

The impetus for economic reform and the creation of an international comparisons system in Comecon (1962–1969)

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Abstract

This paper examines the impact of economic reforms in the USSR and the Comecon countries, in particular the Kosygin reform (1965), on the development of a system of international economic comparisons in 1962–1969. Using previously unpublished archival materials from Comecon and Soviet statistical agencies, the author shows that reform initiatives stimulated methodological innovations, such as purchasing power parity (PPP) comparisons. However, institutional conflicts, ideological constraints, and technological limitations hindered the system's integration into global practice, notably the UN International Comparison Program (ICP). The article argues that, despite partial successes, the stagnation of the project after 1969 reflected deeper systemic deficiencies within planned economies, including bureaucratic inertia and unresolved competition among research centers.

Keywords: Kosygin reform, purchasing power parity, Comecon, CMEA, institutional conflicts, planned economy, Soviet statistics.

JEL classification: B, B2, N, N1.

1. Introduction

The late 1950s—mid-1960s marked a turning point for the economies of the socialist bloc countries. The increasing complexity of the structure of production and services, the transformation of international trade, and the emergence of consumer culture spurred political leaders' interest in new managerial approaches and the assessment of economic efficiency. During this period, the governments of the USSR and European socialist countries initiated a range of reforms, from Khrushchev's decentralization of management (Pivovarov and Simonov, 2024)

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and the creation of a world socialist system (Lipkin, 2019) to a revision of the role of profit and material incentives within the framework of the Kosygin reform (Nureev, 2017; Lazareva, 2021; Feygin, 2024a, 2024b).

At the same time, global changes in the world economy stimulated an intensive search for methods of comparing economic indicators, necessary both for the internal coordination of the planned economy and for positioning in the global context of the Cold War confrontation. Interest in international comparisons grew on both sides of the Iron Curtain, but differences in the principles and methods of collecting and processing data created a serious barrier to global comparisons. In socialist countries, the Material Product System (MPS) was calculated, while in the West—and then throughout the world—statisticians switched to calculating the System of National Accounts (SNA). Therefore, when the UN International Comparison Program started in 1968, only Poland and Hungary participated in it from the socialist countries, while, in general, the countries of the Council for Mutual Economic Assistance (CMEA, or Comecon) preferred to go their own way.

The creation of an independent system of international comparisons of socialist countries was a nontrivial task. The economic systems of the Comecon member states were based on common principles of directive management and centralized planning, but had serious differences in their implementation. In particular, the methodologies for calculating key indicators differed significantly: national income, cost of industrial production, consumption levels, investment efficiency, and the determination of consumer prices. In addition, within a given country, the tasks of comparison could fall within the purview of competing research centers, which gave rise to conflicts even within national systems. For example, in the USSR, comparative calculations of economic statistics were simultaneously made by the Central Statistical Administration (TsSU) of the USSR, the Scientific Research Economic Institute (NIEI) under the State Planning Committee (Gosplan), the Institute of World Economy and International Relations (IMEMO) of the USSR Academy of Sciences, the Institute of Economics of the World Socialist System (IEMSS) of the USSR Academy of Sciences, and others. All these differences made direct comparisons of the USSR and other socialist countries extremely difficult and required enormous efforts to unify statistical accounting and overcome institutional conflicts and bureaucratic fears (including fear of exchanging large volumes of information), both between countries and within them (Ivanov and Khomenko, 2019).

To understand the context in which this system was created, it is essential to recall the fundamental political-ideological and institutional nature of Comecon. Foundational studies characterized the organization as a political project for constructing a socialist alternative to the capitalist world economy, where economic cooperation was subordinated to the ideological goal of “socialist economic integration” (Faddeev, 1964; Schiavone, 1981). Its institutional structure, based on the principle of unanimity, was designed to formally uphold the sovereignty of member states, but in practice it often led to protracted negotiations and lowest-common-denominator compromises, hampering the implementation of ambitious initiatives (Wallace and Clarke, 1986; Shirokov, 2005). This created a permanent tension between the USSR’s hegemonic role and the protection of national interests by other members, that defined the political-economic land-

scape for all Comecon projects, including the international comparisons system explored in this article.

Modern historiography has moved away from the idea of Comecon as an organization through which the USSR dictated its will to Eastern Europe (Müller and Martínez Hernández, 2025), presenting a more complex picture of the interaction of politicians, economists, managers, and scientists in the bloc countries, where there was room for horizontal interaction, protection of national interests, and implementation of national development strategies (Romano and Romero, 2021). The contribution of socialist countries, including Comecon member states, to the formation of the modern world through their influence on globalization processes (Lorenzini, 2019; Sanchez-Sibony, 2023; Tomka, 2024), and the creation of a rigid industrial infrastructure and institutions of scientific and technological cooperation among Eastern European countries, has been rethought (Popov and Kochetkova, 2024). Of course, bureaucratization, political and ideological restrictions imposed serious limitations on the possibilities of cooperation among socialist countries within Comecon, preventing the full realization of the potential for cooperation, as was the case, for example, in the area of standardization efforts (Volfson, 2018).

