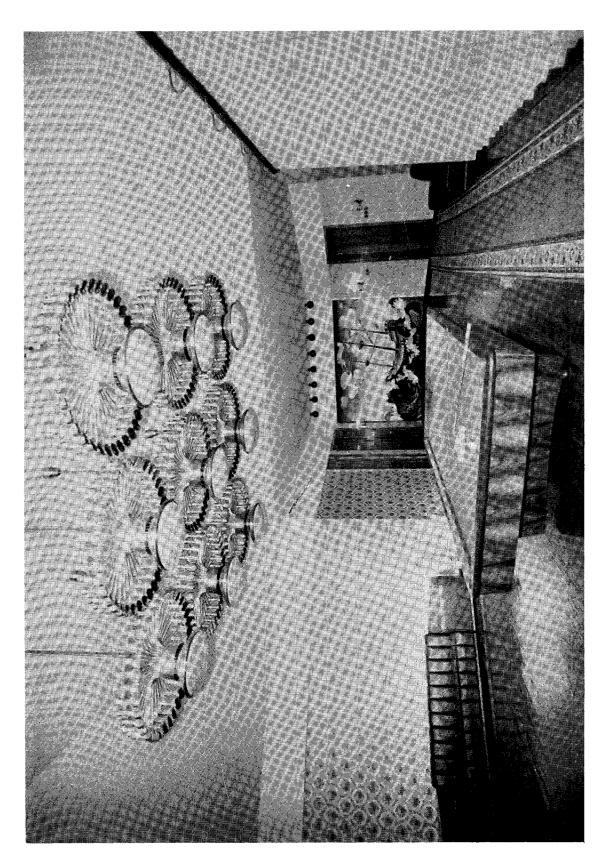
We entered the house from the servants entrance -- a separate wing connected to the main building by a long corridor almost entirely encased in glass. "There are four suites," explained Paulauskas, each with a bedroom, sitting room, toilet, separate bathroom and study. All are large, all have fireplaces.

There are wall murals in blues, reds and greens. There are marble walls, dark leather walls, walls decorated in green and red brocades. There are tiled baths and skylights and windows that open and close electronically.

There are two dining rooms, a billiard room, a music room, a 12-seat cinema room, a gymnasium, a special bathroom equipped to give herbal and mud baths, a massage area, a sauna, and the centerpiece of the villa -- an indoor, glass-enclosed pool.

In the shape of the map of Lithuania, the pool is bordered by marble and a plush red carpet. Five potted palms line one side. Dozens of modern brass chandeliers hang overhead. Facing the beach, the pool is connected by a two kilometer long pipe to the sea. "It can be filled with sea water, fresh water, drinking water," said Paulauskas, adding that the water temperature could also be regulated. "The filtration system is of the highest standard."

That may be, but there was still something missing in Brezhnev's villa to give me a feeling of luxury. (of course, luxury by my Western standards, not necessarily Lithuanian ones. For those 1500 families in Palanga who have been waiting for 12 years to get their own tiny apartment, Brezhnev's villa would be luxury enough, thank you very much...)



Brezhnev's Villa, Palanga. The Billiard Room.

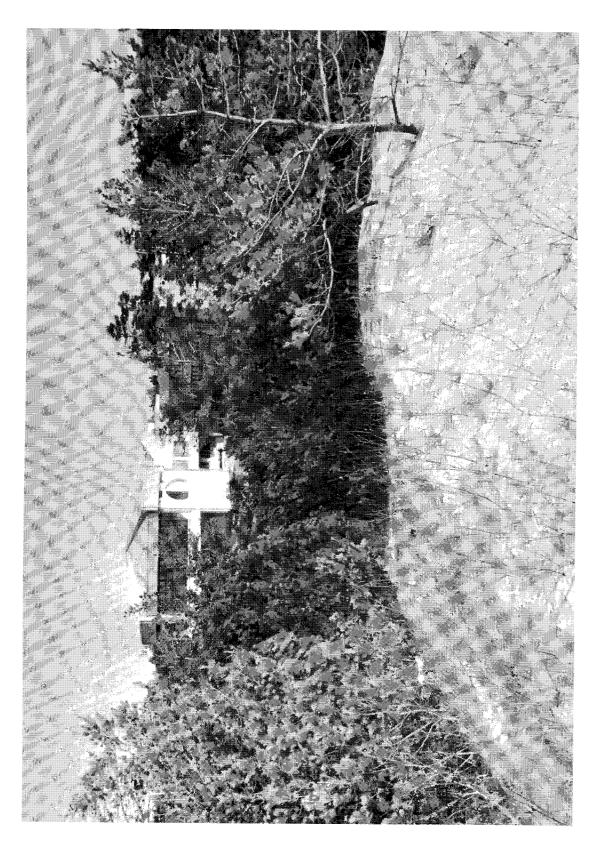
There was something sterile about the whole house. Whether it was the complete works of Lenin that I saw in one study or the large size coffee tables books of photographs of Palanga, I don't know. The villa is certainly comfy; the interior design cannot be called tasteless. But it lacks inspiration. It is more conducive to a corporate conference center than the exotic hideaway digs of a rock star. The future, I thought to myself, would show whether this hunch was confirmed.

"How would the revenue be allocated?" I asked. Taxes would go to the town, I was told. The rest would be allocated to the Lithuanian Ministry of Health to buy much-needed medical equipment. "Our medical situation is in the stone ages" Paulauskas complained.

That is about the only question that Palanga's officials have been able to sort out regarding Brezhnev's villa. They are at a loss as to what step to take next. Should Brezhnev's villa be sold or just rented? What rates should be set? What services offered? The dilemma involving the villa is of course the same dilemma facing all of Palanga. "We need consultants, who could live here for a few months and could advise us how to develop — what to build, where to build, what prices to set, upon which terms to sign contracts," explained deputy mayor Garolis. "Now we get about two suggestions (from abroad) a week, but we don't know how to evaluate them." There were Finnish businessmen, he added, who had planned to visit Palanga during the summer of 1990 for such preliminary talks, "but the two month blockade on visas ruined everything. Their trip fell through."

Update: July, 1991. There are still no foreign consultants who have come to Palanga to help draw up plans for the future. Tourists started to arrive in Palanga by mid-month, but not in the same numbers as last year. (The chief administrative official for the town estimates that there are between 60,000 and 80,000.) For a year and a half, from the time the KGB handed the keys over to Paulauskas in February, 1990, to last month, Brezhnev's villa was empty. Throughout the year, there were visits by Finnish, Japanese, Swedish representatives, but no takers—at least not for hard currency. Still, this month Brezhnev's villa has finally been rented, to the tune of 1,2 million rubles, for 15 months to a Lithuanian-Canadian joint venture company named Torvil. At the end of July, Virgis and I will be heading off to Palanga for a two-week vacation as well. But all my hopes for taking a dip in a pool shaped in the map of Lithuania have now been dashed (sigh)....

With all best wishes for the summer to everyone at the Institute,



Brezhnev's Villa, Palanga. The View From the Beach.