

FORTHCOMING CHANGES IN RUSSIA'S STRATEGIC PLANNING SYSTEM

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Legislative initiatives on the strategic planning system of the country are still remaining in the shadow of the topical military and political developments having impact on the economy and national security of the Russian Federation. In the meantime, further application of the "manual mode" in managing the economy is fraught with heavy costs.

The very first article of a new Federal Law No. 172 of June 28, 2014 *On the Strategic Planning in the Russian Federation* reads that it is not only establishes legal frameworks and powers of (federal, regional and municipal) government authorities, but also "the procedure for their interaction with non-governmental, scientific and other organizations in the field of strategic planning". Although it remains to be clarified who are the "others", the law is obviously intended to be all-inclusive.

Not least important is that the new law considers as integral the two principal components of our future, namely the socio-economic development of the Russian Federation and its national security policy. The need for this very linkage of interests and state administration potentials restricted by the law with the society's interests and potentials was analyzed in the research works of many scientific centers.

However, the previously noted harmful splitting of the state administration system into the national economic block and the so-called "power" or "state-security" block is still there, as evidenced by the lack of a principal strategic document which would consider these separately planned blocks as interacting and establish between them a balance of distribution of common resources of the state and society. Two baseline strategic planning documents have to date been identified in the Russian Federation, namely *The National Security Strategy of the Russian Federation (NSS-2020)* and the options of another strategy called *The Concept of Socio-Economic Development of the Russian Federation*.

A strategic planning document named the state program of the Russian Federation is mentioned in Article 3, Clause 31 of the new Federal Law No. 172. The document must contain "the package of planned policies interlinked through tasks, timing, contractors and resources, and state policy instruments ensuring as part of the key public functions the accomplishment of the priorities and goals of the policy regarding the socio-economic development and national security of the Russian Federation". However, analy-

sis of other articles of the Federal Law shows that the document is actually "excluded" from the strategic planning scope of actions, because the law provides no information on when and by whom the document is to be developed, by whom, how and when it is to be applied and implemented. If a body of programs (there are about 40 programs in place) is meant here, then who is to be responsible for its integrity and consistency.

In practice, the development strategy of the Russian Federation is now determined primarily by the body of presidential decrees signed by the President shortly after the inauguration, and his subsequent executive orders, instructions and decrees, rather than strategic planning documents. Given the globally existing public administration traditions, the state strategy must be guided by complying with the Constitution of the Russian Federation and the framework of other documents comprising:

- international law documents and international treaties;
- constitutional and federal laws of the Russian Federation, as well as presidential decrees on the problems not promptly reflected in the legal framework;
- non-formalized, subject to discussion, prioritized by the national consciousness, socio-economic and political living conditions, cultural and scientific and technical achievements, as well as the balance of interests, threats, risks and other factors available in this country and the rest of the world.

However, the new law substantively shows an attempt to legalize the prevailing practice. In Article 11 thereof the main sources of targeting in strategic planning at the federal level first of all refer to annual presidential addresses to the Federal Assembly and only secondarily the documents such as socio-economic development strategy, national security strategy, as well as the basic principles of state policy, doctrines and other documents on the national security of the Russian Federation.

Table 1

PERIODIZATION OF THE STRATEGIC PLANNING PROCESS

Article and clause of the Federal Law No. 172	Definitions and wording of actions in the process of strategic planning	Stages, periods and timing
Art. 15	Presidential address as the basis for defining strategic goals and priorities, as well as presidential decrees in furtherance of the address	Annually
Art. 16	Socio-economic development strategy of the Russian Federation (the basis for making and updating the list of state programs)	Developed once in every six years on the basis of presidential addresses
Art. 18	National Security Strategy of the Russian Federation	Developed and updated once in every six years on the basis of presidential addresses
Art. 19 -21	Strategies: sectoral, inter-industry, special development of the Russian Federation, socio-economic development of macroregions	Developed and updated for a long-term period
Art. 22	Scientific and technological forecast	Developed and updated once in every six years for a period of six years and beyond
Art. 23	Strategic Forecast of the Russian Federation	Developed and updated once in every six years for a period of six years and beyond
Art. 24	Long-term projection of socio-economic development of the Russian Federation	Developed and updated once in every six years for a period of six years and beyond
Art. 25	Long-term budget projection	According to the budget code
Art. 26	Mid-term projection of socio-economic development of the Russian Federation	Annually for a mid-run period
Art. 27	Main trends in the activity of the Government of the Russian Federation	Annually for six years
Art. 28	State programs of the Russian Federation approved by the Russian Government	For a period set by the Government of Russia
Art. 29	State arms program approved by the President of Russia	For a period set by the President of Russia
Art. 31	Action plan for federal executive authorities	For six years, can be updated

It remains to be clarified how annual (!) presidential assignments can be matched with long-term (!) strategic provisions of the state policy. This is obvious disadvantage of the law. Nonetheless, the law has some advantages.

Among the advantages are that the concept of strategic planning covers all of its key components and stages: targeting, forecasting, planning and programming, as well as monitoring and control over the implementation of strategic planning documents. It would be more reasonable to speak about the need to analyze not only and not just documents, but the extent to which actual objectives of the development of the society and the state are fulfilled. Since it would otherwise be impossible to find reasons for possible failures of plans, explain involuntary adjustments, learn any lessons.

A special issue is the civil society engagement in the process of strategic planning. Strategic plans should be understood and approved by the society. However,

no nationals are mentioned among the participants of strategic planning at the federal, regional, and even municipal levels.

At the same time, public discussion of draft strategic planning documents (Art. 13) hasn't been neglected. There is a goal "to ensure that information of the general provisions of strategic planning documents is open and available". However, for some purpose or other the new law repeats a cut and dried wording expressing care about "state, commercial, official or any other legally protected secret". Who and on what grounds will include various, not only state but other, secrets into public strategic planning documents? What, in particular, is the strategic commercial secret, hidden from the citizens, that is being taken care of by those bureaucrats who wrote this wording in the law? How does this agree with the strategic planning objective (Art. 8, c.10) which provides for "the creation of conditions to engage individuals and economic entities to participate in the process of strategic planning"?

The issue of periodization of the strategic planning process is worth noting too. *Table 1* shows upper level periodization of the process.

However, no frequency has been established for the development of a single coordinating state program of the Russian Federation or coordination of many stand-alone programs. According to the wording of the law, formally individual presidential addresses to the Federal Assembly will remain the reference generator of the strategic planning framework in the Russian Federation.

Six-year (!) frequency for all long-term cycles will be the most prominent novelty in the strategic planning framework in the Russian Federation. Perhaps, the frequency offers advantages. However, there is obvious disadvantage though. The forecast horizon will be shortened annually within six years. It would be more logical to introduce a “sliding” mode of planning, allowing all planning documents (basic development trends, forecasts, programs and plans) to be developed from scratch or annually extended to the required depth, as is the case with budget planning.

Finally, it’s worth noting the following.

The new law considers the two most important branches of strategic planning – socio-economic development of the Russian Federation and national security – simultaneously, but without the required interaction. In particular, the issue of distribution of limited (human, material, financial and other) resources between these branches (respective public administration bodies) hasn’t received due consideration. Double-purpose works will not be defined, which may lead to irrational spending of funds. Perhaps, the same content should have been embedded into a special coordinating state program of the Russian Federation. Otherwise it would be difficult to rationally transfer new knowledge, technologies and component parts, as well as human resources from the “defense” or “power” block of the economy into the national economic block and vice versa. The degree of engaging the civil society to participate in strategic planning appears to be low, making it impossible to count on meaningful and wide social assistance of the plans and their successful fulfillment. ●