

## The 27th Congress of the Communist Party of the Soviet Union

### Closing speech by Mikhail Gorbachyov

MOSCOW, March 6, TASS: Here follows the closing speech made by Mikhail Gorbachyov, General Secretary of the CPSU Central Committee, at the 27th CPSU Congress:

Dear Comrades,

The 27th Congress is drawing to a close.

It is up to history to give an objective assessment of its significance. What can be already said today is that the Congress was held in an atmosphere of Party principledness and unity, exactingness and Bolshevik-style truth, open exposure of shortcomings and oversights, in-depth analysis of domestic and external conditions of the development of our society. It set a high moral, spiritual tone to the activity of the Party, to the life of the entire country.

Delegates, speaking from this rostrum, frankly raised questions sharply revealing everything that hinders our common cause, pulls things back. No few critical opinions were expressed on the performance of all links of the Party, state and economic organisations—both central and local ones. As matter of fact, not a single sphere of our life has been left out of critical analysis. All this, comrades, is in the spirit of the best Party traditions, in the spirit of Bolshevism.

More than six decades ago, Vladimir Ilyich Lenin, closing the debate on the political report of the Central Committee of the RCP(B) to the 11th Congress, expressed an idea of principled importance: "All the revolutionary parties that have perished so far, perished because they became conceited, because they failed to see the source of their strength and feared to discuss their weaknesses. We, however, shall not perish, because we are not afraid to discuss our weaknesses and will learn to overcome them."

It is precisely in this way, in Lenin's spirit, that we acted at our Congress. It is precisely in this way that we are going to act in the future as well!

The Congress gave answers to the vital questions raised by life before the Party, before society, and equipped every communist, every Soviet person with a clear vision of the tasks to be resolved. It showed the correctness of our

advancing the concept of socio-economic acceleration at the April plenum. The idea of acceleration permeated all our pre-Congress activity, it was in the centre of attention of the Congress, and was embodied in the Central Committee's political report, the new edition of the Programme of the Party and amendments to its Rules, and the Guidelines for the economic and social development of the country in the 12th five-year period and through to the year 2000. These documents have been wholly backed and approved by the delegates to the Congress.

The adopted and approved general line of the domestic and foreign policies of the Party—the line of accelerating the socio-economic development of the country and strengthening world peace—is the main political result of the 27th CPSU Congress. It is now becoming law in the life of the Party and every Party organisation, a guide to action for the communists, for all the working people.

We understand what high responsibility before history is being invoked by the CPSU, what an immense load it is taking upon itself by putting forward a strategy of acceleration. But we are convinced of the pressing need for precisely such a strategy. We are convinced that it is realistic. Relying on the boundless potentialities and superiority of socialism and on the day-to-day creative activity of the people, we will be able to carry through all our plans.

To achieve the acceleration of the socio-economic development of the country means to give a fresh strong impetus to the growth of the productive forces, to scientific and technical progress and to set in motion the huge reserves of our national economy through perfecting the economic system of socialism.

To achieve acceleration means to ensure the implementation of a vigorous and forceful social policy by closely relating improvement in the living standards of the working people to efficiency in work and by combining comprehensive care for man with the consistent implementation of the principles of social justice.

To achieve acceleration means to open room for the initiative and independent activity of every worker and every work collective through extending democracy, steadily developing the socialist self-government of the people and promoting public openness in the life of the Party and society.

To achieve acceleration means to bring ideological and organisational work closer to man and direct it at overcoming difficulties and fulfilling in practice the tasks facing us by relating that work closer to the real problems of life, by getting rid of windbagery and lecturing and by enhancing one's responsibility for the task in hand.

We, comrades, can and must accomplish all this!

The CPSU is entering the post-Congress period better organised, more cohesive and efficient, with a well-considered long-term policy. It is fully resolved to act purposefully, seeing the entire complexity, large scale and novelty of the tasks facing it, and without fear of any difficulties and impediments.

We have to bring the substance and spirit of the decisions taken by the Congress home to every Soviet person and not only to explain its fundamental provisions but also to organise practical work in line with present-day demands.

Both at our Congress and in the run-up to it very many interesting proposals have been made and quite a few profound ideas voiced. We should carefully examine them and make certain that everything that is valuable and sensible be translated into life.

The most important thing now is to convert the energy of the plans into the energy of concrete actions. A delegate to our Congress, Vasilii Yakovlevich Gorin, chairman of a collective farm in the Belgorod region, spoke well on this score: "Under way throughout the country, in each work collective there is a difficult but, we are sure, irreversible process of renewal and rebuilding. It is going through the hearts and minds of the Soviet people and requires complete dedication from everyone, first of all in work."

Yes, comrades, acceleration, radical transformations in all spheres of our life are not just a slogan but a course the Party will steer firmly and unwaveringly.

Many delegates pointed out that departmentalism, parochialism, paper shuffling and other bureaucratic obstacles are a serious hindrance in the way of things new and progressive. I want to assure you, comrades, that the Central Committee will be resolutely removing all impediments to accelerating social and economic progress, strengthening discipline and order and creating organisational, moral and material prerequisites for an all-out promotion of creative activity, bold quest and socialist enterprise. I am certain that this will find broad and vigorous support on the part of the entire Party and all working people.

The organisers of work to fulfil the tasks set by the Congress are the Party committees from top to bottom. The style needed today is concreteness, efficiency, consistency, the unity of word and deed, the choice of the most effective ways and means, a careful consideration of the people's opinions and a skilful coordinating of the efforts of all public forces.

It is necessary completely to overcome inertness, formalism, apathy, the habit of drowning a living cause in idle and endless roundabout talk, attempts by some people to 'get onto the bandwagon of reconstruction'.

One of the main conclusions of the Congress is

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that all Party committees should act as genuine organs of political leadership. In the final analysis, the success of our entire effort for implementing the general line of the 27th Congress of the Party will be determined by a conscious participation of the broadest mass of the people in communist construction. Everything depends on us, comrades. The time has come for vigorous and concerted action. The Party urges every communist, each Soviet citizen to join actively in the major effort to implement our plans, to perfect Soviet society, to renovate our own socialist home.

Comrades! The Congress has convincingly demonstrated anew that socialism and peace, peace and constructive work cannot be separated from each other. Socialism would not have fulfilled its historical mission if it had not led the battle to rid mankind of the burden of war fears and violence. The main aim of Soviet policy is a secure and just peace for all peoples. We regard the battle against war and military preparations, against advocacy of hatred and violence as an inseparable part of the democratisation of international relations and a genuine improvement of the political climate on this planet.

The nuclear threat made states equal in one aspect—in a large-scale war no one is given to remain safely aside or capitalise on other's misfortune. Equal security is an imperative demand of the time. And efforts to ensure it are increasingly becoming a political task that can be accomplished only by political means. It is time to build international relations between states on a more dependable foundation than that offered by weapons. We see no alternative and we do not seek it.

But regrettably, there are still those in the international community who lay claims to some special, customised security. This is evidenced by the frame of mind in Washington. Appeals to strength, which is regarded—as before—as the most persuasive argument in world politics, are still current there. It seems that someone simply fears the existing opportunity for a radical long-

term improvement in Soviet-American relations, in the international situation as a whole.

It is not the first time that we have encountered such a situation. Of course the militarist, aggressive forces would prefer to freeze, perpetuate, confrontation now as well. And what, comrades, are we to do? Slam the door? It cannot be ruled out that that is exactly the sort of thing

### Communique on plenum of CPSU Central Committee

A plenary meeting of the CPSU Central Committee, elected by the 27th Congress of the Communist Party of the Soviet Union, was held on March 6, 1986.

The plenum unanimously elected Comrade Mikhail Gorbachyov General Secretary of the CPSU Central Committee.

The plenum elected the Political Bureau of the CPSU Central Committee of the following composition:

#### Members of the Political Bureau

Mikhail Gorbachyov, Geidar Aliyev, Vitali Vorotnikov, Andrei Gromyko, Lev Zaikov, Dinmukhamed Kunayev, Yegor Ligachyov, Nikolai Ryzhkov, Mikhail Solomentsev, Viktor Chebrikov, Eduard Shevardnadze, and Vladimir Shcherbitsky.

#### Alternate members of the Political Bureau

Pyotr Demichev, Vladimir Dolgikh, Boris Yeltsin, Nikolai Slyunkov, Sergei Sokolov, Yuri Solovyov, and Nikolai Talyzin.

The following were elected secretaries of the CPSU Central Committee:

Mikhail Gorbachyov—General Secretary, Alexandra Biryukova, Anatoli Dobrynin, Vladimir Dolgikh, Lev Zaikov, Mikhail Zimyanin, Yegor Ligachyov, Vadim Medvedev, Viktor Nikonov, Georgi Razumovsky, and Alexander Yakovlev.

The plenum endorsed Mikhail Solomentsev as Chairman of the Party Control Committee at the CPSU Central Committee. (TASS) □

they are pressing us to do. But we are excellently aware of our responsibility for the fate of the country, for the fate of peace. And for this reason we do not intend to play up to those who would want to make mankind grow accustomed to the nuclear threat and the arms race.

Soviet foreign policy is oriented at searching for mutual understanding, at dialogue and the assertion of peaceful coexistence as a universal norm in relations between states. We also have a clear idea of how to achieve this and a concrete programme of work in the name of preserving and asserting peace.

The Soviet Union acts and will act in the world arena seriously and openly, vigorously and honestly. We intend to press insistently and imaginatively for the liquidation of nuclear arms, for a radical limitation of the arms race, for the creation of a reliable international security equal for all states. The instruction to preserve peace and curb the arms race sounded forcefully and passionately in the speeches of the delegates of our Congress. The Party will undeviatingly adhere to this mandate.

We appeal to the leaders of states of the other social system to approach with responsibility the key problem of present-day world politics—the problem of war and peace.

The leadership of the CPSU and the Soviet State will do everything to secure for our people the possibility to work in conditions of lasting peace and freedom. Our Party, the Land of Soviets, as the Congress has confirmed once again, has many allies and supporters abroad, partners in the struggle for peace, freedom and mankind's progress.

We are sincerely glad to see here the leaders of the socialist states. Let me, on behalf of the Congress, express sincere gratitude to the communist parties and peoples of these countries for their solidarity with the CPSU and the Soviet Union.

For a number of fraternal parties of socialist states this is also the year of a congress. The problems and tasks set by history before the ruling communist parties have much in common. And by responding to them, every party makes its contribution to the common treasure-house of combined experience of world socialism. We wish you success, dear friends!

The CPSU is grateful for the warm words addressed to it by representatives of communist, revolutionary-democratic, socialist and social-democratic parties, democratic, liberation, anti-war forces and movements. We highly appreciate their understanding of and support for the idea, put forward by the Congress, of establishing an all-embracing international security system, and for the plan for eliminating nuclear weapons before the end of this century. The CPSU is convinced that they meet the real interests of all peoples, all countries, all mankind.

Comrades, our Congress has shown that at the present crucial stage of social development the Leninist Party measures up to its historic tasks. On behalf of the delegates representing all our Party, I want to say from this rostrum: we, communists, prize the trust placed in us by the working class, the peasantry, the intelligentsia, all Soviet people. We place above all else the interests of the people, of the homeland, of socialism and peace. We shall spare no strength, no energies to translate the decisions of the 27th Congress of the Communist Party of the Soviet Union into life. □

## Mikhail Gorbachyov's speech at reception for Congress guests

MOSCOW, March 6, TASS:

MIKHAIL GORBACHYOV, the General Secretary of the CPSU Central Committee, on behalf of the Party's Central Committee, greeted the foreign guests at the 27th CPSU Congress. He spoke today at a reception in the Kremlin in honour of the delegations of the parties that took part in the work of the Congress.

"The Congress determined the CPSU's general line at an exceptionally responsible, in fact crucial, stage of the country's development—the line of accelerating social and economic development and strengthening peace on Earth," Mikhail Gorbachyov said.

He stressed that regardless of what issues of a domestic or foreign policy nature the Leninist Party was solving, it always viewed itself as an inseparable part of all revolutionary, democratic, progressive forces.

"We take into account that every success, every victory in the struggle for the aims and ideals of the October Revolution strengthen the potential of peace and social progress," Mikhail Gorbachyov went on. "The CPSU, as was stressed by the Congress, sees in this its main internationalist duty, and will fulfil it to the end."

"The problems of war and peace and of removing the nuclear threat were among the central topics at the Congress. Nuclear catastrophe must be averted. It is necessary and possible to build a world without threats, a world of good-neighbourliness in which every people would take a worthy and respectable place. It is for such a world that the Soviet Union is striving and wants to be part of. And the Congress confirmed this.

"We are glad that the 27th Congress of the CPSU was attended by representatives of almost all communist, revolutionary-democratic, many socialist, social-democratic and labour parties," Mikhail Gorbachyov said. "We are glad that people belonging to the principal public trends and movements opposed to war have gathered in Moscow for our Congress."

In conclusion the General Secretary of the CPSU Central Committee cordially thanked the guests of the 27th Congress and the parties and organisations represented by them for their co-operation. □

### EMBASSY STATEMENT ON VITALI YURCHENKO

The Soviet Embassy in London today issued the following statement:

"The Embassy categorically refutes the allegations made in some British media regarding Soviet citizen Vitali Yurchenko. They are gross fabrications, which have no basis in fact whatsoever and are designed solely to tarnish the image of the Soviet Union.

"Vitali Yurchenko is alive, well and works normally."

(March 11, 1986.)

### USSR Intensified Economy and Progress in Science and Technology

Available from Soviet Booklets, 3 Rosary Gardens, LONDON, SW7 4NW. Price 35p. (Cheque, PO)

# Report on the Guidelines for the Economic and Social Development of the USSR for 1986-1990 and for the Period Ending in 2000

DELIVERED BY NIKOLAI RYZHKOV, CHAIRMAN OF THE COUNCIL OF MINISTERS OF THE USSR, TO THE 27TH CONGRESS OF THE CPSU, MARCH 3, 1986:

Comrade Delegates,  
Esteemed Guests,

For almost seven decades the Communist Party of the Soviet Union has been confidently leading the country along the road mapped out by the great Lenin. The 27th Congress of the CPSU will hold a special place in the heroic history of the Party and the people. It is charged with defining the strategy of our Motherland's progress for an extremely important stage of communist construction and initiating a fundamental restructuring of all aspects of the life of Soviet society.

A detailed picture of the Party's and people's creative work has been given in the Political Report of the CPSU Central Committee to the 27th Congress by the General Secretary of the CPSU Central Committee, Mikhail Gorbachyov. Constructively, from the standpoint of the firm principles of Marxism-Leninism, it has profoundly substantiated the concept of accelerated socio-economic development, reinterpreted the entire range of problems related to the life of the Party, the state and society. The Report has innovatively defined the strategy and tactics for a

comprehensive upgrading of socialism, and the domestic and foreign policies of the CPSU and the Soviet Government. On the basis of a deep class analysis it shows the correlation of forces in the modern world and the main trends and contradictions of its development, and demonstrates the growing potential of the socialist world system. It has forcefully enunciated our stand in a question that worries the whole of humanity—the question of war and peace, of averting the nuclear threat.

The depth of the ideological content, creative thinking and an uncompromising attitude in assessing the causes of the shortcomings and difficulties that had piled up, and realism and courage in formulating new tasks are grounds for regarding the Political Report of the CPSU Central Committee as a document of immense historic significance.

The moral and political climate that has taken shape under the impact of the CPSU Central Committee Plenary Meeting of April 1985, and the unwavering belief in the correctness of the course steered by the Party permeating the Political Report have determined the whole atmosphere of the work of this Congress. It is proceeding in business-like manner, constructively, in an exacting spirit, and with a sense of the Party's high responsibility to the Soviet people. The discussion of the Political Report of the

CPSU Central Committee and the new edition of the Party Programme convincingly demonstrates the monolithic unity of the Party ranks, the unity of thought and the unity of action of the Soviet Communists, in fact of all the Soviet people.

The draft Guidelines for the Economic and Social Development of the USSR for 1986-1990 and for the Period Ending in 2000 is an important political and economic document submitted by the Party Central Committee for consideration to this Congress. Its pivot is the concept of acceleration advanced by the April Plenary Meeting of the CPSU Central Committee. The draft specifies the programme tasks and aims that will have to be attained in the period up to the end of the present century, and defines the principal directions for a qualitative readjustment of the productive forces and of society's social development.

The draft Guidelines are entirely consonant with the vital interests of Soviet people, with their hopes for the future. This was shown with the utmost clarity by the truly countrywide magnitude of the discussion of the draft in which approximately 110 million citizens took part. The suggestions and critical remarks from working people raised basic problems of the growth of efficiency, the acceleration of scientific and technological progress, a solicitous attitude to public property, the improvement of the quality of output, and the updating of management.

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## Mikhail Gorbachyov's reply to former nazi camp inmates

PARIS, March 10, TASS:

THE Soviet Embassy in France, acting on instructions from the General Secretary of the CPSU Central Committee, Mikhail Gorbachyov, has handed over a Soviet reply to Pierre Durand, president of the international committee of former inmates of Buchenwald Dora, to a message sent to the leaders of the Soviet Union and the United States on behalf of the international committees of former inmates of Oswiecim, Buchenwald Dora, Mauthausen, Natzweiler Struthof, Neuengamme, Ravensbrueck and Sachsenhausen.

The reply notes that support for the 'spirit of Geneva', for actions towards lessening tension and averting the threat of a new war on the part of those who personally experienced all the horrors of the Second World War is valued in a special way in the Soviet Union.

"We quite agree with the opinion, expressed in the message, that it is time to stop the escalation of war preparations," the reply says. "As to the Soviet Union, it is precisely with this aim in view that, shortly after the Soviet-

American summit meeting and in the spirit of Geneva, it put forward on January 15, 1986 a concrete plan for eliminating all nuclear and chemical weapons and radically improving the international situation. There is a sincere hope in the Soviet Union that the wish expressed in the message, that the Soviet Union and the United States act to ensure peace on Earth in the spirit of the alliance which united their peoples forty years ago in the common struggle for freedom, will be received in the United States just as positively as it is received by all Soviet people.

"The Soviet people are deeply convinced that common efforts by all states and peoples on Earth will save the world from a new devastating war."

The message sent by the international committees of former inmates of nazi concentration camps to Mikhail Gorbachyov and Ronald Reagan points to the disastrous consequences of nuclear conflict, and expresses satisfaction with the calls for reduced nuclear arsenals. Its authors hope that these statements will be matched shortly by concrete decisions. The first results, as well as proposals advanced and measures adopted, although of a unilateral character so far, generate hopes for this. The former inmates of nazi concentration camps appeal to the Soviet Union and the United States to continue the search for all possibilities for

attaining detente, accord and disarmament with a view to ensuring peace on Earth in the spirit of the alliance which united the peoples of the USSR and the United States forty years ago in the common struggle for freedom.

On receiving Mikhail Gorbachyov's reply, Pierre Durand said, in a TASS interview: I want to express my complete satisfaction with its contents. I'm pleased that the Soviet leader found time to give a reply and displays such respect for the victims of fascism and those who are fighting against its resurgence. We note, went on the president of the international committee of former inmates of Buchenwald Dora, that Mikhail Gorbachyov backed our idea that the Soviet Union and the United States act in the struggle for peace in the spirit of the anti-fascist alliance that existed forty years ago. The former inmates of nazi concentration camps remember not only the grief brought in by the past war, but also the years of the existence of the anti-Hitler coalition in which the Soviet Union played the chief part. That is why we now favour concerted efforts in the name of strengthening peace. It is the duty of the former victims of nazism and war to facilitate progress along the path of detente and disarmament. Certain hopes are inspired by the proposals and the so far unilateral measures directed at consolidating peace. We hope that the words in favour of peace will be translated into actions, Pierre Durand stressed. □

The measures for further strengthening discipline and order and enhancing the responsibility of work collectives and every worker for the work assigned to them have received universal support. There was a wide discussion of questions related to social development, the promotion of the living standard and cultural level of the people, the consistent implementation of the principle of social justice, and the struggle against alien phenomena.

The entire discussion has further demonstrated the heightened political maturity of the working people, and the deep commitment of all strata of our society to reinforcing the might of the socialist Motherland.

The draft Guidelines have attracted considerable interest abroad. There are, of course, dissimilarities in the attitude to it. Our class adversaries and foes are endeavouring to misrepresent the significance and aims of the outlined plans. But they cannot, of course, avoid acknowledging their scale and boldness. Our friends, in the fraternal socialist countries above all, see this document as an eloquent indication of the new social system's advantages, of its ability to solve the basic socio-economic problems of the day. With this they link the strengthening of our community and the consolidation of the positions of socialism, of all the progressive forces, and of the cause of peace in the world.

## I. ECONOMIC AND SOCIAL DEVELOPMENT OF THE USSR DURING THE PERIOD OF THE 11TH FIVE-YEAR PLAN: RESULTS AND CONCLUSIONS

Comrades,

The Communist Party, which is steadfastly abiding by the Leninist traditions, combines, as it has always done, a broad view of the long term with a realistic assessment of the state of the economy and potentialities for its further growth, with an objective analysis of the progress that has been made.

