Based on the work of Leonid Kantarovich, the Soviets adopted mathematical planning. This excerpt from *Red Plenty*, Part 4 “Introduction” to Chapter 1, “The Method of Balances, 1963,” details the resource allocation process in operation.

By 1963, almost all the elements seemed to be coming together in Academician Nemchinov’s scheme to reform the Soviet economy mathematically. New cybernetics institutes and departments had sprung up right across the Soviet Union, and were hurrying to complete pieces of the puzzle; or perhaps of several different puzzles. Mathematical models were being built for supply, demand, production, transportation, factory location, short-term planning, long-term planning, sectoral and regional and national and international planning. Automated control systems for factories had been commissioned. A group of Red Army cyberneticians were proposing an all-Union data network that could be used by civilians and the military alike. But Nemchinov himself was no longer in charge. Another casualty of 1963, he was now too ill to go on acting as
patron and progress-chaser-in-chief to the proliferating, multiplying
discipline he'd helped to guide into existence. When his own base
of operations in the Academy expanded into the fully autonomous
TSEMI, the Central Economic-Mathematical Institute, with a
building out among the muddy new boulevards of the Sparrow Hills
and a banner in the hall reading 'Comrades, Let's Optimise!', he
could not be its director. The alliances he had created would have to
work by themselves. 'The main task', he had told a new conference
at Akademgorodok, was now 'the widespread introduction of the
results of research'. Others were less sure that the research was ready,
or that it all pointed in the same direction. Academician Glushkov's
group down in Kiev favoured the direct cybernetic control of the
entire economy, eliminating the need for money altogether. The
Akademgorodok crowd called for rational pricing. An economist
from Kharkov by the name of Evsei Liberman had made a big
splash in Pravda by urging for profit to become the main indicator
of industrial success. But the premise of the whole intellectual effort
was the practical improvement, very soon, of the Soviet economy, of
all its ten thousand enterprises, and of the systems that integrated
and co-ordinated them. The countdown to paradise in the Party
Programme required the economy to grow, through the 1960s, at the
rate it had in the official figures for the 1950s: 10.1%. The economists
had undertaken to support this by bringing theory swiftly down to
the shopfloor. Mines, department stores, chemical plants, fur farms,
freight depots: all of it had to be optimised.

Every year, every enterprise in the Soviet Union had to agree
a tekhpromfinplan with the organisation it reported to. The
tekhpromfinplan covered finance for the enterprise, and the
technology it would be using over the next twelve months, but most
importantly it stated targets for production. It specified what the
enterprise must produce, and in what quantity, and at what quality,
in order to fulfil its plan. There were bonuses for the managers if they
overfulfilled the plan, penalties if they underfulfilled it. Exactly how
the tekhpromfinplan was worked out kept changing, as initiatives
from the top restless rejigged the Soviet Union’s bureaucracy. But there were always three main players. There was the enterprise, down at the bottom; there was Gosplan, up at the top; and in the middle, there would be an intermediary. Sometimes the intermediary gathered together all the enterprises working in one particular area of industry, and then it would be called a ‘ministry’. Minradioprom, for instance, the Ministry for Radio Production. But at the time we are talking about, the intermediary was a sovnarkhoz, a regional economic council, which gathered together all the enterprises in one geographical zone of the country, no matter what products they made.

If you were reading the official descriptions of the system published by Gosplan, you would think it worked liked this. Every spring, as the Soviet Union’s rivers broke up into granitas of wet ice, Gosplan analysed last year’s performance figures, paying close attention to the strategic priorities for the economy, and the big picture of the march to communist abundance. But before it had quite finished – alas, there was never enough time to do things in strict sequence, and the year’s work tended all to proceed via estimates, later corrected – the zaiavki, the ‘indents’, had already been sent out to the enterprises. On these printed forms, the enterprises requested the supplies they would need for next year’s production. But the enterprise, of course, did not yet know how much it was going to be asked to manufacture. So management would estimate how much coal, gas, electricity, wool, ammonia, copper piping, polystyrene etc. it might need, one material per printed form, on the basis of a plausible percentage rise from its output last year. Around about the end of June, Gosplan would complete the set of draft production targets. They, descending from Gosplan, would arrive in the offices of the sovnarkhoz at the same time as the ascending mass of zaiavki and production proposals from the enterprises, and a period of negotiation then followed in which the sovnarkhoz and the enterprises together explored the true productive possibilities of the enterprises. Gosplan’s ‘control figures’ came in a highly aggregated form, for ease of handling: general
categories of production, from ferrous metals to foodstuffs. It was up to the sovkhoz to disaggregate them into the actual products its region produced, and to divide the making of them between its enterprises. Needless to say, the management of the enterprise might prefer a looser plan, and a more generous flow of materials, than suited the overall interests of the economy. Negotiation continued until the sovkhoz had imposed on the enterprise a taut but not impossible level of output and a lean but not impossible level of inputs. Then, around the end of September, the sovkhoz combined all of the adjusted zaiavki and production targets for its region and sent them on to Gosplan.

