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USSR: Role of the State Planning
Committee (Gosplan)

Information requested by Alan
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USSR: Role of the State Planning Committee (Gosplan)

The State Planning Committee (Gosplan) is the highest-ranking economic planning organization in the USSR. It is responsible for (a) drawing up annual and five-year plans, which cover the several thousand most important products of the Soviet economy, and (b) monitoring the implementation of the plans. Gosplan employs roughly 50,000 people, including economists, industrial and technical specialists, statisticians, and computer experts. It has offices in the capitals of each of the 15 union republics.

Relation to Council of Ministers

Gosplan is a powerful staff arm of the Council of Ministers, the highest governmental body, headed by Premier Aleksey N. Kosygin. The Chairman of Gosplan, Nikolay Baybakov, is also a Deputy Chairman of the Council of Ministers.

Members of the Council of Ministers head the various economic ministries -- agriculture, construction, machine-building, light industry, etc. -- whose activities Gosplan shapes within the national economic plan. Gosplan gets its instructions from the Council of Ministers on the general goals of the economy and on major specific targets. In turn, the Council of Ministers is instructed on fundamental economic allocation issues (e.g., a stepped-up agricultural investment program) by the top decision-making body in the Soviet system, the Politburo of the Central Committee

of the CPSU (Communist Party Soviet Union). Gosplan thus plays a technical and administrative, not a policy-making, role.

Planning at Apex

Gosplan is part of the machinery at the apex of the Soviet "command economy". Its functions replace to a large extent the market functions of Western-type economies. It effectively employs the absolute authority of the Soviet state in imposing the economic policy and decisions of the central leadership. At the same time, the ministries, enterprises, collective farms, and even individuals within the system make millions of lesser economic decisions that are (a) part of the process of breaking down and implementing the central decisions and bending them toward local conditions and vested interests, or (b) the result of Gosplan's being able to deal with only a fraction of the myriad decisions necessary in a complex economy, half the size of the US economy.

In putting together national plans and monitoring the results, Gosplan faces a complicated task of slicing the economic pie in several ways:

- by productive sector, which corresponds roughly to the ministerial organization of economic activity;
- by geographic area, which corresponds to the political divisions of the USSR and touches on the sensitive issues of how resources are allocated among the various ethnic regions;

-- by end use, which corresponds to the policy issues of the rate of increase in living standards and the pace of military development;

-- by physical flows, which corresponds to the problems of planning "material balances" or "input-output" relationships; and

-- by financial counterpart, which involves the planning of cash flows, ruble budgets, and bank credits (in the Soviet system, the planning of physical production dominates financial planning, both in priority and timing).

Review of Role

Gosplan, which has been the central planning agency since the late 1920s, has undergone numerous reorganizations that have altered the scope and method of work but not its fundamental responsibilities. Currently, Gosplan's planning role is the subject of considerable debate. At the December 1973 Party Plenum, the quality of Gosplan's work was attacked. Some Soviet economists have since suggested that Gosplan be relieved of its annual planning responsibilities so that it can concentrate solely on long-range planning. Primary planning responsibility would then shift to the individual ministries and to enterprises. All sides in the debate support increased computerization and more automated management of planning. Gosplan's supporters argue that computerization can improve the present system, while the critics claim that more advanced computers will permit better

planning by enterprises thereby lessening the need for centralized plans.

Note on Lebedinskiy

As Deputy Chairman of Gosplan and Director of the Main Computer Center, Nikolay Lebedinskiy is particularly interested in the applications of computer technology to national economic planning. In a February 1974 article in Kommunist, Lebedinskiy discussed the various proposals that planning procedures be made more flexible and continuous; e.g., one proposal calls for a new five-year plan to be drawn up every year and to extend a year beyond the last one. Like most senior Gosplan officials, Lebedinskiy strongly opposes the idea of sliding five-year plans on the grounds that it clashes with the annual directive planning. He is in favor, however, of letting enterprises use sliding five-year plans "as a guideline" in some aspects of their work. He also advocates sliding fifteen-year plans, in which a new fifteen-year plan would be formulated every five years.

Attachments:

biographical sketches (2)

23 April 1975

Nikolay Pavlovich LEBEDINSKIY

USSR

Deputy Chairman and Director,
Computer Center, State Planning
Committee (Gosplan)

Nikolay Lebedinskiy (pronounced lehbehDEENski), 58, became a Deputy Chairman of Gosplan in November 1971 and head of its Main Computer Center in mid-1972. He has been affiliated with the committee since 1956, serving as chief of the National Economic Planning Department and as a member of Gosplan's Collegium (administrative board) from 1966 to 1971. Active in East-West exchanges, he is a member of the US-USSR Working Group on Computers and the Soviet project coordinator for computer analysis applied to the economics and management of large systems.

In his current position Lebedinskiy is concerned with over-all domestic economic planning, encompassing defense, agriculture, and science and technology. He is particularly interested in developing computer technology for determining national economic priorities. On the international level, he has represented the Soviet Union in discussions with foreign governments concerning mutual trade and economic agreements. In this capacity, he traveled to Egypt in 1971 and 1974, to France in 1969 and to Syria in 1972. Lebedinskiy was also a participant at the International Industrial Conference held in San Francisco in September 1973. He appears enthusiastic about broadening US-Soviet technical and economic relations.

Born in Khar'kov, Lebedinskiy is probably a Ukrainian national. He speaks enough English for personal use, but requires an interpreter for conversations of a technical nature.

17 April 1975

Nikita L'Vovich DVORETS

USSR

Scientific Secretary, State
Committee for Science and Technology

Nikita Dvorets (pronounced dvuhRYETS) was identified as Scientific Secretary with the State Committee for Science and Technology (SCST) in April 1975. First noted with SCST in April 1973, he has been an expert with the USA Section of the Foreign Relations Department. A specialist in geology, Dvorets is knowledgeable about the US petroleum industry and has been a Soviet contact for Americans involved in US-USSR technical assistance agreements.

Dvorets has traveled to the United States on three occasions. He visited the United States in February 1971 as an interpreter for a group of Soviets attending an Arctic geology conference, and he returned the following April for a 3-month study of American oil well drilling techniques. In April 1974 he visited Stanford Research Institute and various US companies involved in SCST technical assistance agreements.

Nikita Dvorets was born on 7 July 1939 in Moscow. He is married and has two children. He speaks English well and is interested in American literature and music.

16 April 1975