

## Mikhail Gorbachev meets Party and war veterans in Leningrad

I CORDIALLY welcome all Leningraders: you have a special responsibility to bear, you have to carry on the great cause which started here.

Those were the first words addressed by Mikhail Gorbachev on October 12 to Leningraders upon his arrival from Moscow.

We will celebrate the glorious anniversary in a few days, he said, and the Political Bureau has decided that the General Secretary should meet with the Leningraders on the eve of the 70th anniversary.

Mikhail Gorbachev paid tribute to the memory of the revolutionary fighters in Marsovo Pole Square, laid a garland of flowers at the tombs of the heroes of the October Revolution and the Civil War, prominent figures of the Communist Party and of the Soviet State.

The General Secretary of the CPSU Central Committee cordially welcomed Party veterans.

I am glad to see you in the circle of youths on this day. This means that the cause of the veterans lives on, and your mood, dear comrade veterans, is of tremendous political and moral significance to the CPSU Central Committee and to myself personally.

Now, Mikhail Gorbachev said, problems will grow in the course of the unfolding reconstruction, the drive for more democracy, and introduction of the new economic machinery. I wish you to hear from me the answer and convey it to all other people. Today the destiny of your generation is in a large measure similar to that of the generations of Leningraders, who stood here and held out. We too will have to hold out now. Reconstruction will set many problems for us. But do not get flustered. And resolve all problems in a democratic manner, together with the leadership, with Party members, with the whole of our socialist world. Everything we have mapped out is for the benefit of the country, for the benefit of all the working people. We will have to hold out against all the difficulties that will concern everybody, because without overcoming them we will not be able to achieve the goals we have outlined.

Mikhail Gorbachev was asked whether he will meet with the US President: the General Secretary of the CPSU Central Committee answered as follows:

The Soviet Union and America play a tremendous role in world politics. Not a single question in the world can be solved without the participation of the Soviet Union and of the USA. As you know, we practically do not trade with America now. They do without us, and we do without them. We can live thus, and they can

too. But my argument is as follows: if the world cannot do without the participation of these countries, new international relations cannot develop without their participation, this means that we must find ways towards a political dialogue and meetings, and trade so that there be mutual understanding between our peoples. Ordinary Americans show growing interest in what is happening in our country. I believe that this process shall be welcomed.

### Principles of equality

Now the opportunity appears to conclude the first agreement. Since the end of the war until now, we have not concluded a single agreement on disarmament, the more so, on nuclear disarmament. If there is a good pretext for that I am prepared to meet with the President even within a week. I believe this is right. Nowadays it is highly dangerous to go on building up tensions. One rash step may entail very serious consequences. Therefore we must be strong and firm but inclined towards peace, towards a search for a better world. If military confrontation is reduced both as regards nuclear, chemical and conventional weapons, this will also improve the international situation in the world, but along the principles of equality.

After his visit to the legendary cruiser *Aurora* Mikhail Gorbachev met with Leningraders at the majestic monument to the heroic defenders of Leningrad in Victory Square. The General Secretary of the CPSU Central Committee laid flowers at the monument.

In talking with the people who gathered in the square, Mikhail Gorbachev warmly recalled his meetings in the same square in 1985 at the start of his activities in the office of General Secretary. These meetings with Leningraders helped us in a large measure, made it easier for us to answer the question what road to choose, the General Secretary of the CPSU Central Committee said. Your advice and your support, and I could feel it very well then, were of tremendous significance for the new leadership. And I wish to say now that the change in Leningrad is visible. This is important because the Leningraders are an example to the whole country.

In the afternoon Mikhail Gorbachev went to the Piskaryov Memorial Cemetery. He laid a wreath at the Monument of Mother Homeland in tribute to the heroic feat of Leningraders and the Soviet armymen who fell in the defence of the city during the years of the Great Patriotic War.

In the evening Mikhail Gorbachev attended a performance at the Academic Bolshoi Drama Theatre. □

## Mikhail Gorbachev's response to appeal by Indian politicians

*HERE follows the text of the reply by Mikhail Gorbachev to an appeal by a group of Indian public figures and politicians of prominence to support the turning of the Indian Ocean into a peace zone:*

I have read your appeal with great interest. People in the Soviet Union fully share your anxiety over the dangerous development of the situation in the Indian Ocean, the attempts by some states to hamper the implementation of the UN decision on the convocation of an international conference devoted to the issue of converting the Indian Ocean into a peace zone.