The contribution of Comecon programs to the development of global statistical research has also been revised. Today, we know that these programs were useful for the development of UN economic initiatives (Heston, 2017), and the results of purchasing power parity (PPP) comparisons can be used to refine UN historical data (Ivanov and Ponomarenko, 2025). However, in these and other works on the development of the Comecon international comparison system (Ivanov and Khomenko, 2019; Ivanov, 2023), the main attention is paid to the specific features of statistical research. At the same time, the historical context of the program's formation, the connection of these processes with internal reforms—especially the Kosygin reform—and a detailed analysis of institutional conflicts and methodological dilemmas remain insufficiently studied.

How did the internal impulses of economic reform in the USSR and the Comecon countries (primarily the Kosygin reform) influence the creation and final results of the system of international comparisons within Comecon? What were the limitations on the success of this system? Finally, why was this system not fully integrated into the UN International Comparison Program?

2. Materials and methods

Based on previously unpublished materials from a wide range of archival sources, including the records of the Comecon Standing Commission on Statistics and the minutes of meetings of the methodological councils of TsSU in the Russian State Archive of the Economy (RGAE), the records of the Office of the Central Committee of the Communist Party of the Soviet Union (CPSU) in the Russian State Archive of Contemporary History (RGANI), as well as published abstracts of reports and memoirs by participants in the events, this study aims to fill the existing gap. We draw methodological inspiration from Adam Tooze (2001) approach, which suggests considering statistics as a derivative of the activities of actors who try to make sense of the surrounding reality. Although Tooze expressed this thesis in relation to statistics in the early twentieth century, it still seems relevant today and is especially applicable to socialist countries.

In the case of the USSR, measuring the parameters of economic growth was of particular importance, since catching up with developed economies was one of the key ideas of the Soviet state from the moment it proclaimed itself a “state of workers and peasants.” As the bureaucratic apparatus, planning capabilities, and the structure of the economy itself developed, Soviet managers also needed statistical indicators that would allow them not only to manage the economy more effectively, but also to determine its place in the world more accurately. At the same time, the Marxist-Leninist theory that underlay the Soviet economic model emphasized the role of material production, which shaped both the specific nature of core indicators such as the MPS and the objectives for the development of Soviet statistics.

Modern studies of the history of the preparation of the Kosygin reform, in particular, demonstrate a high level of professional training among individual experts involved in the discussion of reforms, who were familiar with Western economic theory in spite of limited access to the latest publications in socialist countries (Lazareva, 2021; Feygin, 2024a). However, their discussions and decisions were undoubtedly influenced by established practices, the availability of computing equipment, and their own ideological attitudes to the superiority of the socialist system, which in the late 1950s—early 1960s were supported by visible successes in technical achievements and economic growth rates—successes recognized by Western observers. It is important not to overlook the ideological, political, and infrastructural constraints that experts and scientists in socialist countries were forced to follow in their work.

Taking this context into account is fundamentally important for understanding the logic of politicians and experts in socialist countries when choosing statistical methodologies and evaluating Western calculation methods. The emphasis on material production and physical indicators in socialist countries did not align well with the indicators used in Western economies, where, for example, foreign trade and the growth of the service sector made a significant contribution to national income. This reduced the adequacy of assessments of living standards and efficiency. Direct comparisons of indicators were therefore inappropriate and required the development of complex methods for converting data from one statistical system to another. By the end of the 1950s, it had become obvious that the official exchange rates of the Comecon countries (and the ruble in particular) did not reflect real purchasing power and were unsuitable for comparing price levels, the cost of living, and real production volumes (Ivanov and Ponomarenko, 2025). Comparisons based only on a narrow range of physical indicators ignored a large part of the economy, as well as differences in the structure of consumption and production.

In response to these challenges, the methodology of comparisons based on PPPs was developed. The calculations drew on the work of Western economists (see, for example, Gilbert and Kravis, 1962) and were adapted to the conditions of the socialist economy. The essence of the PPP method was to compare price levels for representative sets (“baskets”) of goods and services in different countries to determine the ratio of the purchasing power of their currencies. This made it possible to recalculate value indicators (national income, consumption) into a comparable currency that reflected real volumes, rather than being distorted by exchange rates.