The draft Guidelines sum up the advances that have been made in the past five years. These give full grounds for drawing the conclusion that by their work the Soviet people have made a considerable contribution to strengthening the country's economic might. This was the basis for the rise of the people's welfare and for the maintenance of our country's defence capability at the proper level.

However, as you all know, work on the tasks charted by the 26th Congress proceeded in a situation that was not simple, while at the early stage, it may be said, the situation was even extremely complex. The unfavourable tendencies that surfaced in economic development in the 1970s grew sharper in the early 1980s rather than relaxing. And this had adverse effect on the fulfilment of the 11th five-year plan. The slowdown of the growth rates continued during the first two years. The quality indicators of economic management deteriorated. In 1982 the increment rate of industrial output was 33.4 per cent below the average of the period of the 10th five-year plan. This mounting of difficulties could not but influence the solution of important problems in the social sphere as well. For instance, in the second year of that five-year period the rise of the population's real incomes came virtually to a halt.

This was due to a number of factors. As for the fundamental causes of the shortcomings, they consist in the following: in practical work timely account was not taken of the changed economic situation arising out of the exhaustion, in the main, of the potentialities for extensive growth, and no proper perseverance was displayed in the use of achievements of scientific and technological progress, and in restructuring the economy and its management in accordance with

the imperatives of the day. Besides, both in the centre and in the localities many leaders continued to act by outdated methods and proved to be unprepared for work in the new conditions. Discipline and order deteriorated to an intolerable level. There was a fall in exactingness and responsibility. The vicious practice of the downward revision of plans became widespread. During these years there was a departure from the immutable principle of the socialist economy, for which the fulfilment of the plans is the law and norm of economic life. These phenomena were not given a principled political assessment and no practical conclusions were drawn.

After critically analysing the situation, the Party took steps to reinforce the management of economic development, chiefly in enhancing organisation and labour discipline. These steps were supported by the whole people and gave a certain impulse to our progress. As a result, beginning in 1983, there were visible positive changes, and this somewhat compensated for the lag in the fulfilment of the 11th five-year plan.

There was a rise in pensions, an improvement of the system of health care, and a marked growth of state aid to families with children. Considerable funds were allocated for education and a school reform. As in previous five-year periods, housing construction proceeded on a large scale. Over 10 million flats were turned over for tenancy. In conformity with directions from the Party, the process of the social restructuring of the countryside and the levelling up of the living standards of the inhabitants of rural communities and towns was continued.

Quite a lot was thus done during the five-year period. But we must give an objective assessment of its results and in a committed, Party spirit bring to light the serious shortcomings that inhibit our progress in order to draw the necessary conclusions for the future.

It must be stated frankly that the assignments of the five-year plan were not fully attained. Many industries were unable to reach the planned targets. As a whole, during the five-year period there was a shortfall of 35 million tons of

	Total for 1981-1985, billion roubles	Absolute growth for 1981-1985 over 1976-1980, billion roubles	Growth of total volume in 1981-1985, over 1976-1980, per cent
National income, share used for consumption and accumulation	2,398	353	117
Industrial output	3,778	628	120
Agricultural output (in 1983 prices)	1,010	53	106
Freight turnover of all modes of transport (trillion ton-kilometres)	37.1	5.7	118
Installed basic assets	815	147	122
Capital investment	842	125	117
Retail trade turnover	1,466	226	118

During the five-year plan period the national income rose 17 per cent and industrial output 20 per cent. Of the industries the gas industry grew rapidly. In the volume of gas output the country has stepped into first place in the world. The output of electrical energy from nuclear power stations more than doubled. The output of individual types of machine-tools grew at priority rates. Some changes took place also in the building industry. The situation in railway transport began to return to normal. Major steps were instituted to carry out the Food Programme and this allowed increasing the volume of agricultural output. In the latter half of the five-year period there were signs that the efficiency indicators of social production were improving.

It should be stressed that despite all the difficulties, the Party made the maximum effort to achieve the plan targets for the growth of the living standard advanced by the 26th Congress. There was a rise of the mean monthly pay of factory and office workers and of the remuneration for the work of collective farmers, and the social consumption funds were enlarged.

finished rolled stock, 145 million tons of coal, over 50 million tons of oil, and consumer goods amounting to 16 billion roubles. The design, technical level and quality of machines and equipment did not in all cases meet the requirements of the national economy. There was a systematic lag in the chemical and in the timber and woodworking industries. The principal general construction ministries failed to cope with their plans year after year. We did not receive the expected returns from the large resources invested in agriculture. The assignments for efficiency were chronically not fulfilled and scientific and technological progress was slack.

All this affected the overall results and balance of economic development, and incurred in the national income the loss of billions of roubles. An outcome of this was the non-fulfilment of a number of assignments directed towards promoting the standard of living, such as real incomes and the retail trade turnover. Complications arose in the state of finances and of money circulation.

	Guidelines targets approved by the 26th Congress	Actual fulfilment
Mean monthly wages of factory and office workers, 1985 in per cent over 1980	113-116	113
Mean monthly payment for the work of collective farmers, 1985 in per cent over 1980	120-122	129
Social consumption funds, 1985 in per cent over 1980	120	125
Housing completed in 1981-1985, million square metres overall	530-540	552
Pre-school facilities completed in 1981-1985, million places	2.5	2.9
Completed general education schools in 1981-1985, million places for pupils	4.3	5.2
Number of hospital beds, 1985 in per cent over 1980	108-110	108.7
Specialists trained by institutions of higher learning and specialised secondary schools in 1981-1985, million	10	10.5

The burden of the shortcomings that had been piling up over a long period was, comrades, thus so great that it proved to be impossible to be rid of it within short spans of time. The individual steps that were taken could not halt the negative tendencies in the economy, to move the economy onto the path of stable and dynamic growth. There had to be basic changes, a profound restructuring, and the Party was looking perseveringly for cardinal solutions of the problems confronting the country. It was towards precisely this restructuring that the Communists and the Soviet people were oriented by the April 1985 Plenary Meeting of the CPSU Central Committee, which marked a turning point in the life of our society. It is precisely this restructuring that meets pressing requirements and the Party's course towards an acceleration of socio-economic development.

Our national economy has all the prerequisites for this: a powerful production, scientific, technological and intellectual potential, skilled personnel and natural resources. The main thing now is to use the advantages and mounting possibilities of the planned socialist system and steadfastly implement the CPSU's economic strategy.

## II. ACCELERATION OF THE COUNTRY'S SOCIAL AND ECONOMIC DEVELOPMENT—A STRATEGIC TASK FOR THE PERIOD ENDING IN 2000

Comrades,

In the draft Guidelines the Party's course towards accelerating the country's socio-economic development for the period ending in 2000, taking Soviet society to a qualitatively new level, profoundly transforming its productive forces and improving the relations of production is materialised in concrete assignments and figures.

The choice of a 15-year period was made, in the first place, on account of the increased magnitude and complexity of the tasks confronting the country, tasks that require more than one or two five-year periods to be carried out. Moreover, this is the optimal period in which the major breakthroughs of the present stage of the scientific and technological revolution, taking account of the forecasts for its development, can be used to their full extent.

Underlying the draft Guidelines is a scientific analysis of the ways and means of resolving major problems and carrying out comprehensive special-purpose programmes that will, in the main, embrace the period up to the year 2000: the Food and Energy programmes, the promotion of the engineering industry and the chemicalisation of the national economy, the enlargement of the output of consumer goods and the services industry. A 15-year period is thus realistically foreseeable and rests on a carefully tested foundation.

The targets that must be attained by the economy by the close of the twentieth century are defined entirely in keeping with the provisions of the new edition of the CPSU Programme. It is planned to double the national income and the industrial output. There will be a substantial increase and radical transformation of the country's production apparatus. As a result, the economic potential that will be created in the course of 15 years will approximately equal what had been accumulated throughout all the preceding years of the Soviet power, and a long stride forward will be taken in building the material and technical basis of communism.

Under socialism the principal purpose of social production is to maintain an uninterrupted rise of the people's living standard and cultural level. At the present stage the Communist Party sets the

task of placing the people's wellbeing on a higher, qualitatively new level.

Priority significance is attached to the solution of social problems in the sphere of labour, which is the main sphere of human activity. A prime task here is to reduce arduous and monotonous work. The share of manual work will fall by more than a half. This will allow releasing over 20 million persons from unskilled work and make their labour meaningful and satisfying.

Provision is being made for radically resolving within the next 15 years pressing problems of material wellbeing and intellectual development, which are of particularly vital importance to all strata of society. In the first place, this means meeting in full the growing effective demand for high-quality and diverse goods and services, and reaching the rational norms of food intake recommended by science. A task of great social significance, that of providing practically every Soviet family with separate housing—flats or cottages—has to be carried out by the year 2000. This will require the utmost mobilisation of strength and funds, and continuous concern for this vital issue both at the centre and locally.

The system of education, personnel training and medical services is to be improved radically, and the material facilities for culture, recreation and sport, for the entire social sphere, are to be extended considerably.

Of course, these targets of social production and the standard of living can be attained within the set time-limits only through a visible enhancement of the efficiency and growth rates of our advance.

Growth rates have always been and remain a central question in the Party's economic policy. Today, in the light of the concept of accelerating the country's socio-economic development this acquires a fundamental significance and a new content.

First, provision is made for giving the national income a more dynamic character. Its increment rate is to rise from an annual average of 3.1 per cent in the past five-year period to 5 per cent in the 14th five-year period. The negative trend towards a slowdown of growth rates during the past three five-year periods will thereby be halted. The increment rate of the national income in absolute terms is to be even larger. Every percentage point of growth in the next 15 years will comprise an average of over five billion roubles up from 2,800 million roubles in the preceding 15 years. As a result the national income to be produced in that period will total roughly 12,000 billion roubles, which is more than the total for all the preceding years of Soviet power. This rise of the growth rates of the national income and of its increments in absolute terms is vital in order to carry out large-scale economic and social tasks simultaneously. Moreover, this is required in order to maintain the country's defence capability at the proper level.

Second, in the process of acceleration a more balanced structure of production is to be formed that will be more comprehensively in keeping with the growing and changing social requirements. This means that every percentage point of growth and every rouble must signify qualitatively new and effective products with high consumer properties, products needed by the national economy and the population. In this lies an immutable imperative of the present strategy of economic growth.

Third and, I would say, the most important thing is that higher growth rates must be achieved on a fundamentally new basis, on the basis of all-sided and consistent intensification. While setting this task, the Party indicates the principal means for carrying it out—a cardinal acceleration of scientific and technological progress and the attainment of high levels by science and technology. This is the catalyst of our progress, the operation of which will mount from one five-year plan period to another.

The Party approaches the question of intensification comprehensively and broadly. Our economy has reached a level at which it can develop and do so rapidly not through a steady growth of resources, as was formerly the case, but through all-sided intensification of production, through intensification across the board. It is planned not only to boost labour productivity but also to reduce the material input per unit of production and the output-to-asset ratio, to shift not only individual industries but the whole national economy to intensification. This is the only sure way of accelerating economic and social development.

Raising the productivity of social labour is, in the long run, the main direction for solving socialism's basic problems. The decisive step in carrying out the programme task bequeathed to us by Lenin, namely to reach the highest world level, will be taken within the next 15 years. The Guidelines provide for increasing labour productivity in the entire national economy 2.3-2.5-fold by the year 2000. As a result, the Soviet economy will enter upon a qualitatively new road of development: the growth of production will for the first time be ensured in parallel with a reduction of the need for labour resources, and greater possibilities than ever before will be opened thereby for the solution of many social problems. All this will allow forming the pattern for distributing labour resources more rationally in line with the more dynamic character of the national economy and, at the same time, ensuring full and effective employment of the people, which stems from the character and essence of the socialist social system.

Underlying the document we are considering is a fundamentally new approach to meeting the economy's need for material resources. Whereas in preceding years this need was covered mainly by increasing production, the task for the long term is that 75-80 per cent of the growth rate of the need for fuel, energy, raw materials, metal and other materials will be met by husbanding these materials. The following example gives an idea of how effective this line is for the national economy. If the character of economic growth were to remain unchanged, by the end of the century we would need roughly 50 million tons more rolled stock than is currently planned. Realisation of the course towards saving resources will allow for a marked decrease of power-intensity and material input per unit of production.

The intensive growth and technical improvement of the production apparatus make particularly high demands of the output-to-asset ratio. Regrettably, the negative trend towards the decrease of this ratio has still not been surmounted. In the coming 15 years it is planned to secure a turn in the dynamic of this indicator as well: at the first stage—in the 1990s—to stabilise the output-to-asset ratio, and then ensure its growth.

A new retooling of the national economy on the basis of the achievements of the scientific and technological revolution is a task of truly historic significance. Only in this case will all-sided intensification rest on a solid foundation. This means a rapid renewal and qualitative improvement of the country's material and technical basis. It is very important that its high level is steadfastly maintained and that it conforms to world achievements. This process must embrace all industries. Every ministry and every industrial facility must have a concrete programme for a steady renewal of production assets and must carry it out perseveringly. This is vital for the solution not only of economic but also of important social problems.

Such are the aims and main tasks for the development of the economy and the promotion of the people's living standard that the Party is setting for the long term. They are indeed impressive. Their fulfilment will significantly move the country along the road of social progress and considerably reinforce its economic

positions in the world with the resultant further growth of socialism's force of attraction. To carry out what has been planned will involve mobilising all our efforts and potentialities, bringing into operation all the factors of the growth of socialist production, and promoting its efficiency.

And the main thing here is to secure the all-out vitalisation of the human factor. It is labour and only labour that helps carry our plans into effect and put them into concrete deeds. That is why the crucial political task is for every working person to take the programme objectives of the Party close to heart, to see them as his vital cause working in his interests and those of all society. That is the dependable earnest of our country's prosperity and of new successes in the building of communism.

The depth and dimensions of the charted readjustments will necessitate raising the management of the national economy to a new, higher level. All industries and republics must have clear-cut orientations for the next 15 years. It is only in this way that we can lucidly mark out the phases of our growth and ensure the continuity of aims and tactics of economic management in the period up to the close of the present century, and define the place and role of every five-year plan in the implementation of the Party's economic strategy.

### III. 12TH FIVE—YEAR PLAN —A CRUCIAL STAGE IN THE REALISATION OF THE PARTY'S ECONOMIC STRATEGY

The 12th five-year plan is a primary and extremely important stage in the practical implementation of the Party's long-term economic strategy. During these years there must be a marked growth of our economy and it must be taken to a higher trajectory of development, the trajectory of acceleration.

The main task of the five-year plan has been defined from these positions. It consists of enhancing the growth rates and efficiency of economic development through accelerated scientific and technological progress, the retooling and technical reconstruction of industry, the intensive utilisation of the existing production potential, an improvement of the economic management system, of the economic mechanism, and the attainment on this basis of a further rise in the Soviet people's living standard.

Permit me to report to you, comrade delegates, that the indicators for the growth and efficiency of social production envisaged in the draft Guidelines fully ensure the attainment of the main aim of the 12th five-year plan.

The dynamic character of the national economy is strikingly and convincingly reflected in the growth of the increment rates, in absolute terms, of key economic indicators. The increment in the national income will increase 60 per cent in 1986-1990. It must be noted that there was a fall in this indicator during the past five years.

As a result, in 1990 the national income will reach 614 billion roubles and the volume of industrial output will rise to one trillion roubles. These are the rates and dimensions that will characterise our economy by the beginning of the last decade of the twentieth century.

The 12th five-year plan will have yet another hallmark. Its purpose is to lay the foundation for the rise of growth rate of the country's socio-economic development in the subsequent ten years. In charting economic balances this made it mandatory to pay special attention to investment policy. In the course of the preceding three five-year periods there was a steady and substantial fall of their growth rate, and this led to a slowing down of the renewal of fixed assets, of the increment rate of capacities and, in the final count, of economic development as a whole.

	Increment rate in absolute terms, billion roubles		Mean annual growth rate, per cent	
	1985 over 1980	1990 over 1985 under the draft Guidelines	11th five-year plan	12th five-year plan under the draft Guidelines
National income share used for consumption and accumulation	71	96-111	3.1	3.5-4.0
Industrial output	135	169-194	3.7	3.9-4.4
of which:				
means of production (group A)	99	123-142	3.6	3.7-4.2
consumer goods (group B)	36	46-52	3.9	4.1-4.6
Agricultural output (mean annual output growth over the previous five-year plan, in prices for 1983)	11	28-32	1.1	2.7-3.0
Retail trade turnover	46	59-73	3.1	3.4-4.0
Volume of paid services to the population	9.8	13.7-18.2	5.0	5.4-7.0

Proceeding from the course towards acceleration, the CPSU Central Committee saw the expediency of increasing the growth rate of investments in production under the 12th five-year plan by 25 per cent over 16 per cent in the past five years. Naturally, this involves some change of proportions in the distribution of the national income—increasing the share allocated for the accumulation fund. This manoeuvre is necessary in order to attain current and long-term aims. The share of accumulation is subsequently to be stabilised and even somewhat reduced.

This manoeuvre, it must be emphasised, will be carried out under conditions of enhanced efficiency of social production, which will allow significantly increasing the absolute dimensions of the consumption fund that determines the Soviet people's standard of living. I will give you some statistics. The increment in the consumption fund during the 12th five-year period will amount to 74 billion roubles compared with 55 billion roubles during the past five years. The real incomes of the population will grow faster. This character of development is entirely in keeping with the Party's long-term course towards an intensification of the social orientation of our plans.

During the 12th five-year period a decisive step is to be made in carrying out an urgent economic and political task, that of placing the national economy on an intensive path of development. Provision is made for a growth of end results while significantly reducing the increment rates of key resources and simultaneously improving all the quality indicators of work.

practically the entire increment in the national income and in the output of industry and other branches of material production by increasing labour productivity. This is one of the fundamental specifics of the new five-year period. The increment rate of labour resources during these years is to diminish and amount to only 3,200,000 persons. Without the planned growth of labour productivity the national economy would require additionally more than 22 million persons. We simply do not have such labour resources. In the 12th five-year period it seems possible not only to make do with the existing increment but direct almost all of it into education, health care, and other social and cultural spheres, whereas in the past five years the increment in labour resources was distributed about equally between production and non-production spheres.

In conformity with the course worked out by the Party there is to be substantial acceleration of the fulfilment of an important task such as turning the economy into the main source for satisfying the additional requirements in fuel and in raw and other materials. It is planned that this source will in the next five years cover 60-65 per cent of the growth of the demand of key resources. As a result, in 1990 the saving of material outlays will double in the national economy as a whole. Resource-saving on this scale is unprecedented in our country. It reflects the objective needs of the present stage of our development.

The ways of resolving the problem of resource-saving are diverse. To begin with, this means broad use of the latest technology and the latest

	Increment for five years (per cent)		Growth (+), fall (-) of increment rates
	1981-1985	1986-1990 under the draft Guidelines	
<b>I. Results of Production</b>			
National income share used for consumption and accumulation	17	19-22	+2 to +5
Industrial output	20	21-24	+1 to +4
Agricultural output (mean annual volume)	6	14-16	+8 to +10
<b>II. Key Resources</b>			
Number of people employed in material production	2.3	0.5	-1.8
Fixed production assets	37	30	-7
Production of objects of labour	17	15	-2

The Guidelines envisage increasing the productivity of social labour 20-23 per cent as against 16.5 per cent in the past five-year period. For the first time ever it is planned to obtain

production techniques, of up-to-date forms of organisation, and an effective economic mechanism. And, certainly, this means such material conditions and such a moral and ethical

climate in every work collective in which all working people, all Soviet people, will become motivated and active participants of this big undertaking.

This also means the maximum utilisation of recycled resources. The proportion of such resources in industrial consumption is still not considerable, although a quite considerable positive experience has been accumulated in individual republics, in the Ukrainian SSR for example. There are noteworthy achievements in this sphere also in fraternal socialist countries. In the future it is planned to increase the proportion of recycled raw materials substantially, to an average of at least 10-12 per cent. The heads of ministries and leaders of Union republics must fundamentally change their attitude to this matter. Often, speaking figuratively, they sit on huge wealth and, at the same time, complain of having a shortage of raw materials. Moreover, one should also be mindful of the colossal damage that is being inflicted on the environment. The utilisation of recycled resources must also be approached by the State Planning Committee of the USSR and the State Supplies Committee of the USSR from principled positions, with the interests of the state at heart.

Among the major problems involved in promoting efficiency, I would say that the quality of output and of work is the most acute and urgent. This is not only an economic but also a political problem. Within a short span of time we have achieved advanced positions in the world for the volume of output of many kinds of products. We can now and are obliged to resolve the problem of quality with undiminished perseverance. The national economy has reached a point where not a single important production or social problem can be solved without a fundamental improvement of the state of affairs as regards quality.

To improve the quality of output is, in the final analysis, also a question of its quantity, of saving resources, and of more fully satisfying society's needs. I'll give just one example. It is well known how acute the question of tyres is in the country. This is known also by the Ministry of the Petrochemical Industry. The most rational way of resolving this problem is to increase the life-span of tyres. To raise this indicator by 10 per cent would be tantamount to producing six million tyres annually. This is practically as much as we are today short of in order to meet the demand of the economy and of the population. Many examples of this order could be given.

