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Book review:
Ekaterina V. Kudryashova
“Pravovoe regulirovanie strategicheskogo
planirovaniya v sfere
gosudarstvennykh finansov: monografiya”
[Legal regulation of strategic planning
in public finance: monograph]

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Russia has strong traditions of state planning since the Soviet times and it is now among the first few states which issued the law on strategic planning — the Federal Law No 172-FZ of 28 June 2014 “On strategic planning in the Russian Federation”. The law on strategic planning did not appear without any background. In fact, in the late soviet period, various attempts were made to come up with the legal basis for planning and there were a few main milestones. However, no results were achieved and no legal basis was elaborated. The Federal Law on Strategic Planning of 2014 is a systematic attempt to establish a new legal regulation for the formation of state policy. The legislator announced that there would be a whole system of strategic planning in the Russian Federation. The political significance of the law should be noted as this law represents the advanced level of social consensus on the framework of strategic planning in Russia, which is a positive sign in terms of social stability and trust.

Another formal basis for strategic planning in Russia, which may be even more important, is the bunch of executive orders of the Russian President setting the goals of development for the presidential term. The President's executive order of 2018 is now in the focus of the political and social life and it is widely discussed in the mass media. The members of Russian Government and the heads of the regions are supposed to bear the personal political liability for implementation of the strategic goals and objectives outlined in the President's orders.

All these developments in Russia reflect the importance of strategic planning in contemporary Russia.

The issues of strategic planning are discussed not only on the national but also on the international level. Strategic planning and public management are subjects of documents issued by different international organizations like the World Bank, the Organization of Economic Cooperation and Development. For example, in 2013 the Organization of Economic Cooperation and Development issued the document entitled "Strategic Insights from the Public Governance Reviews: Update".¹

Strategic planning in the public sector is in the top lines of the academic discussion. There are some new books on the topic of strategic planning issued and debated in the international academic environment.² The author of the reviewed monograph is also involved in the international debates as she took part in one of the international study on the strategic management in different parts of the World.³

In Russia the topic of strategic planning is mostly discussed in the articles,⁴ rather than in full-fledged monographs. Although the

¹ OECD, *Strategic Insights from the Public Governance Reviews: Update*. OECD Conference Centre. Paris. (2013).

² See P. Joyce. *Strategic management in the Public Sector*; Bryson JM *Strategic Planning for Public and Nonprofit Organizations: a Guide to Strengthening and Sustaining Organizational Achievement* (5th Edition. Wiley, 2018); Drumaux A., Joyce P. *Strategic Management for Public Governance in Europe*. IIAS Series: Governance and Public Management. London NY. Palgrave MacMillan (2018).

³ E.V. Kudryashova *State Planning and Budgeting in the Russian Federation, Developments in Strategic and Public Management* (P. Joyce et al. eds, 2014). https://doi.org/10.1057/9781137336972_10.

⁴ See e.g. M.V. Vilisov *Rol zakonodatelstva o strategicheskoy planirovaniy v formirovaniy gosudarstvennoy politiki* [The Role of Legislation on Strategic Planning in Public Policy], 24 (6) *Vlast*. 5–14 (2016). (in Russ.).

problem is very important as we could see in the introductory part of this review. The reviewed book is one of the first fundamental research on the issues of strategic planning in the monographic form after the Federal Law on Strategic Planning was adopted. The monograph contains a really profound research and relies on the amplified range of sources pertaining to different scientific schools, different epochs and different countries. This range of sources enhances the credentials of the monograph.

The reviewed monograph is a culmination of previous efforts of the same author to study the legal regulation of strategic planning and the factors influencing the way of its development. The author published her first monograph on legal issues of strategic planning in 2013.⁵

The book *“Legal regulation of strategic planning in public finance”* as it follows from the title covers only the legal aspects and only the public finance field of strategic planning. This scope is cogently justified in the monograph. The implementation of strategic planning in Russia coincided with a number of reforms. The main reforms are administrative and budgetary reforms that constituted the environment for strategic management at the beginning of the 21st century in Russia. Strategic planning initially was piloted in the planning of the public finance and shifting to the program budgeting. In one of her articles in English preceding the reviewed monograph, the author has demonstrated how the strategic planning fit in the context of the budgetary reform in Russia.⁶

Notwithstanding the narrowed scope of the monograph, the author employs the conceptual approach to strategic planning as to one of the methods of public management. Therefore, many conclusions can be made and applied to other social spheres. It is notable that the author does not consider the program method as the main and or the only possible dimension of strategic planning. The combination of program,

⁵ E. Kudryashova *Sovremennyy mekhanizm pravovogo regulirovaniya gosudarstvennogo planirovaniya [The contemporary legal regulation mechanism of the state planning]*, Moscow. Biblio-Globus (2013).