3. Results

The revitalization of Comecon after 1954 involved attempts to develop instruments for coordinating national methodologies for economic calculations. In particular, for these purposes, in 1958 the Comecon Standing Commission on Economic Affairs (SCEA) was created—a periodically convened body that consisted of leading economists from the Comecon member states (Faddeev, 1964). Within the framework of this commission, a wide range of methodological issues were discussed, from recommendations for calculating mutual trade prices and the efficiency of capital investments to standards for collecting statistical data from the organization's member states and preparing analyses of economic development.

The organization of PPP-based international comparisons was assigned to the Working Group created in 1960 under SCEA. Its main task was to compare the national income of member states. The activities of the group were incredibly labor-intensive: it was necessary to agree on the nomenclature of goods and services (representative goods) to be compared, collect data on prices and physical volumes of consumption and production by country, and calculate PPPs for various components of national income, including the consumption fund and the accumulation fund. The volume of theoretical and practical work was so significant that the results of the comparison for 1959 were published only in 1965 (Ivanov and Khomenko, 2019). However, given the transformation of the economies of the Comecon member states, the intensity of global economic processes, and the long period required for data collection and processing, the advisability of such detailed calculations for operational needs was questioned.

At the same time, political leaders' demand for up-to-date statistical data on the Eastern bloc remained high. These data were required to understand the possibilities of coordinating development, including such ambitious projects of the Khrushchev government as the implementation of the “Basic Principles of the International Socialist Division of Labor,” adopted in June 1962 (CMEA, 1983). Therefore, at the extraordinary 16th Session of the CMEA in June 1962, together with the approval of documents on the “socialist division of labor,” a decision was made to create a Standing Commission on Statistics (SCS), as well as Standing Commissions on Standardization and on Coordination of Scientific and Technical Research.

In general, the active phase of developing the methodology of international comparisons in Comecon coincided with the period of public discussion of large-scale reforms aimed at changing planned indicators, increasing the flexibility of the economic system, and expanding the role of material incentives. In the USSR, this period is traditionally associated with the publication of the article “Profit, plan, bonus” by Evsey Liberman (1962). By the time the implementation of the Kosygin reform had begun in the USSR in 1965, as well as economic reforms in other countries of the socialist camp (primarily in the GDR and the Czechoslovak Socialist Republic), there were already prerequisites for intensifying the work; there was clearly demand for a system for collecting and preparing data for international comparisons (Kontorovich, 1988). Even taking into account the fact that the new leaders of the country rejected Nikita Khrushchev's idea of creating

a “world cooperative of nations,” the idea of coordinating the economic development of the USSR and socialist countries remained popular among politicians and economic managers.

Paradoxically, the reform period witnessed intensified disputes over the openness of statistical data. A striking example was the scandal in November 1962, when the Deputy Director of IMEMO, Vladimir Strigachev, sent a report to the Central Committee of the CPSU addressed to Alexander Shelepin, in which he accused TsSU of “damaging the country’s defense capability.”¹ The fact is that TsSU published the indicators of the USSR’s 1959 inter-industry (input–output) balance, which, in the official’s opinion, provided “intelligence agencies of capitalist countries with the basic information for assessing the mobilization capabilities of our country.”² Despite the absurdity of the concerns—including the suggestion that American intelligence could use the data to determine the size of Soviet troops and the level of military production—they became the basis for an investigation.³ In response to the accusations, specialists from TsSU argued that Strigachev himself did not understand the content of the published statistical data, and that his own research was “charlatanism” and a “dangerous waste of state funds and labor.”⁴ This was probably a fair statement, given that Strigachev was attempting to reconstruct the model of U.S. military production in 1962 based on incomplete data from the 1947 input—output balance. In early 1963, the Scientific and Methodological Council (NMS) of TsSU, in a document signed by its director Anatoly Yezhov, as well as Academician Stanislav Strumilin and Professor Aron Boyarsky, concluded that IMEMO’s concerns were unfounded.⁵ At the same time, conclusions were submitted by specialists from IEMSS of the USSR Academy of Sciences and NIEI under Gosplan, who recognized the publication of input—output balances as useful and insisted on more detailed publications in the future.⁶

The scandal of 1962 showed that even among experts there was demand for open data. This created the background for discussions about the possibilities of reforming the Soviet governance system in the early 1960s and later during the Kosygin reform (see Table 1).