In our approach to solving the issues of enhancing international security we proceed from the principles of a nuclear weapon-free and non-violent world, which were developed jointly with India. Confrontation should give place to co-operation and conflict situations should be solved by peaceful political rather than military means.

We consider that the entire world community, first and foremost the United Nations Organisation which is called upon to be a regulator of joint efforts to the benefit of peace, should now declare firmly and decisively for the convocation of the international conference on the Indian Ocean. The proposals for creating an atmosphere of trust in the region, making for the productivity of international efforts, for working out guarantees for the safety

of sea and air lines of communication, which were advanced by us, pursue this goal.

The Soviet Union decisively advocates an immediate ceasefire, cessation of all hostilities between Iran and Iraq, the withdrawal of their troops to internationally-recognised borders, and an immediate withdrawal of all foreign warships from the Persian Gulf. We give consistent support to Security Council resolution 598 in all of its parts and to the efforts by the UN Secretary-General.

The Soviet Union, as you know, comes out for scaling down the littoral states' naval activity in the Indian Ocean, for freeing it from foreign naval squadrons. In the quest for ways to solve this problem we are ready for co-operation with all countries concerned. There are not any impediments on our part to a resumption of a constructive dialogue with the United States, which was begun at one time, generated no small hopes but was halted by the US side. We are likewise prepared for consultations with other littoral states which maintain warships in the Indian Ocean on a permanent basis.

We believe that collective reason of the world community will make it possible to defuse the tension in the Persian Gulf, to embark on the path of an interested and truly democratic dialogue on concerted measures to turn the Indian Ocean into a zone of peace. We stand for returning calmness to its waters within the shortest possible time.

M. Gorbachev.

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# Mikhail Gorbachev's meeting with ICFTU leaders

MIKHAIL GORBACHEV, General Secretary of the CPSU Central Committee, had a meeting with leaders of the International Confederation of Free Trade Unions at the CPSU Central Committee on October 9. The ICFTU has about 83 million members in a hundred countries.

Taking part in the meeting were the ICFTU President P P Narayanan (Malaysia), the ICFTU General Secretary John Vanderveken (Belgium), Vice Presidents Ernst Breit (FRG), Gopeshwar (India), Shirley Carr (Canada), Stig Malm (Sweden), Franco Marini (Italy), Norman Willis (Britain), Tadanobu Usami (Japan), secretaries of the inter-American and African regional organisations affiliated with the ICFTU, L Anderson (Panama) and Amos Gray (Liberia). Persons accompanying them were also present.

When greeting the leaders of these major trade unions Mikhail Gorbachev noted the singular significance of the very fact of such a meeting, the more so that in past times relations between the ICFTU and the Soviet Union had formed not in the best way.

## Disarmament

This means that in this respect too the world has begun to change. The presence of such a delegation here is a sign that today it is already difficult if not impossible to deal with problems of peace without the broad participation of the public, its organisations and, of course, such a major mass organisation as the trade unions. It is good that they are joining the search for ways of improving the world situation.

An acquaintance with the official statements of the ICFTU on questions of disarmament, Mikhail Gorbachev said, has brought me to the conclusion that I am ready to sign the main provisions outlined in these statements. And this rejoices me. What also rejoices me is that there is now a possibility to speak openly and directly about what worries you and us.

Trade union subject-matter as such was not envisaged by Mikhail Gorbachev's interlocutors. So in his introductory remarks he limited himself only to noting that despite the entire specificities of the work of trade unions in different countries there is one thing that is common to trade unions everywhere: they must protect working people. And this means that trade unions have an interest in everything. This is also true of trade unions in a socialist country, a country of working people, a country in which the system is their own. Yet we did not fail to note that lately the views and possibilities of trade unions were not utilised in full and this affected the situation in society.

There are two aspects to the participation of trade unions in socio-political life. One is the implementation of their views and interests in formulating questions of policy. The other is the realisation of the right to monitor the implementation of policy. Both are constructive. And if we add also criticism by trade unions we will get a whole set of their interaction with the leadership of the country, with the activity of state and administrative bodies at all levels.