The draft Guidelines envisage an approximate doubling of the proportion of industrial products of the highest quality in the next five years. Here it is necessary to substantially enhance the role and objectivity of certification. A pressing problem today is the efficient utilisation of the economic mechanism that metes out material and moral punishment to industrial facilities which tolerate low quality. Conversely, work collectives that produce up-to-date high quality products, and we have quite a few such collectives, should be encouraged and the encouragement should be generous. Important decisions have now been passed on this score: tangible additions to wages and rigid sanctions have been introduced. Industrial facilities and associations should rapidly restructure their work so that the new requirements of quality do not catch anybody by surprise.

The improvement of quality is a nation-wide task and it can only be carried out by the efforts of all the management bodies, all enterprises and all working people, with reliance on the achievements of modern science and technology and on the initiative and creative work of the masses. Every means must be brought into play here: economic, administrative and educational. Nor can half-measures be tolerated in this matter. There must be the utmost mobilisation of strength, perseverance and consistency in fulfilling the adopted decisions. This is how the question of quality is put in the letter of the CPSU

Central Committee to all the working people. And this is how it must be resolved.

Comrades, the draft Guidelines have set highly responsible and difficult targets for growth of output and for the improvement of the people's well-being. Envisaged in them is the provision of the Soviet Armed Forces during these years with everything they need to defend our Motherland. The 12th five-year plan, which gives the start to the Party's long-term strategy, must become a turning point for our economy in all respects—from the point of view of growth rates and from the point of view of efficiency. It must become a turning point, too, in the way we organise the fulfilment of the five-year plan.

Conclusions must be drawn from the past, when the focus on the fulfilment of five-year plans was shifted to the closing years. A directive of the Central Committee of the CPSU envisages, already in 1986—the first year of the current five-year plan, such rates for the development of the national economy as would allow distributing the assignments of the five-year plan more evenly and thereby creating realistic conditions for its fulfilment. All this requires hard work from the very beginning of the five-year period and sets the necessary rhythm for the subsequent years.

In mobilising available organisational and social potentials, no time should be lost, and key long-term factors of acceleration—scientific and technological progress in the first place—should be set in motion. It is only by linking up all these directions of work that we shall carry out our plans and achieve the set social targets.

#### IV. LINES OF ECONOMIC INTENSIFICATION IN THE 12TH FIVE-YEAR PLAN PERIOD

##### 1. Acceleration of Scientific and Technological Progress: Main Lever of Intensification

The Party's policy of all-round intensification rests on the enormous potentialities in the current stage of the scientific and technological revolution. Lenin's words that in order to build communism we must put science and technology into action (*Collected Works*, Vol. 30, p. 458) are now more topical than ever. Today, putting science and technology into action means accelerating the top priority fields of scientific and technological progress, ensuring rapid and large-scale application of everything that is progressive, and transforming the productive forces qualitatively. It also means joint development and effective use of scientific and technical achievements by the socialist community countries and active participation in the world-wide division of labour.

Our country has always paid special attention to the advancement of science and technology. In a short span of time we have built up a powerful scientific potential which has enabled us, at each stage, to carry out major economic and defence tasks with success. It is no secret, however, that although we possess noteworthy R and D results and advanced ideas we often lag behind in the development of progressive technologies, including even some that were born in our country. This situation can only be explained by miscalculations made by ministries in their technological policy, and, at times, by their unwillingness to look ahead to tomorrow.

On the basis of a deep-going analysis the Plenary Meeting of the Central Committee of the CPSU in April 1985 and the June 1985 Conference in the Party's Central Committee forcefully posed the question of energetically eliminating the barriers standing in the way of scientific and technological progress, and of ensuring cardinal, revolutionary changes along all its directions. The strategy which the Party has worked out for accelerating scientific and technological progress consists, first, in concentrating the available resources on the key avenues while

advancing science and technology along a broad front. Second, in providing scope for large-scale application of reliable technological innovations tested in practice, from which it is possible to obtain a maximum return before they become obsolescent. Third, in quickly and purposefully carrying on R and D that will lead to fundamentally new technology and production methods greatly raising the productivity of labour. The solution of these problems will be put on a practical footing in the 12th five-year plan period.

Broad development of advanced production methods is one of the most important lines of scientific and technological progress. Only by taking this road will we be able to make progress leading to a qualitatively new level not only in separate types of production but also in entire industries. In the 12th five-year plan period we intend to expand the use of basic progressive technologies in each industry by 50 to 100 per cent. Fundamentally new production methods, for instance, membrane, laser, plasma, ultra-high pressures, impulse loads and so on, will hold a notable place. The scale on which these methods are applied will increase several times over, and that will undoubtedly yield a big economic effect.

Another avenue is automation and mechanisation of production to radically transform workplaces and make the job of workers, collective farmers and the intelligentsia more productive, creative and attractive. This is one of the principal social objectives that the Party has set itself. The level of automation in the national economy will double on the average. About 5,000 automated process control systems are to be introduced in industry.

The present-day stage in automation is based on the revolution in computer technology and in computerisation of the national economy. New generations of computers of all classes, from supercomputers to personal computers for school instruction, are to be designed and developed in the coming five years. Total output of computers is to go up by 2.3 times in the five years. We are setting the target of large-scale computerisation of the machinery and equipment that is being produced for all industries. The future belongs to this technology.

A characteristic feature of automation in the 12th five-year plan period is rapid expansion of robotics, rotor lines and rotary conveyors, and flexible manufacturing systems, which ensure high productivity. For example, the number of industrial robots is to be trebled during these five years.

As we see, the scale is sizeable. A fundamentally new approach is necessary to the application of this advanced and, it must be said, costly equipment. Yet at present it is being used extremely inefficiently by many ministries. Thus, according to data released by the USSR Committee of People's Control, at the plants of the Ministry of the Electrical-Engineering Industry highly productive processing centres are not operating at full load, and some simply stand idle. At many enterprises of the Ministry of Agricultural Machinery and the Ministry of Power Engineering, digital programmed machine-tools are being used less than one shift per day. That kind of work discredits the potentialities of the latest technology and does great damage to the economy. The situation must be remedied immediately.

It is intended to substantially reduce materials consumption in social production through large-scale application of economical types of metal products, plastics and other progressive materials. In the course of the five years their output is to increase by more than 30 per cent, as compared to an increase of only 6 per cent in the production of traditional materials. The application of fundamentally new structural materials which have been developed by our scientists and which are greatly superior in

quality to those now being used opens up tremendous prospects. That refers, in particular, to composite materials. Their manufacture is to increase 10-12 times in the 12th five-year plan period.

The scale of developing new machinery and technologies outlined for the five-year period as a whole will ensure a more than 65 per cent growth in the productivity of social labour and will reduce production costs in industry by 28 billion roubles.

Rapid progress in science and technology calls for a continuous and growing renewal of scientific ideas and developments. The decisive role here is played by basic research, by our Academy of Sciences of the USSR, which has splendid traditions and outstanding achievements. College and university research can also provide a good deal. However, its discoveries will benefit the national economy only if they are taken up and applied in good time, that is, if all levels of the science-production cycle function smoothly and rhythmically.

Research conducted in the various branches of the economy is a highly important element of this chain. It possesses a ramified network of research institutes and design offices having a large number of researchers, and good results are obtained wherever they are competently used. This is not the case everywhere, however. All too often, sectoral organisations have been marking time, producing no tangible results. At times their efforts are subordinated to upholding narrow departmental interests, lack a creative spirit and are distinguished by petty projects and by fragmentation of resources and personnel. Although they are aware of this, the heads of many ministries take an inert, irresponsible attitude to making use of the enormous scientific and technological potential. On the other hand, they display enviable activity in purchasing abroad machinery and technologies which they themselves could have successfully developed. This harmful practice must be given a strict and principled Party evaluation.

The unbridled chase for imported technology and production techniques on the part of many a manager has a corrupting effect on designers. Seeing how easily equipment is bought abroad, their ardour tends to dampen, they lose their zeal and bow to difficulties. Far be it from us to renounce using the results of the international division of labour and exchange of scientific and technical knowledge, but we must first and foremost rely on our own enormous scientific potential. In the new five-year plan period we must energetically reorganise sectoral scientific research, bring it as close to production as possible, improve its material base, especially pilot plant and experimental facilities, and supply it with up-to-date instruments and research equipment. It must bear full responsibility for the scientific and technological level of its industry. That should be the main criterion in assessing its performance.

Special attention must be paid to scientific research at factory level. It stands closest of all to production, interlocks with it, and, as experience shows, significantly reduces the time needed to develop and produce new machinery. The Elektrosila, Uralmash, Ivanovo machine-tool production association, and other associations largely owe their fame to factory scientists, designers, and technologists. This sphere of research should be expanded at the fastest rates, and sectoral research institutes should be boldly integrated with it. We must speed up the organising of research-and-production associations to spearhead scientific and technological progress. This process has already begun in the engineering industry and must be actively taken up in other industries.

On the basis of the experience of leading research organisations, inter-sectoral scientific and technical complexes have been arising lately. They straddle the main avenues of scientific and technological progress and are a new effective

way of combining research with production.

The main thing, of course, is to provide the economic, social and organisational prerequisites for creative work by engineers, scientists and designers. They are the ones who generate scientific ideas and developments, and it is on them, first and foremost, that the technical level of production depends. A number of major decisions have been passed to stimulate their activity, to enhance their social prestige and to provide them with more incentives.

New forms of payment are to be introduced, which have proved their worth, overcome levelling trends, and encourage work that yields a high level of creative results. There was a time when many executives insisted on introducing these forms of payment. It is therefore hard to explain the fact that today these new forms have been applied in less than a dozen enterprises and associations. All the above shows what a powerful sluggishness there is on matters of scientific and technological progress and how greatly energetic, large-scale actions are needed.

We will have to restructure the economic mechanism resolutely in order to accelerate scientific and technological progress in every branch of the economy. But we must remember that this mechanism will yield no results by itself if the responsibility of the top managers, first of all the ministers, is not heightened at the same time. They must bear full responsibility for the technical standard of production in their industries.

In tackling the new tasks related to scientific and technical policy, a good deal depends upon the USSR State Committee for Science and Technology which has not yet found its place in the process, and has failed to readjust to the needs of the times. It should concentrate on coordinating the main lines of scientific and technological progress, on carrying out direct guidance of the inter-sectoral scientific and technical complexes and on organising scientific information in the country. It also has the highly important function, new for it, of coordinating efforts to carry out the Comprehensive Programme of Scientific and Technological Progress of the CMEA Member-Countries up to the Year 2000. Finally, the entire system of management of scientific and technological progress must be radically reorganised if we want to make it an inseparable element of our plans and of our entire economic life. This refers to the practice of planning, to the financing, price-formation and incentive systems and to the entire economic mechanism.

In a word, comrades, a first-priority task of the 12th five-year plan is that every engineering and managerial decision should be examined in the context of the gradually growing contribution by science and technology to production. Socialism's economic system allows us to make systematic use of the inexhaustible possibilities provided by the scientific and technological revolution. Unlike capitalism, where, in the final analysis, the great achievements of science and technology aggravate the social contradictions, in the hands of the socialist state they are a powerful lever for transforming society. Here socialism has a historic advantage, and must use it to the full.

## 2. Investment Policy and Capital Construction

An active investment policy is an effective instrument in implementing the Party's economic strategy. It is subordinated, in each particular period, to solving the main tasks confronting our country. The new feature of the investment policy in the 12th five-year plan is its orientation on accelerating scientific and technological progress and, on this basis, qualitatively transforming the material base and structure of production.

The increase in capital investments is to be substantially greater in the current five-year

period: by up to 170 billion roubles, as compared to 125 billion roubles in 1981-1985. Total capital investments are to reach nearly one trillion roubles.

It is not only a matter, of course, of enormous capital investments. The success of an investment policy is determined largely by how effectively the resources are used, by how their sectoral and reproduction structure is shaped, and by how the very process of capital construction is organised. All these aspects have been thoroughly elaborated during the drafting of the Guidelines.

An important feature of the 12th five-year plan is the considerable, 80 per cent, growth in capital investments in the engineering complex, the complex in which scientific and technological progress is embodied. Special emphasis is being put on developing its branches that provide for qualitative changes in the technological level of the engineering industry itself. That lays the material foundation for accelerating scientific and technological progress.

Among the key sectors, the fuel and energy complex gets special attention. Against the background of increasingly complicated extraction and transportation of fuel, capital investments in this sphere have to be increased by 47 per cent to ensure reliable supplies of fuel for our country and for the other socialist community countries. Capital investment growth rates in the industries that practise effective fuel extraction and refining methods will be approximately twice as high.

In conformity with the Food Programme a third of all capital investments is being allocated to the agro-industrial complex. Here, priority goes to the sectors that process agricultural raw materials; capital investments in them will grow 51 per cent, as compared to an overall growth of 22 per cent. This will help to eliminate the big imbalance hindering growth of the final product.

A characteristic feature of the new five-year plan is the emphasis it puts on retooling and modernising existing production facilities. The share of capital investments for these purposes is to grow from 37 per cent in 1985 to 50 per cent in 1990. This percentage will be still greater in the sectors and districts having the most outdated production facilities.

Revision of the reproductive structure of capital investments will considerably speed production apparatus renewal, overcoming the trend towards its physical and moral obsolescence which has taken shape lately. The average annual coefficient for scrapping outdated equipment is to increase to between 5 and 6 per cent, that is, to a level ensuring the planned production efficiency of the economy. Such a scale of renewal provides the possibility of substantially reducing the outlays for major overhauls. It is clear that considerable changes will also have to be made in the depreciation policy to solve these problems.

As the branches of the economy go over to the new economic mechanism, the main role in the technical retooling and reconstruction will be played by the development funds of enterprises and associations earned by their respective work collectives. And that calls for a radical change in the attitude to these funds. People at the enterprises must be fully informed of the fact that the main source of their technical retooling will be the first to receive all requisite resources. A special responsibility devolves here on the central economic agencies and, of course, the ministries, which, however, are continuing to operate in the old way with regard to this issue. The matter was rightly raised in the interventions at the Congress.

The priority given to retooling and modernisation will demand a certain restriction in the number of new projects, especially in the European part of the country. New projects will be carried out only for the purpose of major structural changes, of establishing industries that have arisen in the present stage of the scientific



and technological revolution, and also of developing natural riches. Our fundamental policy consists in extensive retooling plus whatever new construction is vitally necessary.

A radical reorganisation of capital construction to make it more efficient is the keystone of the investment policy. Many unresolved problems have accumulated in this sphere over the years. Construction time-limits have been grossly violated, construction projects have become more expensive and the percentage of unfinished construction projects and stocks of uninstalled equipment has grown excessively. A completely abnormal situation has arisen in which the unsatisfactory work of building organisations, and the weakness of their industrial facilities have, in some regions, limited economic development and dealt tangible damage to rational distribution of productive forces. The state of affairs in the building industry was doubtless affected by the general decline in discipline and responsibility witnessed in the past few years.

The problems of capital construction must be tackled without delay by using all the economic and organisational measures. A number of decisions aimed at improving the state of affairs in this industry have been adopted lately. Their unconditional fulfilment should yield the required results in the years immediately ahead. It is obvious, however, that the work will not end at that.

First and foremost, we must clamp down on the fragmentation of financial resources. Although we have been talking about this a long time, more than 300,000 large and small construction projects are underway throughout the country. That is an impermissible number, even taking our enormous size into account. The Central Committee of the CPSU has obliged us to normalise the situation. Beginning with 1987 we intend to go over to strict observance of standard time-limits in planning and carrying out construction work.

That is not a simple matter. Some might find it highly painful. We do not exclude the possibility that a number of projects not of primary importance will have to be shelved, and the manpower and funds reallocated. But we must take this step. In that case alone will we be able to really reduce building schedules by at least a half. Already today all the ministries and departments and the constituent republics must make thorough preparations for this work.

Implementation of the five-year investment programme calls for a higher level of industrialisation in capital construction. It must be put on a fundamentally new material and technical foundation. The old foundation, laid in the late fifties and early sixties, has largely exhausted its possibilities. The new foundation should rest on the latest achievements of science and technology at home and abroad and should contribute to the establishment of an integrated industrial-construction process. The draft Guidelines provide for an increase in the number of projects built of prefabricated elements and in the delivery of mechanisms; the use of aluminium, plastics and new materials is to increase 50 to 100 per cent. All this will substantially improve construction organisation, and raise labour productivity and construction standards while simultaneously reducing building costs. But a great deal still has to be done, and we shall return more than once to the question of industrialising capital construction.

It is equally important to radically improve designing in the building industry. This is mostly a matter for the designers themselves, of course. The technical level of production, the more efficient use of capital investments and the intensification of construction depend to a large extent on them. They must be the catalysts of scientific and technological progress in all branches of the economy.

We have splendid examples of new and modernised enterprises designed and built

according to the latest word in technique and technology. On the other hand, patently backward technical solutions as well as errors in project cost estimation often occur. In the four years of the last five-year plan period the cost of construction projects went up by 11 billion roubles, or by 24 per cent of the initial estimates. Moreover, the technical and economic indices of half of the projects deteriorated. This is a very alarming fact.

The responsibility for the unsatisfactory situation in designing falls not only on the designers but also on the ministries and departments. They are the ones that gave the go-ahead to outdated designs. According to the USSR Bank for Construction Projects (*Stroibank*), 25 per cent of the projects which are going over into the 12th five-year plan period and which are regarded by respective ministries as corresponding to the modern level of scientific and technological progress, were designed 10 to 20 years ago. It is quite understandable that such an approach cannot produce designs which measure up to modern demands. A situation of this kind is to be observed in many ministries. For example, the USSR Ministry of Non-Ferrous Metals has confirmed the high technical level of 69 projects that were approved between 1965 and 1975, while the Ministry of the Motor Vehicle Industry has confirmed 20. These construction projects would go into operation in an average of 20 or more years after they were designed. Need I make any comments?

The USSR State Committee for Construction (*Gostroi*) is obliged to do much to improve the state of affairs in the designing. While not taking over the duties of ministries and design organisations it should pursue a uniform scientific and technical policy in construction, draw up a system of assessments of the standards and technical level of designs, and widely practise design competitions.

Finally, a top-priority task is to reorganise construction management. This is perhaps the most neglected industry with regard to improving management and economic operation methods. Yet this question is more acute here than in any other sphere. Fragmentation and multi-level management must be eliminated and an optional combination of centralisation with broader powers and higher responsibility for constituent republics and local bodies must be found.

Thus, capital construction must be improved at all levels. We must declare most definitely that the feasibility of our plans and the country's economic development rates depend largely on this.

### 3. Structural Policy and the Growth of Economic Complexes

At all stages in the development of the national economy our Party has attached exceptional importance to the structural policy, to the choice of priorities, to drawing up inter-sectoral and inner-sectoral balances.

The draft Guidelines thoroughly define the most important targets in improving the structure of the national economy, in developing its sectors, in setting forth the targets they have to reach. Allow me to dwell only on the most fundamental aspects of structural policy in the period of the 12th five-year plan.

First of all, it calls for priority growth of the end product—machines, equipment, consumer goods, completed construction projects—as compared with the intermediate product—fuel, raw materials and semi-manufactures. The rate of increase in the end product in 1986-1990 will be 40 per cent more, in terms of the growth per rouble of the costs of raw and other materials, than in the previous five-year period. The end product growth rate in the manufacturing industries will be 100 per cent higher than the rate of increase in the fuel and raw materials industries. This shift is based to a significant degree on the policy of economising resources.

Another feature is accelerated development of the industries—electric power, chemicals, petrochemicals and, of course, engineering—which will bring the national economy to front-ranking scientific and technological positions in the world. Their share in industry will amount to 41 per cent of the total in 1990.

Finally, a very important feature is that all industries without exception have been orientated to a greater degree than before on the manufacture of consumer goods and development of the service sphere. It is planned to give more priority to the growth of the B industry group than the A group.

The most substantial structural changes are connected with greater priority for engineering. While the Guidelines were being drafted the Central Committee of the Party warned against underestimating the leading role of engineering and pointed to the need to overcome the previous trend towards bringing its growth rate close to that of industry as a whole. The growth rate of this sector under the 12th five-year plan is 90 per cent higher than in industry as a whole. This is a very substantial coefficient and it will strengthen the priority position of engineering in the national economy.

The cardinal task of the machine-builders is to change the structure of production and to raise the qualitative specifications of machinery and equipment. By 1990 the annual renewal of engineering products is to be brought up to 13 per cent, as compared to 4.5 per cent in 1985. Against the background of the priority growth of engineering, this will provide a genuine foundation for retooling our country's production facilities on a modern basis.

Special attention is being paid to modernising the engineering industry. Its technical level depends primarily on the levels reached in machine-tools, instruments, electronics and electrical engineering, which are therefore to grow much faster than the engineering industry as a whole. At the same time, each machine-building ministry must develop its own machine-tool production geared to its industry's specific needs.

The targets confronting machine-building have called for improved management of this complicated sector. An Engineering Bureau under the USSR Council of Ministers has been set up and is putting its work in top gear. It should concentrate its attention on supplying the national economy with all the up-to-date machinery and equipment it needs for accelerating scientific and technological progress.

Significant changes are planned in the structural materials complex. The main thing here is to increase the share of progressive, economical types of materials. Thanks to this, the national economy's growing demand for structural materials will be met by significantly lower output growth rates. That will be an important contribution by the complex to economising the country's resources.