Statistical research in the field of international comparisons was clearly experiencing a reformist impulse in the USSR. Beginning in 1961, there was a wide discussion about both expanding the publication of data for the convenience of economists (or, in some cases, expanding access to these data for specialists from other Comecon countries) and introducing more Westernized calculation methods. The fact that representatives of competing intellectual centers of statistical calculations (TsSU, the Academy of Sciences, and NIEI) demonstrated solidarity in the “Strigachev case” was evidence of the intellectual atmosphere of readi-

¹ [Letter from V. I. Strigachev dated November 23, 1962]. Russian State Archive of Modern History (RGANI) F. 5, Op. 38, D. 230, L. 2.

² RGANI, F. 5, Op. 38, D. 230, L. 3.

³ RGANI, F. 5, Op. 38, D. 230, L. 10.

⁴ [Information from the Central Statistical Administration specialists regarding Strigachev’s letter of December 25, 1962]. RGANI, F. 5, Op. 38, D. 230, L. 18.

⁵ [Certificate of the Scientific and Methodological Council of the Central Statistical Administration regarding Strigachev’s letter of December 25, 1962]. RGANI, F. 5, Op. 38, D. 230, L. 27–28.

⁶ [Conclusion of the Scientific Research Economic Institute of the State Planning Committee regarding Strigachev’s letter of December 11, 1962]. RGANI, F. 5, Op. 38, D. 230, L. 30.

Table 1

Chronology of key events in the creation of the CMEA comparison system, 1962–1969.

Year	Event	Content
1960	Creation of the Working Group on Comparisons under SCEA	Marks the start of formal PPP-based comparison efforts within Comecon
1962	16 th Extraordinary Session of Comecon; Creation of the Standing Commission on Statistics (SCS)	Institutionalization of statistical work; the lead-up to the Kosygin reform era. Creates a parallel structure to SCEA, leading to future conflicts
1962	“Strigachev scandal” over the publication of input–output data	Highlights the ideological sensitivity of economic data and the demand for openness among experts
1965	Publication of comparisons for the base year 1959	First major result of the Working Group’s efforts, demonstrating the immense time lag inherent in the detailed methodology
1966	Moscow conference on the methodology of value indicators	Peak of scholarly exchange and reformist impulse, gathering leading economists from across the socialist bloc
1966	SCS project on price statistics in member states	Revealed the “great diversity” in pricing principles and data collection methods, a major methodological hurdle
1968	Launch of the UN International Comparison Program (ICP)	Hungary and Poland join; the USSR and most Comecon countries abstain, cementing the socialist bloc’s statistical isolation
1969	TsSU meeting on comparison methods (Martynov, Zlomanov, Kudrov)	A key internal Soviet debate exposing the conflict between traditional (ruble-based) and modern (multi-currency PPP) approaches

Source: Compiled by the author.

ness for reform that prevailed among economists and managers in the mid-1960s (Lazareva, 2021).

The emergence of the set of measures known as the Kosygin reform was the result of many years of debate about the need for reforms to improve the efficiency of the Soviet economy (Nureev, 2017). The key elements of the reform required more adequate instruments for assessing efficiency both within the country and in international comparison. The planned economy needed more fine-tuning, and the leadership’s ambitions in “peaceful competition” required convincing evidence of success. This sharply increased the demand for up-to-date and comparable statistics both within the socialist bloc (for coordinating plans within Comecon) and for comparison with the West.

The start of the reform once again coincided with intensified discussions among economists and statisticians regarding the methodology of international comparisons, as well as the beginning of a new stage of calculations. Since 1965, IEMSS and NIEI began preparations for a major conference on the topic. Many leading economists spoke on the USSR side (Stanislav Strumilin, Leonid Zlomanov, Yakob Ioffe, Valentin Kudrov, Vasily Simchera, and others), and their reports were prepared, published, and distributed (albeit with restrictions for official use) in 1965. The international scientific conference on the problems of the methodology of value indicators of the Comecon member states was held in early February 1966 in Moscow and brought together about 150 participants from socialist countries (USSR Academy of Sciences, 1968). Then, in November 1966, NIEI published a collection of translations of the most important Western

articles on international comparisons (Gosplan, 1966). This was the first time since the publication of the Russian translation of the book by Milton Gilbert and Irving Kravis in 1962. In parallel, the Comecon Working Group began elaborating materials for international comparisons based on 1966 data, using the same careful approach that underlay the comparison for 1959.

Nevertheless, the main problems associated with the development of its own system of international comparisons persisted. This included conflicts over competencies at the Comecon level among countries, national delegations, and the Secretariat department, as well as between SCEA and SCS. When, in 1968, the UN Statistics Division, together with the University of Pennsylvania, launched its own International Comparison Program, only two Comecon countries took part in it—Hungary and Poland. On the one hand, this was explained by the traditional leadership of these two countries in the field of statistical research (Zoltan Kenessey, a representative of the Hungarian Statistical Office, became co-director of the program together with Irving Kravis), and by the program's initially limited scope, which assumed participation by only 11 countries. On the other hand, participation was constrained by Soviet political and economic realities. As in the case of management reforms, these realities often depended on established institutional practices, competition among decision-making centers (TsSU, Gosplan, IEMSS, and others), and broader attitudes toward reforms, which Yakov Feygin (2024a) called the “conservative consensus” within the Soviet political leadership.