⁶ E. Kudryashova. Budgetary institutions in the context of budget reform in Russia, 2 (6) *Kutafin University Law Review* 347–357 (2016).

normative and other approaches is proposed as the best practice. The evolution of planning from the short-term internal planning to the strategic paradigm is presented in the first chapter of the book showing the logic of the development. The main components of the contemporary strategic planning according to the monograph are the goal-setting and the horizon of planning as it follows from the social sciences recent achievements. These two main components are to be reflected in the law. The Russia's practice and the practice of the other states, advantages and disadvantages of different legislative and political models are explored in the book. For example, during the political, economic or social crisis the horizon of planning shrinks. The monograph demonstrates how this pattern is accommodated in the law. The author alleges that the financial planning is the first one to recover after the deep political crunch and it will recover with a very short horizon. The author of the monograph points out that the horizon of planning should not be understood only as the timeperiod. The planning horizon is concerned with the resources of different types, space and risks.

Much of the book is devoted to the theoretical legal issues of the planning acts that are nearly most peculiar in the contemporary law. It is alleged that the planning act should be considered as integrated indivisible rule of law representing the desirable vision of the future. The individual provisions, indicators, figures or other type of provisions cannot be separated and considered to be specific rules of law. The planning act according to the monograph is a regulating unity. The planning act represents certain level of the regulation requiring further legal acts that shall proceed from the level of general vision to the level of relations between the specific subjects. These findings are quite important from the legal theory point of view. In this respect, the title of the monograph may be misleading, and many interested researches can pass by these important conclusions. In the financial sphere there are quite a few finance planning acts. The monograph deals in details with the main ones: law on budget, state programs etc. Some historical forms of planning acts that are not in force any more are also mentioned as examples.

The issues of planning are demonstrated across a broad set of cases. By this empirical analysis the inconsistencies and problems in the day to day law application become clear. Here it comes to the recurring problem of the law field that lacks the theoretical basis for the application of the law. To certain extent the monograph *Legal Regulation of Strategic Planning in Public Finance* gives theoretical guidelines for courts, therefore, the book certainly has potential or actual usefulness in practice. Although the powers of the law science are not highly rated today in the community of practitioners.

The shortcoming of the monograph is that the author has not paid much attention to the detailed criticism of the Federal Law on Strategic Planning Provisions. The law is progressive, but it is not flawless. This law is central for all kind of planning even though the public financial planning has its own sound legal basis analyzed in the monograph. The detailed commentary to the provisions of the Federal Law on Strategic Planning could be expected in the book with this title. May be even the numerous executive strategic orders could be commented in the monograph although they tend to be more tactic documents with a limited period of validity. Another point of criticism is that the book fails to engage the supranational level of strategic planning in the scope of the analysis. It is one of the prospective directions of the strategic planning development. There are already academic studies of strategic planning in the European Union. Some common programs have already been introduced in the EU and already have encountered some opposition in the member-states. These processes have already attracted the researches. The analysis of this experience and the academic findings regarding the EU experience could be very appropriate in the book on strategic planning theory. Moreover, there is a legal framework for macroeconomic coordination in the Eurasian Economic Union and certain discussion has already begun on strategic planning. There are a few ideas about strategic planning on the EAEU level in one of the recent articles by Ekaterina Kudryashova.⁷ Still it seems that the detailed research is missing in the book.

⁷ S. Shokhin & E.V. Kudryashova, Macroeconomic coordination in the Eurasian Economic Union: strategic aspects, 7 (3) *Russian Law journal* 38–53 (2019).

Yet, those are by no means fatal omissions of this timely and important book. The book is full of interesting ideas and offers important insight into the legal regulation of strategic planning. It may be predictable that the book could be interesting not only to the national but also to the international readers, therefore, it is worth taking efforts to make it available for the international academic audience. It may be recommended that the book be translated into English and the access to it should be expanded.

In summary, the book by E. Kudryashova *Legal Regulation of Strategic Planning in Public Finance* certainly becomes a landmark for research in the field of public planning. It is nothing less than an excellent attempt to come up with a doctrinal systematic approach to strategic planning. The reviewed book addresses difficult problems and the law science is amplified and enriched by theoretical and empirical findings. The book deserves closer attention by the specialists and further discussion.

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