Gosplan added up all of the zaiavki from round the country to give a figure for the total demand for each commodity, and added up all of the production targets to give a figure for each commodity’s total supply. This was called ‘the method of balances’. It ensured that, at every upward step of the socialist economy, the quantity of each product the USSR produced always balanced the quantity of each product that was required. But it might be that the two figures, at first, did not quite match. Then there would follow a second period of negotiation, this time between Gosplan and the various sovkhoz, with Gosplan doing its best to limit demand (or at least to prioritise it on the most strategic sectors) and to expand supply. Negotiation continued until Gosplan had agreed with the sovkhoz, in turn, a challenging but manageable programme of production. The economy once balanced, the Council of Ministers signed off Gosplan’s work in late October, just allowing time for the final production targets and supply quotas to be passed down to the sovkhoz, for the sovkhoz to divide them between the enterprises, and for the enterprises to go shopping for their needs in the coming year in the vast compendium of the ‘specified classification’, which listed every item produced anywhere in the Soviet Union. This last pulse of paperwork passed through the economy in early December. With their order-books now filled firmly for the coming year, managers could dot the i’s and cross the t’s.
Chapter 3 follows a day in the life of Mr. Chekuskin, a tolkach. Tolkachi were "procurers," illegal but indispensable shadow figures who worked behind the scenes to redistribute the resources factory managers needed to meet their production targets.

Chekuskin's stock in trade is favors and secrets, which he uses, often at much risk to himself, to make the deals that keep the Soviet industrial machine running.
For the day’s call, when your hands could sporter, rapidly, built a furnishing order:

...deep-their ears, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, pleasure, ple
And so on, and so forth. Leaving only the instruction from...
be suggested if you would have made such a push to come in and see me.

Yes, but let me finish. I was driven to tell you this when I

heard the story. I have been thinking about it for a long time now.

I hope my words will be of some help to you.

I have been thinking about it for a long time now.

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I have been thinking about it for a long time now.
people didn't just get out the money and pay anything they
didn't pay. As a result, a large market was created for these
cases, and the money continued to circulate among the
circle of friends. This behavior spread to other
countries, and the practice became more
common. The result was a large increase in the
circulation of money.
Yesterday I went to a friend's, they dealt with me as a friend, and I'll
remember me as a friend, they dealt with me as a friend and I'm
delighted that you are kind. I'm not looking for the answer, and I'm
telling you, I'm looking for the answer. I don't want to be told,
Good boy. So when you get your sex, when you get it...

speak here and everything...

Personal Empathy - Personal. I have another glass and
personal. Empathy. Chills run down my spine, now. I'm speaking of

the little girl in school, she made a promise to me. And I had
begun to take you with me. In the future, you...
After a successful morning, Chekuskin's day rapidly becomes more hazardous. By nightfall, he's negotiated with gangsters, and been beaten and left to die in a blizzard by a corrupt policeman. He's managed to put in a successful day, but has nonetheless become more hazardous.
He dreamed of this neat little farm. He'd worked hard for it, and now it was his. He could afford to live in the country, to take his time and enjoy life. The sun was shining, and the air was fresh. It was a perfect day.

But in the morning he felt much better. The dream was gone, but he was still alive. He got up early and started the day as usual. The chores had to be done, the animals tended to. It was hard work, but he loved it.

As he worked, he thought about the future. He had big plans, big dreams. He wanted to expand the farm, to make it bigger and better. He knew it wouldn't be easy, but he was determined.

And so he worked, day in and day out, until the sun set and it was time for him to rest. For now, he was content. The farm was his, and he loved it.