For example, large-scale retooling in the iron and steel industry will improve the structure and quality of metal products. As a result, with a mere 9 per cent increase in the output of finished rolled products industrial output as a whole will rise 21 to 24 per cent and engineering and metal-working will register a 40 to 45 per cent gain during the five-year period. Simultaneously, we must ensure more rational use of metals, first and foremost, in engineering and construction.

In the non-ferrous metals industry the main stress is put on comprehensive use of resources and on increasing the output of new types of goods. The replacement of metals and other traditional materials by chemical materials will be speeded up. Manufacture of the latest types of plastics is to increase nearly six-fold. Priority is also to go to expanding the output of up-to-date timber products.

An equally important aspect of the

development of this complex will be a better ratio between raw materials extraction and finished products. For example, the output of ferrous metal rolled stock is to increase with hardly any growth in ore extraction or in pig iron and coke manufacture. The output of wood products per cubic metre of timber shipped out is to increase 16 per cent. All the above will be achieved by raising the technological level of these industries.

Reliable development of the entire national economy requires further improvement of the fuel and energy complex. Major shifts in the structure of the fuel-and-energy balance are to be carried out in conformity with the Energy Programme of the USSR. By the end of the five-year period nuclear power stations will nearly double their share of power production and will account for more than 20 per cent of the total amount generated.

In the course of the 11th five-year plan period the USSR Ministry of the Power Industry fell short of its targets in starting up nuclear power plant capacities, which created an additional demand for fossil fuels. Taking into account our country's strained fuel balance and the growing role of nuclear power generation, setbacks of this kind are impermissible in future.

The share of natural gas in the fuel and energy resources is to increase to 38 per cent of the total. The gas industry is coping with its assignments not badly, but there are no grounds for complacency. After the Urengoi deposit reaches its designed capacity the increase in natural gas extraction will come chiefly from the Yamburg deposit. The main thing now is to speed up the construction of amenities there. Good reserves for future use will also have to be made in time.

The state of affairs in oil extraction, especially in West Siberia, requires substantial improvement. By the end of the five-year period it should be accounting for two-thirds of the Soviet Union's total oil output. Irregular functioning by this industry created difficulties for the economy. The Ministry of the Oil Industry, the Tyumen Chief Oil and Gas Administration and its enterprises turned out to be unprepared for operation when the output of wells at major deposits began to fall off. The existing lag must be overcome in the shortest possible time. The Party and the government have given the oilmen considerable assistance. Success now depends on the ministry's organisational work, its keenness in unconditionally carrying out the assignments set forth in the Guidelines and in mobilising the efforts of the work collectives for this purpose. The local Party and economic bodies must play a big part in ensuring extraction of the planned volumes of oil.

In the coal industry, open-cast mining, especially in the Eastern regions is getting special attention. Retooling and modernisation of the collieries in the old coal mining areas, in the first place in the Donetsk and Kuznetsk basins, should also be continued.

Dynamic development of the economy requires large-scale geological prospecting, especially for oil, natural gas and ores, and a higher level of efficiency and quality in preparing the explored mineral reserves for extraction.

A most important trend of structural reorganisation is greater emphasis on fuller satisfaction of the Soviet people's varied and ever-growing requirements. This is being achieved through accelerated development of the food-processing and consumer goods industries.

In the 12th five-year plan period, closer and better-coordinated interaction among the branches within the agro-industrial complex will be achieved; this will greatly improve its overall performance. Agriculture will develop considerably and its material and technical base will be consolidated. All types of farm output will grow thanks to better provision of collective farms and state farms with new machinery, mineral

fertilizers, chemical weed- and pest-killers, through increasing the area of improved land and by making effective use of all these resources. It is planned to bring the output of grain to 250-255 million tons and that of meat to 21 million tons. Such a good showing can only be made by applying intensive techniques, increasing the grain yields and livestock productivity, and by applying, within the agro-industrial complex, new methods of economic management. The coming five years will be highlighted by priority development of the processing industries and transportation, and better storage facilities for farm produce. All this will reduce unwarranted outlays and losses, enlarge the resources and improve the quality of foodstuffs.

The consumer goods output targets have been set according to the Comprehensive Programme for Expanding Consumer Goods Manufacture and Services; this will open up broad vistas for their growth and improvement. The task is to carry out accelerated technological progress and expansion of the light and local industries, services and trade. It is planned to increase the manufacture of consumer goods by 30 per cent over the next five years, that is, to ensure a greater growth rate here than in industrial production as a whole. The range of goods will be considerably broadened and their quality improved.

The comprehensive and well-coordinated development of the entire infrastructure, that is, transport, communications and the information system, material and technical supplies, warehousing and roads, is of increasing importance to our economy.

Transport workers face the important task of handling growing freight and passenger traffic, especially between the European and Eastern parts of the country. Carrying it out successfully calls for well-coordinated operation of all kinds of transport, development of new types of transport, and further consolidation of the material and technical base of the transport services. To link all the collective farm and state farm centres with the district administrative centres by motor roads in the 12th five-year plan period is a task of tremendous industrial and social importance.

The measures to develop all the constituent republics and major regions have been mapped out from the point of view of a statesmanlike rational approach to the territorial division of social labour within the national economic complex. The targets in the draft Guidelines have been set in such a way as to further the economic and cultural development of all the republics, and ensure a better location of productive forces. Each republic is to make a weighty contribution to building up the country's economic potential.

One of the most important territorial problems consists in providing closer linkage between industrial siting and available manpower and material resources. As is known, the resources of various kinds are unevenly distributed over our country's territory. The larger part of the production assets is concentrated in the European part of the USSR, while fuel and raw materials production is being predominantly developed in Siberia. At the same time, the highest rate of growth of labour resources is registered in Central Asia and the Transcaucasian area. The draft Guidelines provide for the siting of energy-intensive industrial facilities near fuel and energy producers, and for increasing the number of workplaces in regions having the requisite manpower resources. They pay special attention to integrating the economic development of Siberia and the Soviet Far Eastern areas, to developing their natural riches and to ensuring transport links with them.

Intensification and scientific and technological progress are thus the keynotes of the structural policy of the 12th five-year plan. This policy assures a solid foundation for strengthening the national economy's material and technical base.

#### 4. Improvement of the System of Control and the Methods of Management

Comrades, the success of our plans and objectives is indissolubly linked with the improvement of control and methods of management. We will not be able to place production on the path of all-round intensification by the previous methods and old organisational forms, without changing them radically to suit the new conditions and up-to-date needs for economic growth. What we want here are not partial improvements, but as Mikhail Gorbachyov said in the Political Report, a radical reform.

To speak plainly, the insistent need for improving the system of control was in many ways underestimated until recently. The job was being done slowly and half-heartedly. The bias towards old, mainly administrative methods kept taking the upper hand, and acted as a brake on economic developments. Intellectual stagnation inevitably bred stagnation in deeds.

The Party has drawn the due conclusions and has set a clear objective: to carry out large-scale measures improving the entire system of control so as to substantially heighten its efficiency, focus it on a cardinal acceleration of scientific and technological progress, on an all-out vitalisation of the human factor. This objective has been thoroughly and profoundly substantiated in the Political Report of the Central Committee to the 27th Congress of the CPSU, which defined the fundamental line of our actions. Relying on the immutable principle of democratic centralism, we must follow this line, and continue consolidating and improving the centralised plan-governed guidance of the economy—socialism's great gain and essential advantage. In this matter, too, it is apparent that we have "not lived up to" and will never live up to, the hopes of bourgeois ideologists that we will depart from that fundamental principle. At the same time, the Party will resolutely extend limits for the independence of associations and enterprises, heighten the latter's responsibility for the end results, and deepen cost accounting. The vast scale of the economy and the complication of inter-branch and regional ties make it essential, too, to secure an optimum blend of branch and territorial control, and an improvement of the organisational structures.

In recent years, as we know, important steps have been taken in this respect. A broader than ever search for and experimental elaboration of more effective forms of control, coupled with the introduction of innovations that have proved their worth, has become a typical feature of our economic life. We began by extending the rights and responsibilities of enterprises and associations—the level at which material goods are produced and all threads of control are intertwined. Here the shortcomings of the economic mechanism had been especially noticeable. The absence of a close linkage between the interests of work collectives and the end results of their work held down their initiative and inventiveness, and did not prompt them to use the untapped potentialities of production. To avoid past mistakes, the elaboration of new methods is based on the specificity of the particular economic branches. All this enables us to determine the strong and weak sides of the new methods more conclusively, to perfect them, and extend the sphere of their use phase by phase.

During the 12th five-year period we will have to persevere in developing an integrated system of control, to consistently adjust the elements of the economic mechanism, and look for more effective forms and methods of planning, and of stimulating and organising production.

One of the most important tasks in these five years is to introduce new methods of management in all branches of the economy. By now, enterprises accounting for half the industrial output, the entire communications system, the services industry and some transport enterprises,

are operating along new lines. And as of 1987, all industrial and transport enterprises will operate on these principles. Simultaneously, within the shortest possible time, we must also complete the reorganisation of the management of the agro-industrial complex, lay the ground for substantially more efficient methods of running it, and for a broad introduction of truly cost-accounting relations on collective farms, state farms, enterprises, and associations.

As noted earlier, the management of the building industry calls for most urgent improvements. Here we must begin an experimental verification of new methods of planning and of elements of the economic mechanism already this year, so as to subsequently spread them to the entire industry. The whole range of issues related to the organisation of management in capital construction calls for thorough study in the light of the tasks facing the country.

To deepen cost accounting is especially important if we want to further improve the economic mechanism and comprehensively elaborate all its elements. A close and rigid dependence should be established between the end results achieved by the enterprises and associations and the funds they allocate for the development of production, the payroll, material incentives for the personnel, satisfaction of their social needs. And the substance of the matter is that these funds should increasingly determine all aspects in the functioning of enterprises: production as well as social.

For this purpose, we are setting the task, first, to make the fund for the development of production the basic source of technical retooling and modernisation; second, to finance the improvement of housing and other social and everyday amenities increasingly out of funds earned directly by work collectives; third, to tie more conclusively the earnings of every worker to his or her personal contribution to the end result; fourth, to completely stop up all channels that make it possible to pay for the mismanagement of some with the good results of others, and fifth, to secure a further expansion of the sphere of contractual relationships and establish strict responsibility of enterprises for fulfilling their commitments to consumers. And, lastly, a most important thing: to stop petty supervision and interference of superior bodies in the lawful rights of work collectives, to enable the latter to find the optimum ways of fulfilling their plans by themselves.

Precisely this is full-scale cost accounting in action. Precisely these economic conditions will inescapably require that enterprises and associations make the maximum use of the production potential, the achievements of science and technology, that they economise on resources to the utmost, and that they react flexibly and promptly to the needs of consumers.

We must work resolutely for the improvement of cost accounting, and see to it that enterprises go over to self-financing and self-sufficiency. These principles are now being comprehensively verified at the Volga Car Works and the Research-and-Production Association in Sumy. The results they are getting are good. We must follow this path with energy.

Developing the system of economic norms is especially important if we want to improve the new methods of management. The norms must be set for the entire five years and give work collectives confidence that efficient work is sure to be rewarded materially and morally. Poor results, on the other hand, will also affect the entire collective. The most dangerous thing here is to upset the stability of norms. I am sorry to say, however, that this does happen, undermining the most crucial pillars of cost accounting, and must, therefore, be most firmly combated.

It should be stressed that economic norms are a promising instrument of plan-governed management. They pliantly combine centralisation in economic management with the use of commodity-money relations and the law of value. It is

important that central economic bodies, ministries and enterprises should learn to use them to the full extent. The sphere in which they are applied will have to be expanded with an eye to available experience, putting the system of relations between state enterprises and the budget on a normative basis.

The policy of extending the rights of enterprises that has been built into the new managerial mechanism will not yield the desired results unless its principles are applied at all levels of production, right down to the team and work place. This calls for an organic linkage of cost accounting at associations and enterprises with the development of the contractual form of organising and remunerating labour. That will offer greater scope to the creativity and initiative of the masses, the collectivist principles of production will grow deeper, and people's involvement in the common cause will be brought more closely home to them. That will be when Lenin's behest will come into effect of every worker "feeling that he is not only the master in his own factory but that he is also a representative of the country, of his feeling his responsibility". (V. I. Lenin, *Collected Works*, Vol. 27, p. 403.)

The Political Report approaches in a new, principled way the development of democratic methods in management, the question of extending the immediate participation of the working people in the affairs of enterprises, a fuller and more effective application of the USSR Law on Work Collectives. We cannot expect the economic mechanism to function effectively without the active and creative participation of work collectives in drafting and fulfilling economic and social development plans, and resolving all issues related to the life of enterprises. That is why it is essential to find new collectivist forms for the working people's participation in management alongside the existing ones. As it says in the Report, councils of work collectives could be one such effective form. Party, trade-union, Komsomol and other public organisations must have their say in expanding the democratic principles of management.

In the recent past, underestimation of the role of organisational structures in raising management efficiency was a major snag in the work of improving control. In recent years, as we know, the establishment of production associations was unjustifiably retarded, and they have failed to become the determining form of organisation in a large number of industries. The process has to be given fresh impulse. We must also be bolder in forming large-scale inter-branch associations, which provide for effective specialisation and co-operation free from departmental partitions.

A new approach is needed to the role and functions of ministries. The content and style of their work, like their organisational structures, were shaped to serve the old, mainly administrative, methods of management. Considering the introduction of efficient methods of control and the extension of the rights of enterprises and associations, ministries will have to be substantially restructured. In the interests of production, part of their former functions will have to be turned over to the work collectives, needless everyday routine abandoned, greater faith shown in the enterprises.

In the present conditions, ministries should concentrate their efforts mainly on charting the strategy of scientific and technological progress in the industry concerned, working out the perspectives of its development, raising the general standard of economics, and, in the final analysis, meeting all the needs of society in commodities. For this purpose, we must also radically improve the organisational system of control branch by branch, and, as a rule, adopt the two-level managerial scheme. Elaboration of this scheme in ministries of the engineering complex has already been completed, and it should be speeded up, too, in all the other branches.

The tasks facing the ministries are not simple.

And success depends in many ways on how organically they are integrated in the new system of management, and on how quickly they adapt themselves psychologically to the needs of the times.

The responsibility of our central economic bodies for enhancing the effectiveness of the economic mechanism is exceedingly high. They are, indeed, the conductors of the fundamental principles of the Party's policy.

It is no secret, however, that all too often in their practical activity, in plump written instructions and recommendations of methods, the substance of the issues is distorted, giving head to departmentalism and emasculating vital undertakings. This is giving rise to legitimate dissatisfaction locally. Such practice must be rooted out once and for all, and the sense and spirit of the Party decisions must be strictly observed.

The success of the ongoing restructuring of the economic mechanism depends largely on the USSR State Planning Committee. It must bring its activity in line with the new demands, emphasise the comprehensive approach to the key tasks, and bear full responsibility for a balanced and effective growth of the economy. It is also essential to rebuild the structure of the USSR State Planning Committee in this spirit, so as to concentrate its activity on promising economic trends, and above all on shaping the national economic, inter-branch and regional proportions.

Responsible tasks are also facing the State Supplies Committee of the USSR. Its work will have to be restructured in order to measure up to the needs of the new economic mechanism, and introduce effective forms of supply and distribution, including wholesale trade.

We expect bold and resolute action from the USSR Ministry of Finance. In recent years, finance has played a weaker part in economic affairs, and so has the effort to heighten the profitability of the economy. More, in a number of cases the financial and credit mechanism is holding back progressive changes. Substantial modifications are needed here in order to concentrate it on securing the expenditure-free tendency of building up production.

The activity of the USSR State Bank and the USSR *Stroibank*, too, should be revised in order to meet the new demands. At present, credits are highly ineffective. The conditions that would prompt enterprises and organisations, and collective and state farms, to use credits rationally, heighten profitability and settle accounts with the state promptly and completely, have not yet been created. The banks must stand guard over the interests of the state, and at the same time promote the initiative and economic enterprise of work collectives in every possible way.

The intensification of the economy is heightening the role of prices as dependable gauges of the effectiveness of expenditures and of the results of economic activity, as effective stimuli of scientific and technological progress and of raising the quality of products. And here the State Committee for Prices has a big part to play. It must resolve the problems that have piled up in this field more quickly and more competently. The work concerning retail prices, too, must conform with the objectives of our social policy.

Of late, as we know, new managing bodies have been established for large economic complexes, such as the State Agro-Industrial Committee of the USSR and the Engineering Bureau. Their structure and functions are different, reflecting the specificity of either complex, and this it seems is only right. As experience accumulates, it is desirable to improve the management of groups of inter-connected and related branches.

More attention will have to be devoted to a flexible combination of branch and territorial control. In so doing, we should more freely widen the rights of local Soviets in economic planning

and management, especially in such industries and spheres which concern the daily needs of the working people.

The improvements in management and the economic mechanism, coupled with the greater scientific weight of decision-making, are setting new and high demands on economists. They have a big debt to pay to the country. We expect them to produce effective theoretical studies and concrete practical recommendations.

In short, comrades, hard work lies in store for us in the 12th five-year period: we must restructure all the links of the economic mechanism. As we do this, we must see to it that existing structures and forms of management will organically develop into qualitatively new ones measuring up to the present-day tasks. This process should ensure a steady growth of production and a heightening of its efficiency. This is an important matter and must be kept at the centre of attention and under the constant control of the central economic bodies, ministries and Party organisations. And it must be dealt with every day, perseveringly, shunning the formalism and all snags, without evading the arising difficulties, as was sometimes the case in the past.

Out of all the dangers along this road, the biggest is red tape. Creating the appearance of work, taking cover behind hollow rhetoric, and bureaucracy might hold back the improvement of the economic mechanism, dampen independence and initiative, and erect barriers to innovation.

An urgent problem on which depends the success of the restructuring of the system of control and the methods of management, is the professional training of our cadres. Here, economics is an indispensable and essential element of the training of people of all professions.

We must work out an effective system for the economic education of workers and engineers, so that all of them could competently and knowledgeably evaluate the economic side of technical solutions. We should therefore seriously revise the character and content of all forms of training, including the higher schools of economics and economic faculties. Leading economists, both researchers and practitioners, must be called in to do so. Lastly, a well-considered system embracing all levels of management is needed for retraining specialists in economics.

Especially high demands are set by modern-day economics to captains of production. It is important that we should cultivate up-to-date economic thinking among our managers—a high degree of professionalism and socialist enterprise, the skill to see far ahead, to be educators and organisers within the work collective. The indispensable features of the present-day manager are his Party maturity and adherence to principle, undeviating implementation of the Party line, and impeccable moral qualities. They are essential if our constructive plans are to be carried into effect.

The objectives of perfecting all the system of management are not only highly important economically, but also politically. That is why their implementation must be constantly controlled and guided by the Party organisations. Profound and concrete analysis of social and economic processes, perseverance in carrying out the Party's economic policy, the right placing and education of economic executives, and readiness to promote everything new and progressive—these are the areas, above all, where the Party's guidance of the economy must be concentrated and strengthened.

##### 5. Foreign Economic Ties

Comrades, the Party's policy of accelerating the country's social and economic development sets high demands on our foreign economic activity. We hold that in the modern world active development of economic, scientific and technical ties and participation in the international division of labour is vitally necessary. For us this

is an important means of maintaining and strengthening peaceful, good-neighbourly relations among states, and of mutual assistance in resolving national economic problems.

An entirely new situation can be created for international economic co-operation and its intensive growth in the interests of all countries if the Soviet programme of phased destruction of nuclear weapons by the year 2000 and the other peaceful proposals contained in the Political Report of the CPSU Central Committee are carried into effect. Disarmament would terminate the threat of mankind's destruction and release tremendous material and intellectual resources for economic development. Faithful to the Leninist policy of peace, the Soviet Union is sparing no effort to improve the international situation, and to maintain and strengthen equal co-operation with all countries irrespective of their social system. Our Party and the Soviet Government will not let anyone divert them from this course either by any threats of the imperialist forces or their attempts to distract the Geneva negotiations from the main aim.

Accordingly, the draft Guidelines envisage a considerable expansion of foreign economic ties. They will be concentrated on the priorities, focussed on scientific and technological progress, and used extensively for attaining social goals.

Co-operation with the fraternal socialist countries will be, as it has always been, the determining element. In the immediate future, suiting the decisions of the CMEA member-countries' economic summit, a big step forward is to be made in building up socialist integration and developing it on the basis of broad co-operation and specialisation of production. This is opening up new prospects for the further all-round extension of economic ties between fraternal countries, speeding up the accomplishment of the task of intensification common to all of us, and makes us economically and technically more invulnerable in face of imperialist actions.

Consistent implementation of the Comprehensive Programme for the Scientific and Technological Progress of the CMEA Member-Countries up to the Year 2000 will be the core of all this work. The emphasis of integration is now shifting to joint assimilation of the latest scientific and technical achievements, and to large-scale co-operation in all branches of the economy, notably the production of the latest types of machines and equipment. It is, therefore, up to our central planning and economic agencies, as well as the ministries and departments, to organise their foreign economic activity appropriately. Certainly, much will also depend on the improvement of the work of the Council for Mutual Economic Assistance, that collective organisation of the socialist countries.