4. Analysis and discussion

Institutional conflicts were a key obstacle to developing international comparisons within Comecon. The competencies of the Standing Commission on Economic Affairs and the Standing Commission on Statistics were not clearly divided, which led to clashes. The 16th Extraordinary Session of Comecon defined the main task of the latter as developing recommendations for member states on the unification of statistical accounting (unification of statistical indicators, units of measurement, nomenclatures, classifications, and statistical methodology). To implement this task, the new commission had to ensure the comparability of data, which implied intruding into areas covered by the working groups of SCEA. The conflict over competencies lasted for years. For example, in 1968, in a report on the work of SCS, the chairman of the Statistics Department of the Comecon Secretariat, Ivan Ryzhov, proposed transferring to his specialists the task of comparing value indicators “taking into account the materials of the Standing Commission on Economic Affairs.”⁷ Attempts at a formal transfer of powers were blocked by the staff of the Comecon Secretariat.⁸ It is important to emphasize that national delegations to the commission, particularly the Polish

⁷ [Report of the Chairman of the Standing Commission on Statistics “Questions of further work by interested countries and bodies of the Council in the field of international comparisons and unification of statistical methodology and indicators characterizing the development of the economy and economic and scientific-technical cooperation with the CMEA” dated April 11, 1968]. Russian State Archive of Economy (RGAE), F. 561, Op. 7, D. 240, L. 9.

⁸ [Summary of speeches on issues discussed at the 10th meeting of the CMEA SCS]. RGAE, F. 561, Op. 7, D. 239, L. 42 ob.

and Czechoslovak ones, insisted on strengthening the commission's work to ensure data comparability, which de facto encroached on the competencies of other commissions.

Another challenge stemmed from the ambiguous status of Comecon bodies compared to national statistical offices. An episode connected with preparations for the 11th session of the UN Conference of European Statisticians (CES) in June 1963 is indicative. Ryzhov requested participation and the opportunity to present a report. The response from the chairman of the Hungarian Central Statistical Office, György Péter, the informal leader of statisticians in the socialist countries, was reserved and cautious: "One can imagine a situation in which the Comecon representative will consider it more correct not to speak in the discussion at the first session." Péter⁹ emphasized that the practice of informal coordination of socialist countries' positions had already been established, and that excessive activity by Secretariat representatives could be perceived negatively. As a result, the delegation of the Comecon Secretariat arrived in Geneva and attended the CES meeting on June 17, 1963. From its report, we know that the issue of comparing the balance systems (MPS and SNA) was discussed at the CES, during which the delegations of socialist countries sought "equal recognition of both systems." Péter argued that developing a single system on the basis of two fundamentally different ones was impossible; therefore, it was necessary to work on "keys" for transitioning from one system to the other. He also insisted on the equal presentation of data for both systems in UN publications, which had not yet been done at that time. The Comecon Secretariat delegation declined a proposal from the director of the UN Statistics Division, Patrick Lovtus, to involve Comecon in this work, since "the work on unifying the entire system of indicators for calculating the balance of the national economy has not yet been completed in Comecon."¹⁰ This was a blow to Comecon's prestige and an admission that internal work was incomplete. The report of Comecon delegation members Ryzhov and I. Păcuraru included a recommendation to the Secretariat's methodology department to urgently complete the unification of BNE indicators in order to "stand in opposition to the system of Western countries."¹¹ This episode illustrates a central Comecon dilemma: the desire for an equal dialogue with the West ran into incomplete internal unification and ideological barriers.

Beyond institutional strife, comparison efforts faced numerous methodological and technological problems. They are well documented in the archival materials of SCS and TsSU. Here, two discussions are especially important: the report of the SCS chairman of on April 11, 1968, "Questions of conducting further work by interested countries and Council bodies in the field of international comparisons and unification of statistical methodology and indicators characterizing the development of the economy, economic and scientific and technical cooperation of the Comecon member states," and the report of the head of the Statistics Department of the People's Democracies of TsSU, Viktor Martynov, at the meet-

⁹ [On the presence of representatives of the CMEA Secretariat at the XI session of the Conference of European Statisticians]. RGAE, F. 561, Op. 7, D. 54, L. 43.

