

# Soviet establishment attacks Aeroflot

MOSCOW

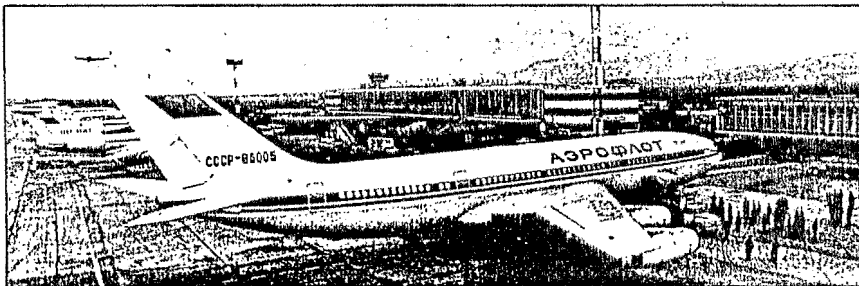
"The Ministry of closed doors" is how *Pravda* for December 27 describes Aeroflot's head office. *Pravda*'s scathing attack is the latest and most authoritative sign so far that Soviet civil aviation is failing to implement *glasnost* and *perestroika* wholeheartedly. And *Vozdushnyi Transport* says that Aeroflot's international wing has to improve to regain its falling market share, reports Peter Skipp.

The USSR's premier newspaper accuses senior ministry figures of victimising their staff, and of nepotism, clan-nishness, lack of a self-critical spirit, and corruption. V. Shelkovnikov, head of the Air Traffic Control directorate CUVD GA, is accused of failing to reinstate a wrongfully dismissed ATC officer who crossed swords with a friend of ex-minister Bugaev. Shelkovnikov, whose directorate was recently criticised for falling standards (*Flight*, November 28, page 7), also promoted his secretary into a desirable foreign posting.

*Pravda* wryly comments that "sons, brothers, and in-laws of Aeroflot managers seem to find their vocations in lengthy foreign assignments". The son of the aviation workers' union president, with just five years' experience behind a check-in desk, is slated to be Aeroflot's deputy-representative in Finland. *Pravda* also implies that V. Samorukov, head of the directorate of foreign relations, gave the job of Aeroflot foreign representative to the son of a convicted black marketeer in return for services rendered.

Another case of wrongful dismissal has seen the deputy USSR prosecutor-general, the Russian Republic Supreme Court, Soviet national newspapers, and senior party officials hammering on the ministry's closed doors. Members of the Soviet parliament accuse the ministry of victimisation.

The background to *Pravda*'s attack is formed by Aeroflot's faltering progress along the *perestroika* road. Mounting problems since the start of the decade are illus-



Just as the Il-86 is being developed to produce a more efficient version (the Il-96), so Aeroflot needs to become more efficient, according to *Pravda*

trated by the turnover rate in top management posts. Since 1981 228 air enterprise heads, 35 territorial directorate heads, and 23 ministry directorate heads have been replaced. Eight deputy ministers have been "released from duties" in the same period, and in late April 1987 the minister himself went.

Gorbachev appointee Aleksandr Volkov has a mandate to improve safety, implement the party's fundamental economic reforms, and tackle economic problems.

Some simple statistics illustrate Volkov's problems in improving safety. In the last three quarters of 1987 alone, "major disciplinary transgressions" have risen by a fifth, and cases of drunkenness by 60 per cent. In just six years the ministry's directorate of flight operations, GlavULS GA, has had four men at its helm. Half of all safety incidents are caused by the "low professional level of staff".

Volkov has reacted by implementing openness on all aspects of safety, not just to Aeroflot staff (who now have an incident-reporting system—not yet anonymous—modelled on the UK's CHIRP), but to the world at large (*Flight*, July 18, page 8).

Volkov's problems on the economic reform front are best summarised by the fact, made public at the September meeting of the ministry collegium (its consultative council), that over half of Aeroflot's air enterprises—the units which make up the territorial directorates—are making losses. "Many manag-

ers regard making losses as the normal state of affairs," heard the collegium. The economic reform which came into effect on January 1 aims to rectify this.

Prosaically expressed as "full revenue-accounting, self-financing, and purchasing autonomy," the reform means that Aeroflot no longer has just one client—the state. Under the old system, the fares Aeroflot collected went to the state, which then paid the carrier according to how well it fulfilled its annual and five-year plans. From January 1 Aeroflot's "air enterprises" retain the lion's share of fare revenues, and may use them as they see fit. They may now also borrow on the Soviet money market.

Instead of being allocated equipment by Gosnab, the state supply agency, the enterprises may now trade directly with each other or the state. Instead of being handed down plans by Gosplan, the state planning agency, they may "plan from below", disagreeing with state guidelines if they wish.

Instead of being managed in petty detail by MGA, the ministry of civil aviation, their managers, elected by staff, now enjoy real decision-making authority.

Volkov's role here is to maintain Aeroflot's momentum towards reform, which has been slower than in other sectors of the Soviet economy. Numerous hotlines and management courses have been set up to answer staff queries and equip them for independence.

The new economic conditions have already been in

force for a year in Aeroflot's Belorussia, Lithuania, and Komi directorates. The results are reported as encouraging.

Over the coming two years, Aeroflot's familiar structure will also change in accordance with the Act on State Enterprises (Corporations). The civil aviation institute, GosNIAA GA, has developed a management model which replaces the current 31 operational directorates with 45 air enterprises (companies) combined in 19 corporations.

One Aeroflot directorate whose future may change even more than projected by GosNIAA GA is CUMVS, the international airline. In the last five years Aeroflot has lost nearly a third of its share of the international market. It fell from 2.5 to 1.8 per cent. The carrier now ranks 16th in the world league as an international carrier.

Soviet economist R. Rstakian attributes these losses to Aeroflot's ageing fleet, and especially to its poor reputation for service. Writing in *Vozdushnyi Transport*, he suggests that Aeroflot "is almost unable to compete" with foreign carriers. "Aeroflot is unable to function at the level of even an average international airline," he writes. Friends of the USSR and Soviet specialists and diplomats are "clearly no longer sufficient" as a market for Aeroflot's foreign routes, states Rstakian. He invites Aeroflot management to look at the Bolshoi ballet company as an example of the inspiration and style of which the USSR is capable, and to adapt its methods.

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① page 8. — 2 Copies.  
Send one to Prof  
R. Narasimha :  
with the note. Is someone  
assessing the A. operations? *Shan*