The recently completed coordination of the national economic plans of the CMEA countries for 1986-1990 shows that a good amount of work will be accomplished already in the current five years. To be sure, the further deepening of integration processes calls for a creative, innovative approach. The old, habitual forms that took shape at the time of extensive development cannot secure any dynamic growth of co-operation. New approaches will therefore have to be found, with resolute introduction of immediate interaction between enterprises and whole branches of the economy, development of direct economic ties, and the setting up of joint associations, research-and-development bureaus and laboratories. A start has been made, and a number of joint research-and-production associations have been formed. To be sure, those are only the beginnings of new forms of integration. But they are the future.

The Guidelines envisage a further extension of economic ties also with other socialist countries. Trade with the People's Republic of China is to increase considerably.

The Soviet Union will continue to build up its co-operation with Asian, African and Latin

American countries. Our versatile assistance to these countries is helping their national economies to get on their feet and to develop, to overcome the colonial aftermaths, and to move ahead along the road of economic and social progress. The USSR has stable, long-term connections with many of them, as with India for example, and some other countries. And these ties are becoming increasingly beneficial for all concerned. Our policy of supporting developing states, which has become an important factor in the restructuring of international economic relations on a just and democratic basis, will be continued, especially with regard to the socialist-oriented countries.

Faithful to its policy of peaceful coexistence, the Soviet Union favours co-operation with the developed capitalist states. Here we see considerable potentialities. And that applies to practically all types of relations—commercial, scientific, technical, finance and credits, and so on. To be sure, co-operation has got to be two-way. Here, mutual interest must be strictly considered, and all restrictions, boycotts and embargoes orchestrated by the USA, must be completely renounced. In the modern world, economic relations can only be based on equal rights, trust, and strict observance of mutual agreements. To behave contrary to this, subordinating commercial and economic ties to unseemly political aims is tantamount to trying to hold up world progress. The experience of history has shown that such attempts hold no promise whatever. Taking this into account, the Political Report of the CPSU Central Committee contains a new proposal—on convening in the future a World Congress on Problems of Economic Security, at which it would be possible to discuss everything that encumbers world economic relations.

Foreign trade is making a visible and ever increasing contribution to the development of our economy. There is now practically no branch that has been left out of the sphere of foreign economic relations. But it is impossible to advance rapidly by the traditional means. The first thing to do is to eliminate the emphasis in our exports on raw materials, and to increase the share of the manufacturing industry. This calls for time, of course, but work in this direction must get off the ground already in the 12th five-year period. The ministries, associations and enterprises have got to be directed to building up the country's export potential, and to raising the quality and competitiveness of machines and equipment, and other manufactured goods. Top-rate order should also be restored in the expenditure of hard currencies. Our import policy is called upon to actively help accelerate scientific and technical progress.

The foreign economic relations agencies, too, should be restructured in the spirit of the new demands. There are still major faults and deficiencies in the work of the Foreign Trade Ministry and the State Committee for Foreign Economic Relations, and these are being eliminated rather slowly. It is essential that they should have closer connections with the ministries and enterprises, and that they should search for forms of blending their interests with the requirements of the foreign market, and should be active participants rather than mere middlemen in carrying out the national economic tasks.

## V. SOCIAL DEVELOPMENT AND IMPROVEMENT OF THE PEOPLE'S WELL-BEING IN THE 12TH FIVE-YEAR PERIOD

Comrade delegates, the growth of the economy and of its efficiency, as envisaged in the 12th five-year plan, is laying a reliable basis for a substantial advance in carrying out the programme objectives of the CPSU, those of raising the standard of living of Soviet people to a qualitatively new level and securing a steady improvement of their working and living

conditions. The Party links these objectives organically with the harmonious development of individuals and a vitalisation of the working people's creative initiative. That is the substance of a forceful social policy in the setting of the speedy social progress of the USSR. The essential demand is to carry forward the principle of social justice, and the socialist distribution of goods and benefits to the fullest.

Accordingly, special attention in the 12th five-year plan is devoted to issues whose solution helps maximally improve the quality of life and activity of Soviet people, and to increase the labour contribution of every citizen to the common cause.

The interests both of social and economic development call, above all, for serious changes in the conditions, character and content of labour. Among the various requirements of the members of society, the need for meaningful and creative labour is advancing more and more to the forefront. In the new five-year period we must secure a turning point in the urgent task of reducing the use of manual, unskilled labour. The scale and rate of its reduction must be raised by at least 100 to 200 per cent.

The accelerated modernisation of the production apparatus, the mechanisation, automation and electronisation of production, the entire drive for technical retooling, must be directed to improving the conditions and enriching the content of labour. Systematic certification of work places and scientific organisation of labour are called upon to promote this objective.

We must also bear in mind the other side of the question. The high educational and professional standard of the Soviet worker makes it essential to create appropriate conditions in production. The present-day worker will no longer agree to operating outdated machinery and using old techniques. And managers must reckon with this.

It is a task of tremendous social and economic significance to step up the impact of the system of remuneration. The elements of levelling that have increased of late and the glaring deficiencies in the setting of work quotas, in the organisation of wages and salaries, have undermined their role as incentives, and are holding down the growth of productivity. This is intolerable. The earnings of every working person must strictly correspond to the results of his or her work. The rigid linkage between growth of emoluments and growth of productivity is a crucial condition of the modern-day economy, and we will insist on its being observed without fail.

This is the context in which we have determined how to carry out the major undertaking of raising basic rates and salaries, as envisaged in the Guidelines. We deem it essential to introduce new basic rates and salaries in the various fields of material production within a short term: practically in just five years. They are to be raised an average of 25 to 30 per cent. And perhaps the most important thing is that we have worked out a fundamentally new, active approach to the question of where to take the funds for it. Now, the funds essential for this must be earned chiefly by the work collectives as a result of raising production, enhancing efficiency, tapping internal potentialities and improving the organisation of labour and the setting of work quotas.

This approach makes the introduction of new basic rates and salaries directly dependent on better performance and higher productivity of labour at enterprise level. It reposes on the experience that many industrial and other enterprises have gained working in the new economic conditions. This method has been experimentally tested on the Byelorussian Railway, where the increase in basic rates and salaries is financed out of internal resources obtained through extensive preparatory economic and organisational work, and better use of machinery.

Considerable funds are earmarked for increasing the wages and salaries of people employed in non-productive fields. Next year, as

envisaged by the school reform, the transfer of all those employed in public education to new terms of remuneration will be completed. There will be a phased increase of the salaries of doctors and other medical personnel. The basic rates and salaries of some categories of employees at cultural institutions and higher educational establishments will also be raised in the 12th five-year period. These measures are a concrete expression of the Party's concern for the further growth of the socio-cultural sphere.

The measures that are to be carried out in the field of earnings will enable us to raise the average monthly wage and salary to 215-220 roubles by the end of the current five years.

Remuneration for collective-farm work will rise at a more rapid rate. According to the planned heightening of the productivity of labour it will rise on average to 180 roubles a month. Including the earnings that collective farmers derive from their individual small holdings, their real incomes will, in effect, level up with those of factory and office workers. Along with the greater mechanisation of labour and the priority growth of the construction of dwellings and cultural and community facilities in the rural areas, this will be an important step forward in overcoming the substantial distinctions between town and country, a programme objective of the CPSU.

In step with the consolidation of the principle of distribution according to work, we will continue to consistently build up the social consumption funds, which play a special role in the life of Soviet people. They will go up considerably in these five years, and will amount to over 600 roubles per head of population in 1990.

In its social policy the Party has always devoted special attention to improving conditions for the upbringing of the rising generation. In the 12th five-year period the state's assistance to families with children will be expanded still more. The introduction a few years ago of paid leave for working mothers to attend to their infants until the age of one has begun to yield a fairly good socio-demographic effect. Considering this factor, and also the wishes of citizens expressed during the discussion of the draft Guidelines, it has been found desirable to extend this leave by another six months. We also intend to lengthen the pre-natal leave and the paid time off to look after sick children, and will introduce issue of free medicines to children up to three years of age.

It is a major socio-economic objective to resolve the vital problem of fully meeting the demand for pre-school institutions within the next few years. The objective is wholly manageable. And wherever this issue receives the due attention, it is being successfully resolved. The heads of ministries and departments, as well as local bodies, should keep the question of building kindergartens and infant nurseries under constant control.

Large funds will be allocated to improving the pensions scheme, to increasing society's care for war and labour veterans, and for the families of fallen soldiers. We are planning to substantially increase the number, and improve the work, of hostels for the aged. Progressive forms of servicing disabled citizens will be applied on a broader scale.

The planned increases of wages and salaries and expansion of social consumption funds in the 12th five-year period will bring about visible changes in the condition and standard of life of large segments of society. The countrywide wage and salary increases, as well as increases in pensions and allowances, will see the incomes of more than half the country's population go up. This means nearly twice as many people as in the past five years. By the end of the current five years more than 50 per cent of all families will have an average monthly per capita income of more than 125 roubles. There will be practically no families with a monthly per capita income of 50 roubles or less.

In the 12th five-year period, special emphasis is being laid on the consistent expansion of the material and technical facilities in the socio-cultural sphere. The targets of the school reform envisage a 40 per cent increase in classroom capacities, and better conditions for the instructional and educational process. We are also planning to reorganise specialised secondary and higher education. The reorganisation must be aimed at an all-round improvement in the quality of training, closer ties between higher educational establishments and production, and more active participation in the development of science and technology. All this, too, calls for a further extension of the material base of higher education.

Much has to be done to effectively improve the work of health institutions, expand their preventive orientation, and gradually go over to periodic medical checkups of the entire population. The building of outpatient clinics and the output of medical instruments and accessories, is to be increased about 50 per cent. The planned environmental protection measures, too, will be important for the health of people.

Large-scale construction of cultural and sports facilities is planned. In these five years, for example, we are to build more than 500 district houses of culture and more than 5,500 village clubs. As a result, there will be a house of culture in every district centre.

In short, we are planning to make an important step towards resolving the Party's objective of raising the socio-cultural sphere to a qualitatively new level within the 12th five-year period.

If we want to accomplish this, we must put an end to the view that prevails among certain executives, including those in planning bodies, that building socio-cultural institutions is a secondary matter. To be sure, the 1986 allocations for the development of some of the sectors of the socio-cultural sphere are below the average annual sum for the five years. This must be set right when finalising the five-year plan.

And, of course, the funds earmarked for these purposes have got to be fully and effectively used everywhere. It is not easy to obtain these funds. And we must deal with them carefully. Byelorussia, Lithuania, and many regions of the Russian Federation have managed matters so well that the plans for commissioning public education and health institutions are not merely being fulfilled, but also overfulfilled. Whereas some of the republics and cities are systematically failing to meet their plans of socio-cultural construction year after year. Here are two concrete examples. In Ashkhabad, the second wing of a clinical hospital has been going up for all of nine years. Its completion is now scheduled in 1989, and this despite the fixed norm of three and a half years. A new wing of the Krasnoyarsk territorial hospital is going up at an intolerably slow rate. This is most outrageous, because the project is being financed partly with the earnings of All-Union Communist Subbotniks. Similar facts are known to have occurred in the Georgian and Uzbek republics, Khabarovsk Territory, and Perm and other regions.

The housing problem is an object of the Party's constant concern. The results achieved here are considerable. Today, more than 80 per cent of the families living in urban areas have separate flats. People in the villages are also much better off as regards modern housing. But, all the same, the housing problem is still acute. In the coming five years, we are planning to erect new housing with a total of 565-570 million square metres of living space. Considerable resources will be allocated to improving towns and villages, to expanding utilities, services, amenities and public transport facilities.

The acute housing problem calls for all-out mobilisation of energy and funds. Most local bodies, as well as ministries and departments, are doing just that. But there are examples of another kind. In the Armenian Republic, for

instance, there is an annual shortfall in house-building, although the need for housing is great, and in some cities, moreover, water supplies are inadequate. At the same time, there is the intolerable practice of building contractors being diverted to extra-plan projects. In 1985, Armenia's Ministry of Industrial Construction was busy with 12 projects that were not in the plan, including some that were of no special importance. I am sorry to say that such practices occur also in other regions. They must be nipped in the bud.

In the Party's social policy, priority importance is attached to the fullest possible satisfaction of the growing effective demand of the people. It is no exaggeration to say that today this is one of the most topical issues. Directly connected with this problem is the strengthening of material incentives of labour, rational use of free time, the frame of mind of Soviet people, and the elimination of negative phenomena engendered by shortages.

First in line is the objective of enhancing food supplies, especially supplies of meat and dairy products, vegetables and fruit. That, indeed, is the aim of the Food Programme of the USSR. Achievement of the production targets which it sets for 1990 will enable us to make far-reaching changes in the structure and quality of the nation's diet—the biggest changes in the past few five-year periods.

Progressive changes must also be achieved in the consumption of manufactured goods. The supply of these goods has gone up visibly in recent years, with many items having already saturated the market. Now, a more difficult question, that of quality and assortment, is moving into the foreground. The Comprehensive Programme for the Development of the Production of Consumer Goods and the Services Sphere lays down the trends for restructuring commodity output. An active role in resolving the problem is allotted to trade. The USSR Ministry of Trade and the Central Union of Co-operative Societies are too slow in eliminating shortcomings and, all too often, take an unprincipled and passive posture towards enterprises that put out low-quality goods, manoeuvre too slowly with commodity stocks, and fail to study the consumer demand with due care. The standard of trade and services is still intolerably

low. While dealing with questions related to the expansion of the assortment and output of fashionable goods, we must not, of course, unjustifiably reduce the production of inexpensive but quality commodities, above all for children and people of advanced age.

It is only right to stress that the task of satisfying the effective demand is of special significance at this time, when the Party has mounted a relentless offensive against hard drinking and alcoholism. The policy of sharply reducing output and sales of liquor will be firmly applied in the future as well. This will help to change the structure of consumption for the better, and will be reflected in the five-year and annual plans.

On the whole, it is envisaged to increase retail trade by nearly one-third in these five years (excluding sales of liquor).

The development of paid services is to be built up along new lines, on a large scale and energetically. Throughout the past few years, services accounted for a mere 10 per cent of the population's overall expenditure. This is far below the needs of people, deforms the structure of demand, shifting it to commodities. An up-to-date highly developed sphere of services encompassing everyday life, recreation, tourism and people's leisure—in substance, a new branch of the economy—is to be established within a short period of time. And the decisive turning point in this important sphere has got to be achieved already in the 12th five-year period. The volume of paid services is to go up by 30 to 40 per cent.

The main emphasis in improving services is laid on substantially expanding the network of specialised enterprises and organisations. But that will take both time and funds. To get things off the ground rapidly we have decided to enlist enterprises of all the economic branches, regardless of their type of activity, to provide services to the public. But this work is not making the due headway everywhere so far. And it is incumbent on the local bodies, the Soviets of People's Deputies, to take a most active part in it.

Those, comrades, are the most important tasks for enhancing the well-being, improving the working and living conditions as well as the lifestyle of Soviet people in the 12th five-year plan period. Once carried into effect, they will doubtless consolidate the socialist way of life still

more strongly, with material well-being blending organically with the development of spiritual culture and the all-out growth of creative activity of the population.

Concerned with improving all aspects of the life of the people, the Party is raising to a new level the spiritual aspect, the importance of everlasting moral values and ideals which will exercise an increasing influence on the moulding of the Soviet citizen as a builder of communism.

Comrade delegates,

Each successive day of the 27th Congress shows ever more graphically and impressively the grandeur of the achievements projected by the Party, the grandeur of the tasks set in the Central Committee's Political Report and the other documents of the Congress. The ideas and principles advanced by the Congress are models of the creative use of Marxism-Leninism in this special period, which is for us a time of profound change and vigorous action. And I can say with complete certainty that their transformative and constructive force will continuously increase, exercising a revolutionising effect on all aspects of the life of our society.

Now it is a question of carrying out our plans with all the due resolve, energy and perseverance. Now it is a question of mounting a battle for the practical fulfilment of our set objectives by relying on the constructive creativity of the masses, on the nationwide socialist emulation movement. They are noble objectives, consonant with the vital interests of our people, with their ideals and peaceful intentions.

To fulfil them is to ensure a further strengthening of the power and prosperity of our Homeland.

To fulfil them is to make the life of the Soviet people, of every Soviet family, better than it was.

To fulfil them is to consolidate the positions of socialism and world peace, and to protect our planet from nuclear catastrophe, to safeguard peace.

It is quite safe to say that the working people of our country, rallied closely round their Leninist Party, will, with a lofty sense of responsibility and conscious of the needs of the time, do everything they can for the successful fulfilment of the historic decisions of the 27th Congress of the CPSU. □

### FRIENDLY MEETING

MOSCOW, March 6, TASS:

A friendly meeting was held today between Mikhail Gorbachyov, General Secretary of the CPSU Central Committee, and Heng Samrin, General Secretary of the Central Committee of the People's Revolutionary Party and President of the Council of State of the People's Republic of Kampuchea.

The leaders of the two parties confirmed their mutual striving to continue developing multifaceted co-operation between the CPSU and the People's Revolutionary Party of Kampuchea, and between the USSR and the People's Republic of Kampuchea, in the interests of the two countries' peoples and the cause of peace in Asia and the world over. □

## Mikhail Gorbachyov meets Gus Hall

MOSCOW, March 4, TASS:

MIKHAIL GORBACHYOV, General Secretary of the CPSU Central Committee, today had a meeting with Gus Hall, General Secretary of the Communist Party of the United States, who is attending the 27th CPSU Congress.

An exchange of opinions was held on topical problems of the international situation and the world communist movement.

Gus Hall highly appreciated the 27th Congress, noting that the political report made by Mikhail Gorbachyov, the new edition of the Programme of the CPSU and other documents of the Congress comprehensively developed Marxist-Leninist teaching on the basis of realities of the present-day world. "The Congress will be a powerful stimulus for stepping up the struggle of all progressive forces," stressed Gus Hall.

The CPSU and the Communist Party of the United States, it was noted at the meeting, are confident that the communist movement remains the most consistent force fighting for saving mankind from a nuclear catastrophe, for solution of the problems of the contemporary world development in the interests of the peoples. Emphasised during the meeting was the significance of the cohesion of communists in the struggle—granted the complete independence of every Party and their equality.

The meeting passed in a comradely atmosphere, typical for the fraternal relations between the CPSU and the Communist Party of the United States. □

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# Resolution on the political report of the CPSU Central Committee

*MOSCOW, March 6, TASS: Here follows the full text of the resolution of the 27th Congress of the Communist Party of the Soviet Union on the political report of the CPSU Central Committee:*

HAVING heard and discussed the political report of the Central Committee of the CPSU delivered by Comrade Mikhail Gorbachyov, General Secretary of the CPSU Central Committee, the 27th Congress of the Communist Party of the Soviet Union notes that our Leninist Party has come to its Congress enriched with new experience in constructive activity, and closely united.

As they carried out the programme targets of the CPSU and the decisions of the Party's 26th Congress, the Soviet people made considerable economic, social and cultural advances. The positions of the Soviet Union in foreign affairs have grown stronger, its international prestige has risen. The CPSU is holding high the banner of struggle for peace and social progress.

At the present turning point, in a qualitatively new situation inside the country and on the world scene, the Party has again shown its loyalty to Marxism-Leninism, and its ability to deeply examine and realistically evaluate the situation, to draw the right lessons from experience, find ways of resolving the urgent problems, and overcome all that is outdated and no longer viable.

At its April 1985 plenary meeting, the CPSU Central Committee has thoroughly analysed the situation in the national economy and other spheres of society, and formulated the strategy of accelerating the country's socio-economic development, which won the whole-hearted support of the communists, and of all Soviet people. The plenary meeting courageously demonstrated the shortcomings, told the people frankly of the difficulties and deficiencies, provided a powerful impulse to our advance and gave the start to a radical turn towards vigorous practical actions and a resolute tightening of discipline and heightening of efficiency.

The countrywide approval of the decisions of the Central Committee's April plenary meeting and of the drafts of the new edition of the CPSU Programme, the amendments to the Party Rules, and the Guidelines for the Economic and Social Development of the USSR for 1986-1990 and for the Period Ending in 2000, is evidence of a further strengthening of the unity of the Party and the people, of an extension of the Party's leading role, and offers new opportunities for fuller use of socialism's economic and spiritual potential.

The 27th Congress of the Communist Party of the Soviet Union hereby decides:

To approve the political course and practical activity of the CPSU Central Committee;

To approve the provisions, conclusions and tasks set forth in the political report of the Central Committee to the Congress, and instruct all Party organisations to take guidance in them in their work.

## I.

1. The Congress reaffirms and supports the analysis of the basic tendencies and contradictions in contemporary world development contained in the political report of the Central Committee of the CPSU, and its evaluations and conclusions.

2. In the 20th century progress is rightly associated with socialism. World socialism is a powerful international entity. It reposes on a highly developed economy, an up-to-date scien-

tific base, and a dependable military-political potential. Socialism is continuously demonstrating the fact that social problems can be resolved on a fundamentally different, collectivist basis, and has taken the countries that follow this path to new heights of development.