¹⁰ RGAE, F. 561, Op. 7, D. 54, L. 53.

¹¹ RGAE, F. 561, Op. 7, D. 54, L. 53.

ing of the NMS TsSU commission “On the methods of comparing the national income of socialist countries” on November 19, 1969. These two reports are of particular interest because their discussion involved external experts and was relatively open and frank. In both cases, the discussion concerned several groups of problems.

The varying pace of economic-management reforms across the socialist bloc imposed further limitations on the possibilities of international comparisons. Unification of the methodology for collecting and calculating prices was critical for the reliability of PPP comparisons. To address this issue, in 1966 SCS undertook a large-scale project to study member countries’ practices in price statistics. Responses¹² from national statistical offices revealed “great diversity” in both price types and pricing principles, ranging from fixed state prices (USSR, GDR, Romania) to complex systems with limit, amplitude, and free prices (Czechoslovakia after the reforms). After 1966, price data in Comecon countries were collected in different ways, from the use of price lists (USSR, Romania before the reforms) to sample surveys of hundreds and thousands of representative goods in the Czechoslovak Socialist Republic, Hungary, and the GDR.

The rapid renewal of product ranges and improvements in product quality (especially in light industry and mechanical engineering) made comparisons of prices over time and between countries extremely difficult. As noted in information from the GDR Central Statistical Office: “The State Central Statistical Office is investigating... this problem and is trying to determine methods for better accounting of quality changes... The difficulty lies in the fact that changes in individual quality attributes of a product are difficult to generalize to an average...”¹³ Hungary and Czechoslovakia addressed the issue by frequently updating weight systems and indices, as well as by including new goods in the set of representatives. For more conservative countries of the bloc, such as Bulgaria, Romania, and the USSR, the expansion of the assortment and the rise in product quality were already a problem for internal calculations; in international comparisons, they became an especially difficult challenge.

Another stumbling block was the trade-off between the quality and speed of comparisons for operational economic management. The working group of SCEA conducted detailed comparisons for 1959 and 1966, but they were extremely labor-intensive, took years, and lagged behind current management needs. To provide politicians with a current picture, TsSU and other institutions were forced, according to Martynov, to work using a “simplified scheme,” prioritizing timeliness.¹⁴

The paradox was that TsSU’s “simplification” concerned the selection of data, while the calculation methodology changed little. Zlomanov (NIEI under Gosplan) criticized TsSU: “...if you say that this is operational, then you are already taking the path that is not operational, but rather labor-intensive.”¹⁵ He pointed to the emergence of “simplified econometric methods” (such as the Beckerman–Janusch method), based on the correlation between income levels

¹² RGAE, F. 561, Op. 7, D. 187.

¹³ [Calculation of price indices in the GDR as of June 1966]. RGAE, F. 561, Op. 7, D. 187, L. 50.

¹⁴ [Meeting of the commission of the scientific and methodological council under the Central Statistical Administration of the USSR on November 19, 1969 on the issue of “On methods of comparing the national income of socialist countries”]. RGAE, F. 1562, Op. 46, D. 2287, L. 6.

¹⁵ RGAE, F. 1562, Op. 46, D. 2287, L. 23.

and consumption of individual goods (along the Engel curve), which made it possible to obtain estimates quickly using computers. This criticism was supported by Kudrov (MEMO of the USSR Academy of Sciences), Simchera (IEMSS of the USSR Academy of Sciences), and other external experts. However, TsSU management was skeptical about the accuracy of such approaches, considering them “very crude.”¹⁶ Mikhail Eidelman, chairman of the NMS TsSU, replied that Western methods did not solve the problems of comparing the statistics of socialist countries, and that “our calculations are much more scientifically substantiated, I would say, and much more accurate than those calculations.”¹⁷ The discussion materials suggest that TsSU specialists’ rejection of “Western” methods was not primarily driven by ideological tasks of presenting Soviet data in the best light. Rather, it reflected inertia in conceptions of “calculation quality,” institutional mistrust of complex synthetic indices, a strong tradition of labor-intensive calculations, and, simultaneously, limited competence and equipment for newer types of computations. The tasks of reform required faster data production, but the institutions responsible for data collection and processing continued to defend traditional forms of calculation, which were perceived as higher quality.

Furthermore, the very logic of economic comparisons was complicated by the socialist bloc’s monetary arrangements. As detailed in parallel research on the “transferable ruble,” the national currencies of Comecon countries were nonconvertible, and their official exchange rates did not reflect real purchasing power. This forced comparisons to rely on complex PPP calculations, since direct conversion via administratively set exchange rates would have produced distorted results and further reduced the system’s usefulness for operational management.

