

## **EIR Feature**

# **Gorbachov orders science drive to upgrade war industry**

by Rachel Douglas

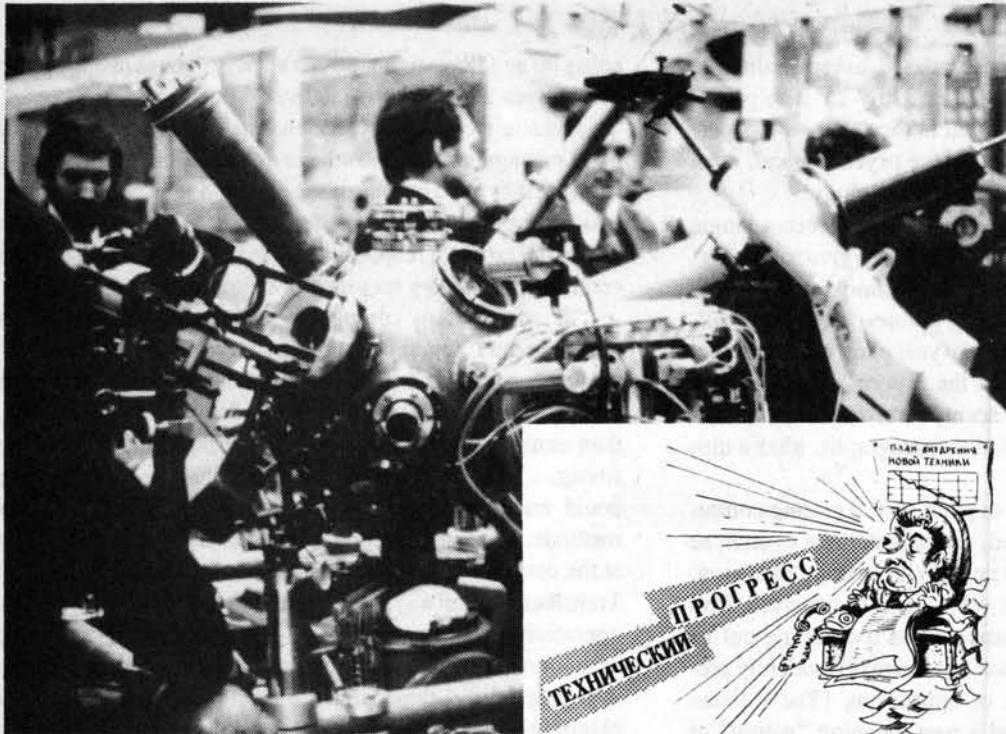
Soviet party boss Mikhail Gorbachov, when he returned from vacation in August, hurried to a meeting on the economy with government ministers and Communist Party Central Committee functionaries. For the second time in less than three months, Gorbachov threw the draft 12th Five-Year Plan (1986-90) back to the drawing board at Gosplan, the State Planning Commission, for further work.

That was the latest shock of the earthquake Gorbachov has triggered in the Soviet bureaucracy. His shake-up of the managerial layers on top of the civilian economy is assuming mammoth proportions, like nothing the Soviet Union has seen since Nikita Khrushchov fell. And this is just the beginning.

A Russian commentator described the process as "a replacement of ranking personnel in all components of the national economy." There will be more to come, during the lead-up to next year's 27th Congress of the Communist Party of the Soviet Union. Central Committee Secretary Yegor Ligachov told a July 26 session of party officials, "The interests of the cause require that the report and election campaign center on the fundamental problems of national economic management, scientific and technical progress, and quality of output. . . . Urgent cadre questions must be resolved, when necessary."

The Gorbachov team has been sacking government ministers at the rate of two per month, and provincial party bosses at about four per month, since March.