Socialism is tirelessly improving social relations, augmenting its achievements purposefully, building up the power of attraction and credibility of its example, demonstrating readiness to participate in broad international co-operation for peace and the prosperity of nations on an equal and reciprocal basis. By so doing, socialism is erecting an increasingly dependable barrier to the ideology and policy of war and militarism, reaction and force, to all forms of man-hating, and actively contributing to the social progress of mankind.

3. Under the impact and in the setting of the scientific and technological revolution, modern-day capitalism is making the conflict between the immensely greater productive forces and the social relations based on private ownership still more acute. We are witnessing a further exacerbation of the general crisis of capitalism. Capitalism is running into an unheard-of intertwining and mutual aggravation of all its contradictions, into a quantity of social, economic and other crises and clashes that it has never run into before in its history. It is responsible for all the main problems of our time, for the fact that they continue to exist and are becoming more acute.

In modern-day conditions one of the effects of the exacerbation of capitalism's basic contradiction, that between labour and capital, is the grave danger of a further considerable rightward shift of policy, of the entire situation in some of the leading capitalist countries.

4. In modern-day conditions, imperialism is a growing threat to the very existence of mankind. Militarism is its most monstrous offspring, seeking to subordinate the whole political machinery of bourgeois society to its influence and interests, and to exercise control of spiritual life and culture.

The responsibility for the wars and conflicts of our century, for the instigation, continuous exacerbation, and opening of new channels of the arms race, lies on imperialism and none other than imperialism. Imperialism, which was the first to use nuclear weapons, is now preparing to take a new, possibly irreparable step and carry the arms race into outer space, training its sights on the entire planet.

Imperialism has created a refined system of neocolonialism. Brutal exploitation of the developing countries is increasingly becoming an important source for financing imperialism's militarist preparations, its home policy, its very existence. Imperialism is counterposing itself more and more strongly to all mankind.

5. The course of history and of social progress requires ever more insistently that states and nations constructively and positively interact on the scale of the entire planet. The combination of competition and historical contest between the two systems with the mounting tendency towards the interdependence of states within the world community is the real dialectics of modern-day world development. Through the struggle of opposites there is taking shape a controversial but interdependent, and in many ways integral, world. World affairs, their present stage, set especially rigid demands on every state, and this in foreign policy, in economic and social activity, and the spiritual pattern of society.

The last few decades of the 20th century confronted the nations of the world with difficult and acute problems. The need for solving the most vital global problems should prompt them to joint action, to triggering the tendencies towards the self-preservation of humanity. The course of world development has created the requisite material, social and political conditions for this. For the Congress this is a stimulus to make decisions and actions consonant with the realities of our time.

The forces of peace and progress all over the world can neutralise the threat created by imperialism, halt the world's slide towards the edge of the nuclear abyss, and prevent outer space from becoming a battlefield. Human life, the possibilities of its all-round development, the interests of society's development, rank uppermost. And to this end the Congress is directing the practical activity of the CPSU and the Soviet State.

## II.

1. The Party's chief sphere of activity is the economy, as it has always been. It is here that conditions are created to provide a materially and spiritually prosperous and socially rich life for Soviet people in the setting of peace, to achieve a new qualitative state of society.

The Congress notes that in the quarter of a century since the adoption of the Third Programme of the CPSU, the country's economy has moved ahead considerably. The national income has gone up nearly 300 per cent, industrial production 400, and agricultural output 70 per cent. In output of a number of key items, the Soviet Union firmly holds first place in the world. The people's well-being has improved. Real per capita incomes have gone up 160 per cent, and the social consumption funds more than 400 per cent. Most families have had their housing improved. The successes in Soviet science, education, health and culture are universally recognised.

While giving due credit to what has been achieved, the Congress calls attention to the difficulties and the negative processes in social and economic development, which made themselves felt in the 70s and the early 80s. At that time, the rate of economic growth and of the productivity of labour had gone down visibly, some other indicators of efficiency declined, scientific and technological progress slowed down, and the imbalances in the economy became more distinct. The five-year plan targets were not being fulfilled, and social undertakings were not fully carried out. The Congress holds that the main reason for the lags was the failure to produce a timely political assessment of the change in the economic situation; the urgent and acute need for converting the economy to intensive methods of growth was not apprehended; nor was due perseverance and consistency shown in tackling the urgent matter of readjusting economic policy, the economic mechanism, the very psychology of our economic activity. Despite the effort of recent times, we have not yet managed to fully remedy the situation.

In these circumstances, the most crucial task of the whole Party and the whole country is to overcome the unfavourable tendencies in economic development firmly and to the end in the shortest possible time, to impart a high degree of dynamism to the economy, to give scope to truly revolutionary changes, and to enlist broad segments of the working people in these processes.

2. The Congress wholeheartedly approves the CPSU Central Committee's concept of accelerating the country's socio-economic development, and the practical steps towards this end. The Party's strategic course is to change to a more highly organised and more effective running of the economy with versatile and developed productive forces, mature socialist relations of production, and a smooth-working economic mechanism. The 12th five-year plan period is an important stage, making for deep-going qualitative change in production.

The Congress makes it incumbent on all Party, government, economic and mass organisations to direct all their activity to the unconditional fulfilment of the programme provision of converting the economy to the intensive way of development. The economic management at all levels must shift the emphasis from quantity indicators to quality and efficiency, from the intermediate to the end results, from expanding production capacities to their modernisation, from building up fuel and raw materials resources to improving their utilisation, and to the crash development of science-intensive industries. The structural and investment policies are to be changed accordingly.

The Party regards as the main lever for the intensification of the economy, a cardinal acceleration of scientific and technological progress, a broad introduction of new generations of machinery and of fundamentally new production techniques that make for the highest possible productivity and effectiveness. The foremost task set by the Congress is that of carrying out a deep-going technical reconstruction of the economy on a basis of up-to-the-minute achievements in science and technology. Each industry, enterprise and association must have a clear programme for the continuous modernisation of production. And those managers who substitute showy postures and half-hearted decisions for the real thing, and who distort the very idea of technical reconstruction, must be called strictly to account.

Engineering, which must attain the highest possible technical standards in the shortest possible time, is called upon to play the leading role in accelerating scientific and technological progress. A most important task is to develop and start up the mass production of up-to-date computers. There must be a radical reconstruction of the fuel and energy complex; the Energy Programme must be fulfilled. Much remains to be done in advancing metallurgy and the chemicalisation of the economy, in meeting the demand for new structural and other progressive materials. The Party attaches immense significance to the retooling of the industrial infrastructure, first of all transport and communications, and also to a priority development of the light industry and other economic branches that directly meet the needs of the people.

In view of the drive aimed at reconstructing the economy, the Congress points to the need for a radical improvement of capital construction, for raising the entire building complex to a new industrial and organisational level, and substantially reducing the investment cycle.

The Congress sets the task of turning science conclusively towards the need for the economy's technical modernisation, for bringing it closer to production, using new, tested forms of integration and interaction for these purposes, speeding up the introduction of the results of research in practice, enhancing the work of academy and sectoral institutes, of the scientific potential of higher educational establishments, and improving the training of rising generations of scientists.

3. It is the priority task of Party, government, and economic bodies, of all communists, of all people, to perseveringly carry into effect the Party's up-to-date agrarian policy and to fulfil the Food Programme of the USSR. An effective advance is required in developing the agro-

industrial complex, so as to visibly improve food supplies to the population already in the 12th five-year plan period. It is important to secure the smooth, economically integrated functioning of all the links of the agro-industrial complex, and to enhance the impact of scientific and technological progress on the achievement of a more stable growth of agriculture and related industries.

While consistently building up the material and technical base of the agro-industrial complex, it is essential to radically improve the efficient use of the already existing powerful production potential, to concentrate efforts and resources on trends that yield the best results. Special attention should be devoted everywhere to the introduction of intensive techniques, to extending the use of collective contracts based on genuine cost accounting, reducing losses of produce at all levels of agro-industrial production, and to building up in the shortest possible time requisite storage facilities and plant for the processing of industrial crops. The social reconstruction of the village must be speeded up, and constant concern shown for those who work in rural areas, for their working and living conditions.

These tasks will be furthered by the reorganisation and the new far-reaching measures aimed at shaping an effective managerial mechanism within the agro-industrial complex, which will provide conditions for a broad use of incentives—and profit-oriented methods in the work of its subdivisions, for a considerable extension of the independence and initiative of collective and state farms, and other enterprises, and for raising a dependable barrier to mismanagement and parasitism. Any radical change at village level calls for a serious improvement of the style and methods of management at the level of the agro-industrial complex. We must put an end to incompetent interference in the functioning of work collectives, and duplication of the work of the administrative bodies of the agro-industrial complex. In the new setting, the USSR State Agro-Industrial Committee and the councils of ministers of union republics will bear greater responsibility than before for supplying the country with food and industrial crops.

4. The policy of accelerating socio-economic development necessitates a deep-going restructuring of the economic mechanism, the shaping of an integrated, effective and flexible system of management based on the principle of democratic centralism and allowing for a fuller utilisation of socialism's possibilities. The Congress herewith instructs the Central Committee of the CPSU and the Council of Ministers of the USSR to carry through at the earliest possible time a set of measures that will put the forms and methods of economic management abreast of current needs.

For this purpose:

—centralised guidance in securing the fulfilment of the main tasks of the Party's economic strategy must be made more efficient; at the same time we must enhance the role and independence of associations and enterprises, and also their stake in and responsibility for attaining the highest possible end results on the basis of genuine cost accounting, self-sufficiency and self-financing, and by pegging the incomes of work collectives to the efficiency of their work;

—incentives- and profit-oriented methods of management must be introduced at all levels of the economy; planning and the finance-and-credit mechanism must be improved; so must price-setting; the supply of technical equipment and materials must be restructured;

—management must get up-to-date organisational structures with an eye to the tendency towards concentration, specialisation and co-operation in production, the development of complexes of inter-related industries, territorial production complexes and other inter-industrial formations;

—an optimum combination must be secured of

economic management at branch level with that at territorial level, as well as a comprehensive economic and social advancement of republics and regions, a further expansion of the rights of republican and local bodies, first of all in guiding the building industry, inter-industrial enterprises, and the social and productive infrastructures.

Any improvement of management calls for a readjustment of the mentality, a clear understanding of the new tasks by Party activists, the managerial personnel and the mass of the working people, and renunciation of prevailing stereotypes. It is essential to improve research in the theoretical aspects of management connected above all with the dialectics of the interaction of the productive forces and the relations of production under socialism, the development of socialist property, the use of commodity-money relations, and the blending of centralism with the independence of economic enterprises.

5. The Congress stresses that successful fulfilment of the projected tasks calls for the maximum mobilisation of the untapped potentialities available in the national economy. Party, government, economic and public bodies must concentrate on tightening organisation and discipline, and on combating mismanagement. The main emphasis should be laid on the full use of operating production capacities, all-out economising of raw and other materials, fuel and energy, on utilising resource-saving and waste-less production techniques, on utilising recycled materials, on making production operate more rhythmically, and on seeing to it that contract deliveries are made without fail. The maximum effort should be applied to securing a radical improvement of the quality of output and the quality of all work. Attainment of this crucial nationwide objective calls for the utmost mobilisation of the resources of all enterprises, all levels of management, with reliance on the latest achievements of science and technology. Persevering and day-to-day efforts to raise quality must become the cause of every communist, every working person.

All economic, organisational and political work must be aimed at securing people's involvement in production as its true masters, at securing their ever more active participation in running their enterprise, enhancing the creative initiative of the working people, and organising effective socialist emulation in the drive to fulfil the 12th five-year plan targets. It is essential to enhance the role of the moral factor in stimulating frontline workers, and to step up the traditions of shock work and the Stakhanov Movement.

6. The Congress attaches top importance to an active, integral social policy, to the programme of raising the standard of living, which encompasses all aspects of people's lives as projected for the 12th five-year period and the longer term. It is necessary to orient the planning agencies and managerial bodies on the social needs, and to eliminate once and for all the underrating of the urgent problems in that sphere. Any lack of consideration for the needs of people, any impingement on their lawful interests, is impermissible on the part of officials. The Party will strictly follow the principle of social justice and will work persistently to eliminate everything that interferes with its constant implementation.

The CPSU is setting in motion a full-scale programme for raising the well-being of people to a qualitatively new level. The improvement of people's lives must be indissolubly tied in with the growing labour and public activity of every working person, every production collective.

The Congress deems it necessary to tighten control over the measure of labour and consumption, to peg wages and salaries more strictly to the productivity of labour, and labour's quality indicators. Levelling must be firmly eliminated, and payment of unearned money and unmerited bonuses stopped; it is essential to uncompromisingly combat unearned incomes



and root out other departures from socialism's basic principle, 'from each according to his ability, to each according to his work'. Additional measures must be taken in the immediate future against parasites, pilferers of socialist property, and bribe-takers.

Party, government and economic bodies at the centre and locally must radically alter their attitude to the question of amply supplying the market with quality goods and services, ensuring unconditional fulfilment of the comprehensive programme for the development of the production of consumer goods and services, and increasing the contribution of every republic, territory and region, every branch of the national economy, the work collectives, to this most important task. The responsibility of local bodies for satisfying the consumer demand must be increased.

To supply every family with a separate flat or house within the projected time, we must increase the scale of building new and modernising available housing, and encourage in every way the building of co-operatives and individual houses, and of housing for young people, and improve the housing distribution procedures.

7. Achievement of qualitative advances in the social sphere definitely presupposes deep-going changes in labour and its content, calling for a heightening of productivity, a sizeable reduction of manual and unskilled jobs, and improvement of the state system of posting and reposting cadres.

The Congress is setting the task of shaping a single system of uninterrupted education. For this purpose, it is essential to consistently carry out the reform of the general and vocational school, to work perseveringly in raising the effectiveness of education and upbringing, ensure that all pupils learn how to handle computers, and radically improve the training of young people for independent life and work. It is essential to restructure higher and specialised secondary education, and improve the system of training specialists and their use in production. The refresher courses and courses for the retraining of workers and specialists must be adjusted to current needs.

Cardinal measures are essential to improve health protection, mass physical culture and sports, tourism, and people's, especially young people's, rewarding leisure. The Congress notes the exceptional importance of the drive started on the initiative of the CPSU Central Committee and actively supported by the Soviet people, aimed at asserting a wholesome way of life and combating hard drinking and alcoholism. There must be no backsliding in the struggle against this evil.

The problem of environmental protection and rational use of natural resources is acquiring great importance in the current conditions. The advantages of socialism and its plan-governed production and humane world outlook must be used to the full in resolving this global problem.

8. The Party considers it highly important to carefully examine in its policy the common basic interests of classes and social groups, and their specific interests, as an essential condition for the firm unity of Soviet society and the successful solution of the tasks of communist construction. As the Congress sees it, it is the cornerstone of CPSU policy to ensure the leading role of the working class, to strengthen the alliance of the working class, the collective-farm peasantry, and the working intelligentsia. As we improve the socialist way of life it is essential to provide the maximum opportunities for the assertion of collectivism and the development of the personality.

Measures should be carried out to further strengthen the family, heighten the responsibility of parents for the upbringing of their children, improve the working and living conditions of women so as to enable them to successfully combine motherhood with a job and public

activity. It is essential to completely meet the demand of the population for children's pre-school institutions within the next few years.

It is the duty of Party and government bodies and public organisations to show daily care for war and labour veterans, and facilitate their broader participation in production and in socio-political life.

9. Faithful to the Leninist principles of its nationalities policy, the CPSU will continue tirelessly to strengthen the fraternal friendship of the peoples of our country, educate the working people in the spirit of Soviet patriotism and internationalism, and show special tact and care in everything that concerns national relations, affects the interests of each nation and nationality, and the national feelings of people; all problems arising in this sphere must be promptly resolved, and a relentless struggle conducted against any signs of nationalism, chauvinism and localism.

It is incumbent on Party organisations to constantly care for the all-round development of the republics, to increase the contribution of each of them to the consolidation of the country's overall economic complex, to the economic power and defence capability of our multinational state, the Union of Soviet Socialist Republics.

### III.

1. The strategy of accelerating our development includes further improvement of the social relations, renewal of the content, forms and methods of the work of the political and ideological institutions, and the deepening of socialist democracy.

The Congress makes a high assessment of the steps being taken by the Central Committee to improve society's political system, to increase the activity of the soviets, the trade unions, the Young Communist League, the work collectives, and people's control, and to practise broader publicity. The Party guiding itself by Lenin's words that "living, creative socialism is the product of the masses themselves", will continue to pay constant attention to making more effective use of all forms of representative and direct democracy, to steadily broadening the participation by the mass of the people in drafting, adopting and implementing governmental and other decisions, and will be the leading force and guarantor of the consistent deepening of the people's socialist self-government.

2. The Congress emphasises the importance of making increasingly constructive and fruitful the work of the Supreme Soviet of the USSR and the supreme soviets of the constituent and autonomous republics in developing legislation, in exercising supervision over the work of the bodies accountable to them, in guiding the soviets of people's deputies at all levels. We should steer a still firmer course towards enhancing the role of the local soviets and improving their work in mobilising the masses to accelerate society's socio-economic and intellectual development and in settling all matters connected with the people's daily lives and in meeting their needs and requirements. In this context it is necessary, already in the very near future, to draw up measures to increase the autonomy and responsibility of soviets, and to refine the mechanism of their relations with enterprises and organisations subordinated to higher authorities. The Congress believes that it is correct and timely to raise the question of perfecting the electoral system.

It is necessary to pay constant attention to the further deepening of the democratic principles in administration, to increase efficiency and promptness in the work of the executive committees of soviets and in the work of other government bodies, and resolutely eradicate manifestations of a departmental approach, localism, irresponsibility, red tape and a formal and indifferent attitude to people. It is

necessary to ensure a regular and effective system of reports by executive committees, judges, ministers and the heads of other administrative bodies to work collectives and meetings of working people, and to make more effective use of various forms of supervision by working people over the functioning of the administrative machinery. The Congress supports the proposal to introduce a certification procedure for executives of government and non-government bodies.

3. The present stage of development confronts the mass organisations with important tasks.

The trade unions, being the largest of the mass organisations, should display a high sense of responsibility in their efforts to mobilise the working people to carry out the national economic plans, to expand socialist emulation, to tighten discipline, and to raise the productivity of labour. The trade unions and their elected bodies are called upon to display more purposefulness and persistence in protecting the working people's lawful interests, in looking after labour protection and safety techniques, in developing and operating health-building, sports, community and children's centres, and to take a more active part in implementing the entire social policy.

Party organisations are obliged to give utmost assistance to the Leninist Young Communist League in carrying out its fundamental task of training active, politically conscious builders of the new society, who are dedicated to the ideals of communism, who are industrious and are ready for feats of valour and self-sacrifice. The striving of young people to show their worth in various spheres of the life of society should be supported. There should be a consistent policy of promoting deserving young people to high posts in production, science, the cultural sphere and management.

With the aim of further enhancing the role of trade unions, the YCL, the unions of creative workers, voluntary societies and women's organisations, the Congress considers it necessary to broaden the range of questions on which state bodies can take decisions only with the participation or prior consent of the respective mass organisations, and to give the latter the right to suspend administrative decisions in a number of cases.

4. The Party pays special attention to the exercise of all forms of direct democracy, first and foremost to stepping up the activity of work collectives, establishing an atmosphere of socialist mutual assistance and exactingness in them, and making them feel they are full-fledged masters of production, with a high sense of responsibility for the performance of their duties to society. It is necessary to radically improve the machinery for putting into practice the democratic principles and norms enshrined in the law on work collectives, to expand the range of matters on which decisions taken by work collectives are final, to enhance the role of general meetings of factory and office workers, and responsibility for fulfilment of the decisions taken by these meetings. The Congress supports the proposals to set up, at the level of enterprises, councils of work collectives which would function in between their general meetings, and also the proposal to gradually broaden electivity of managerial personnel at enterprises. Party and state bodies should more intensively develop democratic principles of self-government by collective farms and co-operative societies, including strict respect for their rules.

The practice of nation-wide discussions and referendums on major issues of the country's life and discussion by the population of drafts of decisions drawn up by local soviets should be further improved, and other channels of developing direct democracy, such as citizens' meetings, constituents' mandates, the press, radio and television, letters by working people and all other means of studying public opinion should be

put to better use.

The Congress attaches fundamental importance to broader publicity in the work of government and other bodies and to keeping the population better informed about decisions they take as well as on follow-up activity.

5. The Congress attaches cardinal significance to strengthening the legal foundation of governmental activity and of the life of society, to the strictest observance of the laws, to consolidating the guarantees of the rights and freedoms of Soviet citizens. We must persistently raise the responsibility of the personnel of the law-enforcement and other bodies connected with practical implementation of the laws, protection of law and order, protection of socialist property and the lawful interests of Soviet citizens; resolutely raise the efficacy of procurators' supervision; improve the functioning of courts of law and the bar; improve the work of state arbitration, and the legal service in the soviets and at enterprises and organisations, in further consolidating legality in economic interrelations and combating administrative and contractual irregularities. The inculcation of a sense of civic duty, and the moral and legal education of Soviet people, especially young people, should effectively promote their socio-political activity, irreconcilable attitude to shortcomings and violations of the law, and commitment to the interests of society and the state.