Faced with the complex task of comparing economies undergoing reform, Soviet statisticians often took the relatively simple path of focusing on ruble-based pricing. Complex PPP comparisons with subsequent calculation of a geometric mean index, used in the SCEA Comecon Working Group, were rarely used for TsSU’s practical needs during this period. The Department of Statistics of the People’s Democracies of TsSU used a “ruble basis” to compare national income levels across Eastern bloc countries: statistical data from socialist countries were converted into Soviet rubles using special coefficients calculated separately for the consumption fund and the accumulation fund.¹⁸ As an argument for this approach, it was suggested that the USSR’s share in the bloc’s industrial and agricultural production was so large that production costs in the USSR were closer to the “socially necessary labor costs” of the entire socialist economy than those of smaller countries.¹⁹ Critics countered that this approach led to a “systematic underestimation” of other Comecon countries’ indicators relative to the USSR.²⁰ At a meeting of the NMS TsSU in 1969, Zlomanov and Kudrov insisted on the need to conduct calculations both in rubles and in another country’s currency (for example, for USSR–U.S. comparisons, in dollars), with subsequent averaging.²¹ Eidelman defended ruble-

¹⁶ RGAE, F. 1562, Op. 46, D. 2287, L. 35.

¹⁷ RGAE, F. 1562, Op. 46, D. 2287, L. 40.

¹⁸ RGAE, F. 1562, Op. 46, D. 2287, L. 8.

¹⁹ RGAE, F. 1562, Op. 46, D. 2287, L. 8.

²⁰ RGAE, F. 1562, Op. 46, D. 2287, L. 27.

²¹ RGAE, F. 1562, Op. 46, D. 2287, L. 28.

based calculations, arguing that “in principle, all countries calculate on the basis that we have, everyone studied in the Soviet Union,”²² and that dollar-based comparisons were not relevant because the structure of national income and consumption differed between socialist and capitalist economies.²³ In summary, TsSU specialists relied on the “ruble basis” and other contested approaches less out of ideological commitment than because of limited access to modern research and an institutional culture entrenched in labor-intensive calculations. The demanding routine consumed departmental resources, leaving little room for methodological updates.

This institutional conflict was exacerbated by deeper political tensions between the USSR and other Comecon member states. The very attempt to unify statistical methodology was often perceived by Eastern European countries, most notably Romania and Poland, as an infringement on their economic sovereignty and a potential tool for Soviet dominance. For instance, national delegations, particularly from Poland and Czechoslovakia, insisted on strengthening the Commission’s role in ensuring data comparability, a move that was not only technical but also political, as it de facto encroached on the competences of other commissions and challenged the existing balance of power.

The existence of these problems helps explain why the USSR did not join the UN International Comparison Program (ICP) in 1968 or later. The statisticians of Hungary and Poland—who participated in the program from its inception and contributed to its emergence by proposing comparisons with Italy and France in the first half of the 1960s—worked in a different institutional environment than Soviet statisticians. In the USSR, publishing new types of data entailed risks of ideological backlash, as the Strigachev episode illustrates. Differences in methodology required additional resources (human and capital) to adapt Soviet comparison practices to the requirements of the UN ICP. Finally, Soviet statistical managers considered their own methods more scientific and reliable, viewing the program at the time of its launch as a controversial initiative and adhering to the position that UN statistics should present both capitalist and socialist calculation systems.

By the end of 1969, the Comecon system of international comparisons remained a priority area of work for the USSR and socialist countries, despite the full range of constraints. By this time, the institutional basis for the program (SCEA and SCS) had been established; a PPP-based methodology had been developed and tested, in many respects pioneering (Ivanov and Khomenko, 2019; Ivanov and Ponomarenko, 2025); and work had begun to unify price statistics across Comecon member countries, creating expectations that calculations might be simplified in the near future. The lack of consensus on key methodological issues (choice of equivalent currency, aggregation method, and treatment of quality change) undermined confidence in results and hindered the emergence of a single generally accepted methodology, but it was not perceived as a critical flaw that would necessitate a fundamentally new system of comparisons.

Subsequently, this system was effectively mothballed, influenced in part by the fading momentum for reform and reformist rhetoric by the end of the 1960s,

²² RGAE, F. 1562, Op. 46, D. 2287, L. 36.