On top of the cumulative impact of that turnover, came a spectacular appointment, scarcely noted by Western press correspondents who are busy attending to every flutter of Gorbachov's eyelashes and nuance of his intonation, respecting the November summit with President Reagan. In July, first deputy chairman of the U.S.S.R. State Committee for Science and Technology Dzhermen Gvishiani was named one of five first deputy chairmen of Gosplan. Gvishiani, son of a Georgian KGB official and son-in-law of the late Prime Minister Aleksei Kosygin, is the globe-trotting official who helped create the anti-industry Club of Rome in the West, while in the Soviet Union, he built himself up as a whiz at the promotion of science and technology, especially by means of landing technical cooperation agreements with Western companies, from which the Soviet Union could benefit.



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Under the impetus of the Soviet arms build-up, the demand for rapid introduction of advanced technology is coming to the fore. Shown are scientists at Moscow's Lebedev Institute, a center of laser and nuclear-energy research. The inset cartoon, which appeared recently in the Soviet press, shows a bureaucrat whose "plan for the introduction of new technology" graph is going down, as he is struck by the lightning of "technical progress."

The purges, Gvishiani's appointment, and Gorbachov's rough handling of the 12th Five-Year Plan drafts, mark a drive by Soviet party and military leaders, to force a surge in industrial production at higher levels of technology. This battle for "the introduction of the achievements of scientific and technological progress" has been the watchword of every principal pronouncement, resolution, intervention, and personnel shake-up of Gorbachov's regime since he came in last March.

It is an absolute requirement of the war economy doctrine, laid down by Marshal Nikolai Ogarkov and his predecessors in the Soviet high command.

### 'Plan B'

*EIR's* Special Report *Global Showdown*, released in July, pointed to a Soviet push to activate what we called the Kremlin economic strategists' "Plan B," which would bring "a virtual revolution in Soviet economic policy of practice." Plan B would be Moscow's response to the U.S. economic boom that could be unleashed by a change in monetary, economic, and budgetary policies for crash implementation of the Strategic Defense Initiative—a boom the Soviets could not hope to outstrip, in their former mode of economic performance.

Constituting a Soviet imitation of the "crash program" doctrine of economist Lyndon LaRouche, Plan B would be associated with a purge of the Soviet bureaucracy, an attempt to challenge the Soviet people's ingrained resistance to rapid technological progress, and a shift of managerial and investment policy to very high rates of technological progress. The

housecleaning launched by Gorbachov, Ligachov, et al. is of that nature.

More profound than the turnover of personnel at the top, is the challenge to the habits of managers at every level, and of the population at large. Here, too, everything points to the "Plan B" described in *Global Showdown*. The Soviet commanders are trying to address what has often been labeled the "peasant problem" in Soviet production, to pry Ivan's mouth open and ram technology down his throat, like it or not. They are chasing after the means to achieve "a cardinal turn from passive edification, to the introduction of effective forms of giving the entire population access to modern knowledge," as Politburo member Vitalii Vorotnikov said in June, speaking about the "objective necessity . . . [of] fundamental shifts in the economy, on the basis of the modern achievements of science and technology."

The ongoing anti-alcohol campaign, whose propaganda is backed up by arrests, fines, and control of prices, is one token of that effort. Liquor store hours were cut back in the spring. On Aug. 15, a 30% price cut on fruit juice went into effect, alongside a nearly 300% increase in the price of the yeast used to make *samogon*, the deadly Russian home brew.

### Assimilation of technology

As for technology in industry, the discussion in Soviet newspapers has become extremely frank. The official media is admitting, that the past two decades, particularly, of singing the praises of the "STR" ("Scientific and Technological Revolution") have yielded just about nothing.

"Why do we not assimilate our own most advanced

achievements, sometimes for decades?" asked economic commentator Otto Latsis in *Izvestia* of July 25. The partial answer came in a follow-up column in the same newspaper, on Aug. 15. Igor Karpenko took up the psychological, even the cultural, side of resistance to new technology:

"In the last quarter-century, there has not been a single five-year plan or annual plan, which failed to give technological progress its due. *But the surprising thing is, that in all those years, not once was the plan for new technology fulfilled* [emphasis added]. Not the five-year plan, not the annual plan, not the quarterly plan. In the reports of the Central Statistical Administration, the scanty information on this invariably winds up in the concluding paragraphs, after a diplomatic 'at the same time' . . . .