6. Against the background of imperialism's increasing subversive encroachments against the USSR and other socialist countries, substantially greater responsibility devolves upon the state security bodies, which must display supreme vigilance, promptly expose and firmly thwart all attempts to undermine or weaken our political and social system.

The Congress notes with satisfaction that thanks to the unflagging attention by the Party, by its Central Committee and by the Political Bureau of the Central Committee, the Soviet Union's defence capability is maintained at a level which reliably guarantees the peaceful constructive labours of the Soviet people. Today, as before, it is one of the most important tasks of the Party, the state and the people to raise to the maximum the combat readiness of the armed forces, to educate the men and officers of the army and navy, and all Soviet people, in a spirit of vigilance and constant preparedness to defend the great gains of socialism.

#### IV.

1. The principal objective of the CPSU's strategy in foreign policy is to ensure to the Soviet people the possibility of working under conditions of enduring peace and freedom. For that reason the struggle against the nuclear threat and the arms race, for the preservation and consolidation of universal peace must remain the main direction of the Party's activity on the international scene in the future as well.

The Congress emphasises that there is no alternative to this policy. The character of present-day armaments leaves no country with the hope of defending itself only with military-technical means, by creating even the most powerful defence, since not only nuclear war itself but also the arms race cannot be won. Its continuation on Earth, let alone its spread to outer space, will accelerate the already critically high rate of stockpiling and perfecting nuclear and other types of armaments, with the result that even parity will cease to be a factor of military-political deterrence. Consequently, the safeguarding of security is increasingly seen as a political problem that can only be resolved by political means.

2. The analysis made by the CPSU Central Committee of the character and dimensions of the nuclear threat has allowed formulating the conclusion, which is important in both theoretical and practical terms, that the objective conditions

now obtaining on the international scene are such that the confrontation between capitalism and socialism can proceed only and exclusively in forms of peaceful competition and peaceful contest.

Proceeding from this, the Congress instructs the Central Committee to work consistently, steadfastly and perseveringly to resolve the problems of international security, orienting the foreign policy of the Soviet Union on an unswerving course towards peaceful coexistence, on firmly upholding our principles and positions, on tactical flexibility, on the readiness for mutually acceptable compromises, and a striving for a dialogue and mutual understanding. The Congress stresses the need for a further vitalisation of Soviet foreign policy all along the line, for quests for a just peaceful settlement of conflict situations, for promoting good-neighbourly, mutually beneficial relations with all countries.

3. The central direction of Soviet foreign policy for the coming years must be the efforts to carry out the programme set out in the statement of the General Secretary of the CPSU Central Committee on January 15, 1986, for destroying weapons of mass annihilation and averting the threat of war. Fulfilment of this programme, which is epoch-making for its dimensions and significance, would open for humanity a fundamentally new period of development, the possibility of concentrating exclusively on constructive work.

The Congress reaffirms the immutability of the defensive orientation of the Soviet military doctrine, based on the fact that the USSR is a confirmed opponent of nuclear war in any of its variants. Our country advocates eliminating weapons of mass annihilation from use and limiting military potentials to a reasonably adequate ceiling. But the character and level of this ceiling continue to be restricted by the postures and actions of the USA and its bloc partners. The Soviet Union lays no claim to more security but it will not settle for less.

4. The Congress notes that the prerequisites that have of late begun to take shape for improving the international situation are not yet the turning point itself: the arms race continues, the threat of nuclear war remains. However, international reaction is not omnipotent. The development of the world revolutionary process and the growth of massive democratic and anti-war movements have dramatically extended and reinforced the huge potential of peace, reason and good will, which is a powerful counter-balance to imperialism's aggressive policy. The CPSU intends to continue making the utmost contribution towards strengthening this potential.

5. The destinies of peace and social progress are today interlocked more than ever before with the dynamic economic and political development of the socialist world system. The Congress expresses confidence in socialism's ability to cope with the most complex tasks and notes the importance of the increasingly active interaction among the socialist countries, an interaction that serves as a catalyst for accelerating their common progress.

The Congress unequivocally approves the new positive qualities that have manifested themselves in the relations with the countries of the socialist community following the April plenary meeting of the CPSU Central Committee. The heart and soul of the political co-operation among the countries have been and remain the interaction among the ruling communist parties, the perfection and renewal of its forms and methods, which allow for prompt comradely exchanges of opinion on the entire range of problems of socialist construction. This approach is in keeping with the imperatives of the day and enriches the content of the relations at all levels between our parties and countries.

In view of the international situation, the Congress underscores the great significance of

the prolongation, by a unanimous decision of its signatories, of the Warsaw Treaty, which is an effective and constructive factor of European and of world politics.

The CPSU regards as particularly significant the adoption of the comprehensive programme of scientific and technological progress of the CMEA countries, and holds that for the Soviet Communists, scientists, engineers and workers it is a matter of honour to approach key areas of socialist economic integration in a spirit of innovation and initiative.

In advocating broad contacts among work collectives, mass organisations and individual citizens of socialist countries, the Congress stresses the growing importance of a mutual enrichment of considerations, ideas and experience of socialist construction. This helps to resolve the problems posed by life, forestall the crisis situation being created and used by the class adversary, counter his attempts to set some socialist countries against others, harmonise the interests of the various socialist states, and find mutually acceptable solutions for the most complex problems.

6. The CPSU stands for honest, open relations with all communist parties and all countries of the socialist world system, and comradely exchanges of views with them. The Party welcomes every step towards the drawing together of socialist countries, and every positive change in relations among them.

In this context, the Congress notes with gratification the certain improvement in the relations of the USSR with its great neighbour, socialist China, and the possibility, despite the distinctions in the approach to a number of international problems, of promoting co-operation on a basis of equality without affecting third countries. In the opinion of the Congress, there are huge potentialities for such co-operation because they are consistent with the vital interests of both countries, for the peoples of which the dearest things—socialism and peace—are indivisible.

7. The CPSU, flesh of the flesh of the international communist movement, sees its primary internationalist duty to this movement in the Soviet Union's successful progress along the road opened and blazed by the October Revolution.

The Congress proceeds from the premise that the diversity of the communist movement is not a synonym of disunity, just as unity has nothing in common with uniformity, with hierarchy, with interference of some parties in the affairs of others, or with a striving by any party to a monopoly over truth. The communist movement draws its strength from its bold, creative approach to the new realities in keeping with the doctrine of Marx, Engels and Lenin, from its class solidarity and equal co-operation among all fraternal parties in the struggle for common aims—peace and socialism. Precisely these aims are the main, definitive thing that unites the communists of different countries. The Congress instructs the CPSU Central Committee to do its utmost to facilitate the strengthening of such solidarity and such co-operation among the communist and workers' parties.

8. The tendency towards a change of the balance of strength on the world scene in favour of peace, reason and good will is enduring and in principle irreversible. However, this correlation is taking shape in the course of an acute and dynamic struggle between progress and reaction. The Congress, therefore, reaffirms the CPSU's immutable solidarity with the forces of national liberation and social emancipation, its course towards close interaction with socialist-oriented countries, with revolutionary-democratic parties, and with the Non-Aligned Movement, towards the promotion of contacts and co-operation with the socialist democratic movement, towards the extension of relations with all who act against war, for international security.

9. The Congress notes the special sig-

nificance of the fundamental principles for creating an all-embracing system of international security advanced in the Central Committee's political report. Guided by them it would be possible to make peaceful coexistence the highest universal principle of state-to-state relations. On behalf of the CPSU, the Congress calls upon all governments, parties, and mass organisations and movements, which are really concerned about the future of peace in the world, upon all peoples, to co-operate more closely and productively for the sake of achieving success in the battle against war, a success that would be a historic victory of all humanity, of each person on our planet.

## V

1. The present stage, a stage of society's qualitative transformation, requires of the Party and of all its organisations new efforts, a principled stand in assessing their work, a business-like attitude and dedication. The further enhancement of the Party's leading role and of its influence on the work of all units of socialist society will be promoted by consistent implementation of the provisions of the new edition of the CPSU Programme and of the Party Rules, both of which embody and enlarge upon the Bolshevik principles of Party building, the style and methods of Party work, and the ideological and moral norms of the behaviour of communists, all of which were worked out by Lenin and tested in practice. In their practical work Party organisations should proceed from the premise that the influence of the Party on social processes will be all the stronger and more effective, the more diverse and meaningful inner-Party life becomes and the more scrupulous becomes compliance with the Leninist principle of democratic centralism.

2. Today, when the scale, novelty and complexity of the tasks being tackled make high demands of all the Party's political, ideological and organisational work, it is of cardinal importance to ensure a fundamental readjustment of Party work, the assertion in every Party organisation of an atmosphere of creativity, principled exactingness and self-criticism, and quest for new and effective solutions of social, economic, scientific, technological, ideological and educational problems.

While positively assessing the spirit of innovation and initiative in the approach to the fulfilment of the tasks set by the April 1985 plenary meeting of the CPSU Central Committee, the Congress notes that the need for readjustment is still not appreciated everywhere and by everybody. Many organisations are slowly surmounting inertia, formalism, and stereotypes in work. The central committees of the communist parties of union republics and the Party territorial, regional, area, town and district committees have to be more resolute in uprooting bigotry and conservatism in all their manifestations and the striving to embellish the actual state of affairs, and perseveringly surmount the chronic gravitation towards over-organisation, the penchant for useless conferences, and paper-work. To call things by their names, make judgements without equivocation, provide objective information to higher Party bodies and the rank and file, and show exactingness and honesty always and in everything—such must be an immutable rule of the Party work.

Primary Party organisations have a responsible role to play in asserting a business-like, creative style everywhere. Party committees should constantly rely on these organisations, promote independence in work, and strive to ensure in every Party organisation a full-blooded life, characterised by openness, publicity of plans and decisions, humaneness, a mutual exactingness of communists, and their tireless concern for the common cause. There must be a significant growth in the influence of the Party organisations

of ministries and departments on the work of the administrative apparatus and whole branches of the economy.

3. Proceeding from the belief that a healthy, normal life of each Party organisation is inconceivable without strict compliance with inner-Party democracy and the principle of collective leadership, the Congress considers that it is essential to give a large role to collegiate bodies—plenary meetings of Party committees, and bureau and Party meetings—in working out well-considered, substantiated decisions and in exercising control over fulfilment and over the work of leading cadres.

To assert healthy principles in our life, to inspire cadres with the desire and ability to work in a new way requires that the Party organisations should do their utmost to promote criticism and self-criticism, step up the efforts to eradicate ostentation, and correct those functionaries who in words favour readjustment but think and act in accordance with outdated patterns and react painfully to criticism levelled at them. Resolute steps must be taken to cut short any attempts at bridling criticism and at persecuting people for it. Where criticism and self-criticism die down, there Party work is deformed, and a situation of complacency and impunity arises that leads to stagnation in work and to the degeneration of functionaries. In the Party there should not be organisations that are outside the pale of criticism, that are closed to criticism. Not a single leader should be fenced off from responsibility to, above all, the primary Party organisations for his actions and deeds.

4. The guarantee of successful fulfilment of the set tasks, of the achievement of our programme aims, lies in the uninterrupted development and self-perfection of the Party, the unbreakable unity of its ranks and the untiring efforts to maintain the purity and integrity of the Party member. In the past few years there has been a further growth and strengthening of the CPSU's creative potential and its roots in the working class, in all strata of society. The Party ranks have been augmented with fresh forces prepared to serve the communist cause selflessly. All the more intolerable are the cases, still to be met, of a relaxation of exactingness in admitting to Party membership persons who join it out of careerist considerations, counting on getting some advantages in life and allowances before the law.

A Party member enjoys no privileges. There are only additional duties: this Leninist postulate must be the point of departure in the work of every Party organisation in selecting persons for Party membership and educating communists as political fighters and organisers of the masses, as active proponents of the Party's general line and directives. Strict mutual exactingness, well-considered ideological and educational work and the entire organisation of inner-Party life must create an atmosphere enabling Party members to display a personal example, the point of departure being that there is no vanguard role of the communists in general, that this is expressed in concrete deeds, practical work, and unimpeachable fulfilment of the duty to society.

It is a cardinal task of Party organisations to educate communists in the spirit of the great Bolshevik traditions and genuine comradeship, to eradicate flattery, servility and toadyism from the Party milieu and from the whole of our society. Adherence to principle, modesty and a self-critical approach should be second nature to the communist. More exacting demands must be made of communists and Party organisations as concerns adherence to the provisions of the Programme and Rules and strict observance of the norms of Party life. The Party ranks must be cleansed of all who are unworthy of being called a member of the CPSU.

5. The Congress unanimously approves the Central Committee's measures to strengthen the Party, government and economic sectors by appointing energetic, well-trained cadres, by

replacing cadres that have compromised themselves or have fallen behind the demands of the times, and the measures aimed at resolutely overcoming violations of Party norms that were committed in a number of organisations.

The Central Committee of the CPSU, local Party bodies and all Party organisations are obliged to continue the consistent and persistent implementation of the principled cadre policy, which corresponds to the Party's present-day demands and tasks. There must be no departures from Lenin's principles of selecting, appointing and educating cadres. There must be a more energetic struggle against the habitual irresponsibility and permissiveness, and against breaches of Party and administrative discipline, ethics and morality, which have struck deep roots in a number of organisations. Important lessons must also be drawn from the mistakes made by some Party organisations in cadre matters. The Party will not reconcile itself to the alien practice of protectionism, of promoting cadres because of their personal devotion or because they come from the same town or locality.

Ideological and moral qualities performance, and an ability to carry out effectively the Party's political line, should be the decisive criteria in all cadre appointments. Every high-ranking executive should be distinguished by ideological staunchness, a high level of political thinking, competency, an ability to organise collective work and to inspire people by his own example, commitment to principles, firm moral convictions and a constant urge for contacts with the masses, for sharing the interests and needs of others. Special demands should be made of communists who are appointed to head Party organisations.

The Party will continue to pursue a policy of combining experienced and young personnel in the leadership, and of improving the organisation of work with cadres, the training of a reliable reserve for promotion and the system of Party and political education, and will practise broader publicity in settling questions relating to cadres. To prevent stagnation in the work, to build up cadres who have a wide range of experience and who are receptive to everything that is new and progressive, it is advisable to transfer to other organisations and regions functionaries who have been in one place a long time, and to rotate cadres between the centre and the localities. More women should be more vigorously promoted to leading posts.

6. Efficiency is especially needed to speed our advance. Many functionaries still lack this quality. They are inclined to replace real work by fruitless discussions and ungrounded assurances and promises. Party organisations must help cadres to reorient themselves to a higher level of efficiency. We must constantly bear in mind that any discrepancy between what is said and what is done deals damage to the main thing, to the prestige of the Party's policy. And this cannot be tolerated in any form. There must be a decisive battle against red tape, which is today a big obstacle to a radical reorganisation of the economic mechanism and is a brake on all worthwhile work.

Party committees must concentrate their attention and efforts on the key problems of our development, introduce new, progressive methods in all spheres of life, and raise organisation to a higher level. In doing this they should not confuse the functions of the Party and those of other bodies, or allow any substitution for, or petty tutelage over, administrative and economic organisations. It is important to organise matters in such a way that everybody works well in the sector entrusted to him, acts energetically, with professional skill, and is not afraid of responsibility.

The Congress draws attention to the need to tighten supervision over practical implementation of the adopted decisions and plans. As we move forward, supervision should hold an increasingly large share in our work. The lines along which the style and methods of Party

leadership should be perfected are as follows: to make an objective analysis of the state of affairs, realistically assess the situation and the work of functionaries, take thorough-going measures in all cases, and raise all organisational work to a level commensurate with political tasks.

7. The Congress supports the CPSU Central Committee's line of directing the tremendous transforming power of the Marxist-Leninist ideology to accelerating our country's social and economic development, to increasing the role of the human factor, and to overcoming habitual approaches that have outlived themselves. The Party's present political course creates exceptionally favourable possibilities for considerably raising the effectiveness of ideological work, possibilities as yet used to a small degree. Important shortcomings still remain in the sphere of ideology: energetic but short-lived drives, educational work that is divorced from the realities of life, underestimation of acute problems that have come to a head, elements of scholasticism and idle contemplation, and education by words which is far from always linked up either with education by example, or with the socio-political experience of the masses.

The content, forms and methods of ideological and political education of the people should be brought into conformity with the realities of domestic and foreign affairs and tied in with organisational and economic activities. Raising the maturity of socialist society and building communism means steadily raising the consciousness of the people, enriching their inner world and setting their creative potential into motion.

8. The Congress emphasises that the more precisely the objective laws governing social development are taken into account in policy and the more active the role which Marxist-Leninist theory plays in the interpretation of living practice, the more successfully will the perfecting of socialism go ahead. Manifestations of stagnation and dogmatism and also of hustling in ideological and theoretical work should be persistently overcome; the collective thinking of the Party should be enhanced, and cadres should be trained to have an appreciation of theory and an ability to apply the Leninist methods of analysing social processes.

Fundamental problems of accelerating our society's progress and of raising society to a qualitatively new level should hold the central place in investigations in the social sciences. The social sciences should react quickly to life's needs; they should draw up well-grounded forecasts and constructive recommendations for practical work.

The Party committees and organisations and ideological institutions must make full use of the ideological wealth of the Party Programme, of the political report of the CPSU Central Committee and of the 27th Party Congress decisions in shaping an integral Marxist-Leninist world-view, in raising the Soviet people's political awareness, labour activity and participation in the life of society. They must reorganise the system of political and economic studies, designed to equip communists and all working people with the ability to think and act with political maturity, to promote the dissemination and consolidation of advanced forms of organising work and production.

9. The chief emphasis in ideological work, the Congress holds, should be on the education of the working people in the spirit of communist ideological commitment and loyalty to the Soviet motherland, in the spirit of proletarian, socialist internationalism, a conscientious attitude towards work and public property, and intolerance of everything that is foreign to socialism, to our culture and to our collectivist morality.

Work-oriented education must be aimed at arousing in every Soviet person an organic need

for working with initiative, for doing good work and attaining a high productivity of labour with the least possible expenditure of resources. Constant care should be shown for the development of the glorious traditions of the Soviet working class, and for raising by all possible means the political and moral prestige of the innovators of production, masters of their trade.

The ideological commitment of the builders of communism is indivisibly welded with integrity, conscientiousness and decency. It is incumbent on communists to strengthen the moral pillars of socialism and to work actively for the elimination of all signs of petty-bourgeois psychology, for the consolidation of the principles of collectivism and social justice. It is their duty to skilfully safeguard the historic justice of our case, to show the attractiveness of socialist ideas, to vividly propagate the peace-loving foreign policy of the Soviet Union, to come to grips with bourgeois ideology and morality, anti-Soviet provocations, and imperialism's acts of ideological subversion, and with attempts at using religion for anti-socialist purposes.

10. The Congress notes the growing role of the mass and propaganda media in promoting the Party's economic strategy, its social policy, and in cultivating the socialist consciousness; it regards television, radio and the press as powerful vehicles of publicity and instruments of public control. We must use the mighty ideological potential of television more effectively, and heighten the impact of the entire propaganda and information complex; its material facilities must be expanded. The work of the mass media will be more fruitful, the more thoughtful and prompt it will be, and the less it will chase after accidental and sensational items.

11. The Congress orientates the activity of Party organisations in the field of cultural development to see to an increasingly fuller satisfaction of people's intellectual needs and interests, to provide conditions for them to develop their abilities and to use their leisure time rewardingly. It is essential to resolutely update the methods used by the unions of creative workers and cultural institutions in their activity, to fill it with a profound ideological content.

The Congress calls on writers and artists to create works that will be worthy of the greatness of the Party's and the people's innovative undertakings, and that will truthfully reflect the life of Soviet people in its diversity and motion with a

high degree of artistry. Literary and art critics must shake off their equanimity and worship of high titles, take guidance in clear aesthetic and class criteria in their assessments, and come out more actively against uncommitted and ostentatious proliferation, nosing about in people's lives, time-serving, and narrow-minded pragmatism.

The Party supports and will always support all talented work in literature and art committed to the Party's ideals and having a profound feeling of affinity with the people. High ideological and artistic standards, respect for talent, and tact are the criteria which Party organisations follow in their work with the artistic intelligentsia.

12. It is essential to perfect the organisation of ideological work, to see to it that all leading cadres take part in it, to require a comprehensive approach to education, and to keep the concrete individual at the centre of all work. We must secure unity of education at the work place, the study desk and in the neighbourhood.

The contribution of ideological workers, of activists, to the Party cause of moulding the new man, must keep increasing. The Party will continue to upgrade the prestige of the ideological cadres who practise what they preach, who think analytically, have a taste for theory, and are broadly knowledgeable, professionally trained, and capable of resolving the problems of our new times.

\* \* \*

Adopting a Lenin-style, bold, realistic, mobilising and inspiring strategy in the fight for the triumph of communist ideals, of peace and progress, the 27th Congress of the CPSU expresses the Party's unshakeable resolution to honourably follow our great road, and open up new vistas for the creative energy and revolutionary initiative of the working class, the collective-farm peasantry, and the people's intelligentsia.

The Communists of the Soviet Union will always be in the frontline of all constructive work, will show models of dedication and faithful fulfilment of their duty to the people, of high responsibility to the future generations.