²³ RGAE, F. 1562, Op. 46, D. 2287, L. 38.

which foreshadowed the subsequent economic slowdown. The winding down of reforms in the USSR, along with political conflicts within the socialist bloc (most dramatically, the Prague Spring of 1968), simultaneously reduced political demand for more timely and accurate international comparison data and increased the difficulty of coordination among Comecon countries in resolving methodological problems. From that point, the intensity of efforts to develop an autonomous comparison methodology gradually declined, in contrast to the UN ICP. Statisticians in socialist countries, including the USSR, were well acquainted with newer methods for constructing synthetic indices and used them, but remained constrained by established practices of data collection and processing. The reliability of the underlying data remained an open question. Kudrov's critique of Soviet national income dynamics (overestimation due to outdated 1926/27 prices, valuation of new products, and possible padding) highlighted the fundamental problem of trust in national statistics on which all comparisons depended.²⁴ Nevertheless, the reform period was not sufficient to change this fundamental feature.

5. Conclusions

The period 1962–1969 became a key stage in the history of efforts to create a system of international economic comparisons within Comecon. The impetus provided by economic reforms in the USSR and other member states led to institutional changes and intensified scholarly work. The main achievement was the development and testing of a methodology for comparing national income based on purchasing power parities (PPPs), implemented in the publication of results for 1959 and 1966.

However, the process of creating the system encountered a set of fundamental problems that limited its effectiveness. Struggles over competencies among various bodies, methodological disagreements, limited flexibility in restructuring labor-intensive practices, bureaucratic restrictions, and ideological risks persisted for decades. As a result, despite significant efforts, by 1969 the system of international comparisons in Comecon remained incomplete, internally contradictory, and isolated. It could serve as an instrument for retrospective analysis and ideological positioning based on selected indicators, but it did not become an effective instrument for operational management of integration processes or a reliable basis for comparison with global economic trends.

The limitations and subsequent curtailment of economic reforms in the USSR and Comecon countries, along with the strengthening of conservative tendencies in the late 1960s, contributed to economic stagnation in the following decades (the 1970s–1980s). The impetus for creating a comparison system itself emerged amid a fundamental tension within Comecon: the USSR's political drive for integration and control clashed with the specific, often divergent, economic interests of other member states. While countries such as Hungary and Poland saw the system as a potential tool for modernizing their economies and obtaining more accurate data, their primary interest lay in optimizing national development strategies. This focus on national priorities, coupled with a growing (though still

²⁴ RGAE, F. 1562, Op. 46, D. 2287, L. 28–29.

nascent) interest in accessing Western markets and technologies, contributed to the bloc's eventual disintegration. Thus, the international comparisons system, born of a reformist impulse, ultimately fell victim to the same centrifugal forces it was partly designed to counter—the unresolved contradiction between the ideological goal of socialist integration and the pragmatic economic realities of member states.

The historical experience of the Comecon comparisons system resonates with enduring challenges in international statistics today. The core dilemma of balancing methodological rigor with timeliness and cost-effectiveness—which plagued the Comecon working groups—remains a central concern for modern statistical programs such as the UN ICP. Furthermore, the conflict between MPS and SNA prefigures contemporary debates about the comparability of economic data across different economic systems and levels of development, including comparisons between OECD and developing economies. Comecon's struggle to account for quality change and new products in its price baskets mirrors ongoing methodological efforts to measure the digital economy and service-sector output. Finally, institutional conflicts within Comecon provide a historical case study in the political economy of statistics, illustrating how the production of ostensibly “objective” data is shaped by competing institutional interests and governance structures—a reality that continues to influence international statistical collaboration.

In conclusion, the Comecon international comparisons system of 1962–1969 emerged as a direct, yet constrained, product of the era's reformist impulses. The drive for economic efficiency, epitomized by the Kosygin reform, created political demand for comparable data, leading to significant institutional and methodological innovation, most notably the pioneering application of PPPs within a planned-economy framework. However, the system's potential was curtailed by a triad of systemic barriers:

- *Institutional fragmentation*: Persistent conflicts over competencies between Comecon bodies (SCEA vs. SCS), between the Secretariat and national statistical offices, and among competing Soviet institutions (TsSU, Gosplan, the Academy of Sciences) drained resources and hindered the development of a unified methodology.
- *Methodological inertia*: A deeply entrenched culture of labor-intensive, “high-quality” calculations, coupled with institutional skepticism toward Western econometric methods and limited technological capacity, prevented the system from achieving the timeliness required for operational management.
- *Ideological and political constraints*: The fundamental tension between the USSR's hegemonic integration agenda and the protection of national sovereignty by other members—exemplified by the preference for a “ruble basis”—undermined the system's objectivity and wider acceptance.

Ultimately, the system served more as a tool for retrospective ideological positioning than as a mechanism for effective economic integration. Its fate was sealed not by a failure of technique, but by the victory of the “conservative consensus” over the reformist impulse, highlighting the inherent limitations of centrally planned economies in adapting to the demands of a globalizing world economy.

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