"In search of an answer to explain such a glaring contradiction between word and deed, let us undertake to analyze the practice of *introducing* the new. With striking precision, our powerful language, by the very sound of the word, lays bare the essence of the phenomenon, as if combing out its inner meaning. This *introduction* [*vnedreniye*] evidently presumes somebody's resistance or opposition. [The Russian word has the prefix "into" and a root meaning "womb" or "inner depths"—ed.]

"For the last four five-year plans, *Izvestia* has unsuccessfully been trying to help the introduction of new extraordinarily important innovations for the economy—electron-ion technology and the automatic oil drill. . . . But no takers were found for the billions, which electron-ion technology would save the economy, and the drilling apparatus has not been 'introduced'—the people who were obliged to create it have stood there for twenty years, defending to the death their right to issue obsolete machinery."

### Strategic centralization

On Aug. 5, *Pravda* published a major party-government resolution on the economic "restructuring," as Gorbachov's management reforms are called. It gave the green light for greater "economic independence" and breadth of decision-making for Soviet economic enterprises in machine-building, consumer goods, and service sectors. Following the model of the recent "economic experiment" in five ministries, the increased autonomy of the companies is linked to a demand for improvements in labor productivity and the level of technology. On this, financial incentives depend: a 5% bonus on the price of a product if it meets certain standards, but a 5% cut if it does not. In a related decision, the regime decreed pay bonuses of up to 50% for scientists, technicians, or engineers who make a significant contribution toward modernizing industry.

From the Soviet discussions of this "restructuring," it is plain that the allocation of prerogatives to plant managers is far from the scheme of "decentralization," which scenario-writers in the West long supposed would be the key to loos-

ening up and liberalizing Soviet society. These managers are being given the freedom to deliver—or else.

*Izvestia's* Otto Latsis, concluding his discussion of how plant managers should now have more flexibility in shopping for what they need by way of supplies and semi-manufactured goods, stressed a point made also by Gorbachov: This is decentralization of responsibility, in the context of more tight centralization of key sectors of the Soviet economy:

"Is this system compatible with centralized, planned management? Yes, it is. And even more compatible than the present system. If we render unto the factory what is the factory's and render unto Gosplan what belongs to Gosplan, then centralized planning will not weaken, but grow more strong. . . . It would be naive to think, that the central organs could maintain proportionality only by means of indirect methods. In our huge economy, much has to be decided right at the center. The BAM [Baikal-Amur Mainline, the second Transiberian Railway—ed.]

operative. To master the oil and gas deposits of West Siberia without national decisions and resources is unthinkable. But it is precisely in those areas, that the deficit of a coherent planning will be particularly felt. And the problems that have arisen here are from pseudo-centralism of the institutional sort and from a lack of centralism in planning. Nor can we do without centralized decisions in the allocation of expenditures for basic science and the determination of the strategy of scientific and technological progress."

Accordingly, the party Central Committee's weekly *Ekonomicheskaya Gazeta* constantly draws attention to the importance of national technical programs and the pilot projects of special Science-Production Associations. Its recent features include articles on the industrial laser program launched by the Academy of Sciences and the State Committee for Science and Technology, and on the "Kriogen-mash" association, which works closely with factories of the chemicals industry, to test and put to work technologies of the super-cold.

On Aug. 22, the Armed Forces daily, *Krasnaya Zvezda* (*Red Star*), wrote that when it comes to progress in science and technology, "we are talking about replacing evolutionary processes with revolutionary changes, about an acceleration such as to permit a new technical restructuring of our national economy, to shift it to a qualitatively new technical and technological level, and to qualitatively transform the material-technical basis of society."

*Krasnaya Zvezda* author V. Kulikov reiterated the fundamental purpose of the entire endeavor:

"The necessity of accelerating socio-economic development also arises from the need to ensure complete technical and technological independence from the capitalist countries, above all in strategically important areas. This acceleration is dictated, finally, by the interests of strengthening the defense might of our state."