The Congress calls on all Soviet people to dedicate all their strength, knowledge, ability and creative enthusiasm to the great goals of communist construction, and to worthily continue Lenin's victorious revolutionary cause, the cause of the October Revolution! □

## Andrei Gromyko meets Heng Samrin

MOSCOW, March 4, TASS:

THERE was a meeting in the Kremlin today between Andrei Gromyko, member of the Political Bureau of the CPSU Central Committee and President of the Presidium of the USSR Supreme Soviet, and Heng Samrin, General Secretary of the Central Committee of the People's Revolutionary Party and President of the Council of State of the People's Republic of Kampuchea. Heng Samrin heads the delegation of the People's Revolutionary Party of Kampuchea to the 27th CPSU Congress.

Taking part in the conversation were Men Sam On, member of the Political Bureau and Secretariat of the Central Committee of the People's Revolutionary Party of Kampuchea, and Hor Nam Hong, Ambassador of the People's Republic of Kampuchea to the USSR, who are also members of the delegation of the PRPK to the 27th CPSU Congress.

Heng Samrin spoke highly of the work of the

forum of the Soviet Communists. He stressed that the Congress was of historic importance as a turning point in the struggle of the Soviet people for the triumph of communist ideals.

The exchange of opinions confirmed the community of views and assessments of the state of the international situation and its prospects. On behalf of the People's Revolutionary Party of Kampuchea and the Government and people of Kampuchea, Heng Samrin proclaimed resolute support for the Soviet Union's programme for the complete elimination of nuclear arms everywhere, the non-militarisation of outer space and the ridding of humanity of the threat of self-annihilation in nuclear war.

The participants in the meeting condemned the intrigues of the forces of imperialism and reaction in the Asian-Pacific region and emphasised the importance of the search by all Asian countries for a common comprehensive approach to the shaping of a system of security and durable peace in the Asian continent.

The Soviet side expressed support for the policy of the People's Republic of Kampuchea aimed at establishing a constructive dialogue with all ASEAN countries.

(Continued on Page 132)

# Mikhail Gorbachyov replies to letter from International Institute of Life

MOSCOW, March 11, TASS:

PROFESSOR Maurice Marois, founder and general delegate of the International Institute of Life which unites the efforts of scientists of different countries in the name of putting science at the service of preserving life on Earth, has sent a letter to Mikhail Gorbachyov, General Secretary of the CPSU Central Committee.

The letter said that the dialogue started in Geneva on November 19, 1985, can acquire historic significance if the top leaders of the Soviet Union and the United States speak out for life, urging all the world's nations to support programmes covering the more important aspects of the relationship of science and society. It cannot be that man will fail to find solutions to problems he himself has posed. The ideas of the Institute of Life, the letter said, use the example of Louis Pasteur, a man of struggle and hope who believed unshakably that the peoples will reach accord not to destroy but to create.

The following is Mikhail Gorbachyov's reply: "Esteemed Professor M. Marois.

"It is with great interest that I read your letter sent to me and simultaneously to President Ronald Reagan.

"Thank you for the information about the activities and plans of the Institute of Life. As seen from your letter, the institute is concerned with really vital issues which in one way or another trouble any thinking person, regardless of which country he lives in and even of what ideological views and political convictions he holds. The consequences of the use of newest technology for people's life; food resources and food; the environment and the living world;

ethics and biomedicine; science, education, television and the future of humanity—these and other subjects that the Institute of Life is working on have been raised by life itself and are becoming ever more urgent, and sometimes acute and burning, with every passing year. Maybe not all have become aware of this as yet but all will come to feel and realise this tomorrow—not later than by the next millennium.

"Here are my answers to your questions: "The first question: 'Do you think that from the biological, philosophical and political standpoints, proclaiming life, especially human life, the supreme value is the priority task of our time?'

"I could answer this question in so many words: 'Yes, I certainly do.' But I would like to add this: the question you put has interested the best minds of mankind, one may say, ever since there appeared thinkers in the human race. But in our nuclear-space age it has acquired a new dimension and showed a new facet.

"F. Dostoyevsky wrote in his time, which in terms of history was only recently: 'The mystery of human life is not in merely living but in what to live for.' I would not dispute this formula but just ponder the new content it is being filled with in the nuclear age. I would say that in our time it is worthwhile devoting one's life to saving the very life on Earth. There is no goal more important.

"Such a problem has never arisen before in human history. But now it has presented itself, crudely and visibly, with ruthless implacability, in the most practical terms. Nobody can brush it away because it concerns all. And I am convinced that it should be solved by the efforts of the present, the living generation. We cannot, we simply have no right to turn the fulfilment of this task over to succeeding generations. Either we shall accomplish it in the foreseeable historical time and deliver our children and our grand-

children from the heavy burden of existence under the constant threat of a probable and almost instantaneous self-destruction of humanity, or we shall not accomplish it now; then, even if the worst does not come to the worst, it will be inconceivably hard or even impossible to accomplish it.

"The arms race has already brought mankind to a critical line beyond which it will be faced with the problem of whether it will be able—considering the technical characteristics of new types of ground or space arms—to curb this race. If we cross this line, life on Earth will hang by a thread which may snap at any moment.

"No doubt, we must live and act in a new, different way in order to survive. This refers, in the first place, to the co-existence of states. It is their relationships that constitute the anatomy and physiology of what we call international life. Relations between states should rest on respect for mutual interests, primarily for the interests of security that would be ensured by material, politico-legal and moral-psychological guarantees, on co-operation both in the search for ways to save life and in the solution of a series of global problems on which the quality of this life depends. In other words, the old order of things, under which national security was seen lying primarily with military-technical solutions and power politics and under which the world has become a hostage of nuclear death, must give way to an all-embracing security system covering all spheres of international relations. Mankind can and must live in harmony with nature, but to be able to do so it must live in accord with itself. That is how the question was posed at the 27th Congress of the Communist Party of the Soviet Union.

"Now your second question: 'Are you prepared, in the interests of organising a peaceful life on the planet and the flourishing of every individual and all people, to include the contribution of our "Science at the Service of Life" programme in the perspective of co-operation and meetings between the two superpowers and of the whole of international co-operation?'

"In the first place I must say that we have never claimed and do not claim now the role of a 'superpower' and we believe that no one must claim this role if we want to rebuild international life along really new lines and thus preserve life on our planet. Present-day science and technology offer an opportunity to improve, in the full sense of the word, life on Earth, to create conditions for an all-round development of every personality. But it is also they, the creations of man's mind and hands, that jeopardise the very existence of the human race. A crying contradiction! We want science to cease to be the servant of two masters, of life and death. We want it to serve life only.

"The ideas contained in the 'Science at the Service of Life' programme are essentially such that their real implementation presupposes the pooling of efforts both by the USSR and the USA and the whole of humanity.

"In this light one will find understandable our affirmative answer to your third question: 'Are you prepared to consider the programme proposals to be worked out by the Institute of Life during the forthcoming international scientific conference which is to be attended mostly by scientists from the two superpowers?'

"We are ready to consider these proposals and to use them, with due account taken of their character, in practical politics.

"With deep respect and wishes of success in your activities.

M. Gorbachyov"

## Soviet state delegation visits Portugal

LISBON, March 8, TASS:

A state delegation of the USSR led by Vladimir Orlov, Vice-President of the Presidium of the Supreme Soviet (Parliament) of the USSR, arrived in Lisbon today to take part in the ceremony of inauguration of Mario Soares, former leader of the Socialist Party, who was elected President of Portugal.

In a statement for the press the head of the Soviet delegation spoke of the Soviet people's sincere friendship and sympathies towards the people of Portugal, to their effort to promote democracy and progress. "Portugal and the Soviet Union", Vladimir Orlov stressed, "belong to different social systems and different political alliances. However this cannot be an obstacle holding back the development of dialogue and relations of all-round co-operation between them."

"The Soviet leadership stands for giving a new dynamism to the relations with Portugal on the basis of mutual benefit, respect for sovereignty and non-intervention in the internal affairs of each other. We are confident that this will be a valuable contribution to the cause of strengthening peace in Europe and reviving international detente. A very important, a truly historic event—the 27th Congress of the CPSU—just took place in our country. It approved a wide-scale programme of social and economic transformation of the country in line with the interests of the entire people. The highest political forum of the Soviet Union earnestly called upon all peoples and all governments to ward off a nuclear holocaust and safeguard peace. As Mikhail Gorbachyov, General Secretary of the CPSU Central Committee, said at the Congress, the Soviet policy is oriented toward a search for mutual understanding, toward dialogue, toward making peaceful coexistence a universal norm in relations between states. We are confident that this is in consonance with the aspirations of all peoples," the head of the Soviet delegation stressed. □

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# Rules of the Communist Party of the Soviet Union

MOSCOW, March 6, TASS:

"THE Communist Party of the Soviet Union is the tried and tested militant vanguard of the Soviet people, which unites, on a voluntary basis, the more advanced, politically more conscious section of the working class, collective farm peasantry and intelligentsia of the USSR." This definition of the Party opens the text of the Rules of the CPSU with the amendments and supplements adopted by the 27th Congress of the CPSU.

Founded by V. I. Lenin as the vanguard of the working class, the Communist Party has travelled a glorious road of struggle, and brought the working class and the working peasantry to the victory of the Great October Socialist Revolution. Under the leadership of the Communist Party, the exploiting classes were abolished in the Soviet Union, and the socio-political and ideological unity of multinational Soviet society has taken shape and is steadily growing in strength. Socialism has triumphed in the USSR completely and finally. The proletarian state has grown into a state of the entire people. The country has entered the stage of developed socialism.

Remaining in its class essence and ideology a Party of the working class, the CPSU has become the Party of the entire people, says the preamble of the Rules of the Communist Party of the Soviet Union. The Party exists for and serves the people. It is the highest form of socio-political organisation, the nucleus of the political system

and the leading and guiding force of Soviet society.

According to the Rules of the CPSU, the Party defines the general perspective of the country's development, ensures the scientific guidance of the people's creative activities and imparts an organised, planned and purposeful character to their struggle to achieve the ultimate goal, the victory of communism.

The Rules of the CPSU contain provisions directed at preserving and strengthening the Party's unity.

"Ideological and organisational unity, monolithic cohesion of its ranks and a high degree of conscious discipline on the part of all communists are an inviolable law for the CPSU." The Rules say that all manifestations of factionalism and group activity are incompatible with Marxist-Leninist Party principles, and with Party membership. In creatively developing Marxism-Leninism, the CPSU vigorously combats all manifestations of revisionism and dogmatism, which are utterly alien to revolutionary theory.

"The Communist Party of the Soviet Union is an integral part of the international communist movement," the Rules say. "It firmly adheres to the tried and tested Marxist-Leninist principles of proletarian, socialist internationalism, actively promotes the strengthening of the co-operation and cohesion of the fraternal socialist countries, the strengthening of the world system of socialism, of the international communist and working class movement, and expresses solidarity with the nations fighting for national and social liberation, against imperialism and for peace."

The Rules of the Communist Party of the Soviet Union contain sections in which the duties and rights of the full and candidate members of the CPSU, and the organisational structure of the Party are placed on record. Separate sections of the Party Rules are devoted to the higher Party bodies, republican, territorial, regional, city and district organisations of the Party and their leading bodies. A big section deals with the primary Party organisations, in which all the communists work.

Separate sections deal with questions pertaining to the inter-relationship between the CPSU and state and public organisations of the country, the Party guidance of the Young Communist League, a mass youth organisation, which is an active helper and reserve of the Communist Party of the Soviet Union. Several paragraphs are devoted to questions pertaining to the forming and rules of spending of the Party funds.

The amendments to the Rules of the CPSU, which have been introduced, after a nation-wide discussion, by the 27th Party Congress, are aimed on the one hand at further broadening inner-Party democracy and further developing the activity and initiative of the communists and Party organisations, and on the other hand—at increasing the demands made on the communists, and further enhancing the responsibility of every Party member and every Party organisation for the state of affairs entrusted to them. The new provisions introduced into the CPSU Rules have enriched them, and will serve towards a further organisational strengthening of the Party, and consolidation of the ranks of the Communist Party of the Soviet Union. □

## USSR Foreign Ministry's oral statement to USA Embassy

MOSCOW, March 11, TASS:

THE USSR Ministry of Foreign Affairs is stating a resolute protest against the US Government's illegitimate demand for a reduction of the personnel of the USSR permanent mission at the United Nations in New York. The US action is arbitrary, unfounded and constitutes a flagrant violation by the United States of the obligation, assumed by it as the country where the headquarters of the UN central agencies are located, to ensure the necessary conditions for the normal activities of the UNO and for unimpeded participation of the UN member-nations in its work.

The Soviet side is turning down as utterly far-fetched and unfounded the assertions that the staff of the permanent mission of the USSR at the United Nations allegedly engage in activities which have no bearing on UN work. As far as the US side's allusions to the increase in Soviet personnel in the recent years are concerned, they cannot serve in any way as a justification for this provocative action, since the UN activities have considerably gained in scope over the period and the number of UN bodies and of their sessions and conferences has more than doubled. Besides, utterly illegitimate are any comparisons between

the Soviet staff level and that of the US mission at the United Nations. The functioning of the US mission is ensured by both the Department of State and by private firms whereas the Soviet mission provides everything it needs on its own.

Nothing in the existing international agreements, including the 1947 agreement on UN central agencies, gives the US Government a right to impose numerical restrictions on the staff levels of the permanent mission of UN member-nations which, as is known, are accredited not at the US Government but at the United Nations Organisation.

The US pretensions to assume a right to fix staff levels of the permanent missions of UN member-nations are totally inadmissible. They cannot be qualified otherwise than being incompatible with international law and with the generally-accepted practice, and are an interference in affairs which are exclusively within the competence of countries, and in their relationships with the United Nations Organisation. The purpose of the US pretensions is to complicate the activities of countries at the United Nations and thereby those of the UNO itself.

This reflects the overall US approach to the activities of international organisations, an approach which has manifested itself in a particularly vivid way in recent years, and in particular in hostile statements against the UNO, in blackmail against UNESCO, in arbitrariness and discriminatory restrictions with regard to the missions of many UN member-nations in New York, and in the creation of an atmosphere of

intimidation and terror around them. All that is justly regarded by the world community as a line towards undermining the existing system of international organisations, towards hampering their efforts aimed at developing relations of peace and co-operation among peoples, and as an attempt at placing international machinery and institutions under US *diktat*. Therefore it cannot be considered fortuitous that a reaction to that manifests itself in raising the question of whether it is appropriate that the UN headquarters are located in the country which does not fulfil its obligations to this organisation.

The above-mentioned actions of the US side cannot, of course, be viewed outside the general context of Soviet-US relations. Those actions not only fail to square with the US side's assurances as to a striving to steer matters towards an improvement of relations between the two countries, but also do direct damage to them. The US Administration must be aware that such actions increase distrust of its policy and by no means create a favourable background for a summit meeting.

Just as it must also be clear that such actions cannot but tell most seriously on the development of contacts between our countries in various fields. It is hard to square all this with the US side's statements in favour of implementing accords on the opening of consulates-general in New York and Kiev and on the expansion of contacts and exchanges, including the finding of their new forms.

(Continued on Page 132)

**PRAVDA EDITORIAL:**

# Political results of the 27th Congress of the CPSU

MOSCOW, March 10, TASS:

"THE CONGRESS has demonstrated that the CPSU consistently carries on the cause of the Great October Socialist Revolution, confidently follows the Leninist course and fittingly fulfils the role of the political leader of the working class and the entire Soviet people," the newspaper *Pravda* writes editorially today, commenting on the political results of the 27th Congress of the Communist Party of the Soviet Union.

"The Congress has demonstrated", the editorial says, "that the Party is capable of deriving lessons from the past to a maximum degree, of finding on a wide scale and in the Leninist style the purport of the present time, of working out a realistic and carefully balanced programme of action.

"The acceleration of the socio-economic development of the country is a strategic course of the Party endorsed by the Congress.

"The Congress has demonstrated that the human factor is of decisive importance in carrying out that programme, in ensuring the success of the undertaking, and that it is possible to stimulate it only by means of a well-considered economic strategy, a forceful social policy and purposeful ideological and educational work in their indissoluble unity.

"The Congress has demonstrated that the CPSU is a Party of social progress and peace and that no goal is more important for it than the safeguarding of peace on Earth and the prevention of a thermonuclear catastrophe."

The editorial stresses that "the Congress was held in an atmosphere of Party principledness and unity, exactingness and Bolshevik-style truth, open exposure of shortcomings and oversights, in-depth analysis of domestic and external conditions of the development of our society.

"All this is firmly cemented in the political report of the CPSU Central Committee to the 27th Congress of the CPSU delivered by Mikhail Gorbachyov, General Secretary of the CPSU Central Committee. The report embodies the wisdom of the Party in matters of theory, its political realism and orientation toward the

## TOP SOVIET AWARD FOR JAMBYN BATMUNH

MOSCOW, March 9, TASS:

THE top Soviet award, the Order of Lenin, has been conferred upon Jambyn Batmuh, General Secretary of the Central Committee of the Mongolian People's Revolutionary Party and President of the Presidium of the People's Great Hural of the Mongolian People's Republic. It is in recognition of his outstanding services to the development of fraternal friendship and all-round co-operation between the peoples of the USSR and Mongolia, a great contribution to the consolidation of peace and socialism, and on the occasion of his 60th birthday.

The CPSU Central Committee and the Presidium of the USSR Supreme Soviet today cordially congratulated Jambyn Batmuh on his birthday, wished him good health and new major successes in activities for the good of the Mongolian people, in the name of consistent deepening of fraternal co-operation between the CPSU and the Mongolian People's Revolutionary Party, the USSR and the Mongolian People's Republic, and consolidation of the unity and cohesion of the socialist community as a whole. □

future expressed in the new edition of the Programme of the CPSU: the inviolable firmness, precision and flexibility of its organisational forms embodied in the Rules; the clear-cut position in time and space of the Guidelines for the Economic and Social Development of the USSR in 1986-1990 and for the Period Ending in 2000."

"The political report of the CPSU Central Committee paints an impressive and wide-scale picture of the present-day world, its main tendencies and contradictions. It provides an all-round analysis of the state of Soviet society, its successes and difficulties, and clearly defines the Guidelines for the social and economic policy of the Party and for the further democratisation of our society. It formulates the principal tasks and charts the guidelines for its foreign policy strategy. It sums up the results of the discussion of the new edition of the Party Programme and amendments to the Party Rules. It expresses the conviction in the success of the great cause of socialism and communism, the belief in the bright future of humankind."

The editorial notes that the course toward accelerating the socio-economic development of the country received the broad backing of the Party and the entire people. The concept of acceleration is a dominant, recurrent theme in the political report of the CPSU Central Committee, in other documents and materials of the Congress, and in speeches by the delegates.

"The course toward acceleration", *Pravda* goes on, "provides for the implementation of a vigorous social policy, a consistent consolidation of the principle of social justice, the improvement of social relations, the renovation of the forms and methods of work of the political and ideological institutions, the deepening of socialist democracy and a decisive surmounting of inertia, stagnation and conservatism—of everything that hinders social progress.

"The main factor that is to ensure the success of the acceleration", the editorial stresses, "is the living creative energy of the masses, the fullest possible use of the bountiful opportunities and advantages of the socialist system.

"The acceleration of the socio-economic development of the country is a key to the solution of all of our problems, both short-term and long-term, economic and social, domestic and external. The successful implementation of that course will make it possible to achieve the main aims of economic and social development defined by the new edition of the CPSU Programme and the Guidelines.

"And these aims are grandiose, impressive. By the end of the century the national income will grow almost two-fold, while the production potential will double in conditions of its qualitative transformation."

Economic management, says the political report of the CPSU Central Committee to the Congress, requires constant improvement. "The highest criterion of the improvement of management, just as the entire system of socialist relations in production, should be the socio-economic acceleration, the consolidation of socialism in reality," *Pravda* stresses.

Questions of social policy, concern for man, for the improvement of the people's well-being

were in the focus of attention of the Congress. In the coming fifteen years it is planned to double the volume of resources channelled into the improvement of the conditions of life. It is planned to boost real per capita incomes 60-80 per cent.

"The cornerstone of the policy of the CPSU is in ensuring the leading role of the working class, the strengthening of the alliance of the working class, collective farmers and the working intelligentsia.

"The Party will continue to strengthen tirelessly the fraternal friendship of the peoples of our country, to bring up the working people in the spirit of Soviet patriotism and internationalism, to wage a principled struggle against all manifestations of nationalism, chauvinism and localistic tendencies."

*Pravda* stresses that "the socialist system is developing successfully only when the people themselves really run their own affairs, when millions of people take part in political life. This is self-government by the working people as Lenin understood it, this is the substance of Soviet power. The principles of self-government are developing inside, not outside our statehood, going ever more deeply into all aspects of state and public life, enriching the content of democratic centralism and consolidating its socialist nature."

The editorial says that at a time when imperialism is intensifying its subversive scheming against the USSR and other socialist countries, the responsibility of the organs of state security grows.

One of the most important tasks in the future as well should be an all-round improvement of the combat preparedness of the armed forces, the upbringing of the fighting men of the army and navy and all Soviet people in the spirit of vigilance and constant readiness to defend the great gains of socialism, and the maintenance of the armed forces at the level that rules out strategic superiority of the forces of imperialism.

*(Continued on next page)*

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