The international commonality of trade union functions today is connected with the scientific and technological revolution despite all differences in how its social consequences are transformed in conditions of different countries. And here too the trade unions should stand guard

over the interests of working people. Mikhail Gorbachev expressed hope that international trade union associations of different persuasion would come at some stage to some form of contact between themselves.

The conversation concentrated on major issues of importance to mankind. All members of the delegation spoke.

They saw their mission in presenting on behalf of millions of trade union members their views to the leader of one of the biggest world powers. They said they intended to say the same to the President of the United States and that they already had contacts with leaders of other states, with the leadership of NATO and the Non-Aligned Movement.

Their remarks were keynoted by concern over the arms race and desire that the positive moments that have appeared in the discussions and talks on nuclear, chemical and conventional weapons, in the search for solutions to other security problems, including regional conflicts, be crowned with success.

## Verifying agreements

The views and demands to the political leadership of various states, first of all the USSR and the United States, were formulated by the speakers from the position of equidistance. Yet it was characteristic that they accepted many proposals outlined by Mikhail Gorbachev in his article on September 17 and in his speech in Murmansk and that they were satisfied that most of the views expressed by them were encountered with understanding and agreement.

This concerns such questions as interconnection between economy and disarmament; understanding of the fact that spending on armaments gobbles up tremendous resources needed for social development, for stamping out hunger, diseases and ecological dangers; respect for national sovereignty as a key condition of security; the need for collective international efforts to ensure security; the importance of strengthening the prestige of the United Nations Organisation; recognition that the arms race does not make the world secure and only undermines its security, that security can be preserved and sustained with the help of much smaller armaments and armed forces; that openness is very important for verifying agreements; the connection of the process of disarmament with the growth of trust and the importance of practice disarmament steps for the forming of trust.

The commonality of views expressed itself also in the evaluation of the importance of the Helsinki process, in particular in that contacts not only between politicians but also among ordinary people and their organisations are very important for the normalisation of international relations and that this is one of the guarantees of the preservation of peace. Neither were there differences in recognising the rights of all peoples to development, to work for all who are capable of working, to overcoming hunger and other social calamities, to a just settlement of all humanitarian issues. In short the thoughts of the interlocutors agreed that universal security presupposes such a system that would include everything — from the elimination of weapons of mass annihilation to ensuring human rights and freedoms.

A very apt reminder was made by one of the participants in the conversation that working people suffer most from any wars. Workers and farmers perish on the fields of battle while after the war it is they who have to shoulder the burden of rebuilding what was devastated.

Attention was attracted by a statement made

by Ernst Breit that the West German trade unions would do everything for war never again to begin from German soil.

The speakers approved of the accord reached between the USSR and the United States on an agreement on medium- and shorter-range missiles and stressed that it was very important for this agreement to become the first step to the solution of other questions of disarmament, first of all to reducing strategic offensive nuclear weapons, this "biggest devil", as the Italian representative put it; that the sea-based systems be not forgotten, that at long last agreement be reached on the elimination of chemical weapons while conventional armaments and armed forces be reduced to the level of reasonable sufficiency; and that the process of disarmament be not restricted to Europe and encompass all parts of the world.

Mikhail Gorbachev showed full understanding of the remarks made by representatives of third world trade unions who sharply raised the question of the impermissibility of squandering resources on armaments at a time when more than a billion people live in conditions of poverty, when more than half of mankind does not have a possibility to satisfy the most rudimentary requirements and when the external debt of many states like a cancerous growth puts in question the survival of mankind.

## Economic progress

Mikhail Gorbachev particularly singled out the question of the connection between disarmament and development. He called for a very serious evaluation of the situation, especially by those present who function within the framework of the capitalist system. They should ponder such a problem: can this system ensure the living standard of the entire population without militarisation and without a non-equivalent exchange with the third world, that is without exploitation of its human and material resources? There is no escaping this question because the situation is such that the rich are becoming richer while the poor are becoming poorer. In this process, too, there is a line crossing which is no less dangerous than in the arms race.

We are not for disrupting the existing ties of the world economy. But we are for perfecting them, on a just basis. Incidentally, herein lies the key to understanding the crux of regional conflicts and to removing flashpoints.

Mikhail Gorbachev spoke highly of the stand taken by trade unions on the question of reconversion and on their attitude to military industry as a huge obstacle in the way of economic progress.

In some of the remarks one could hear, apart from natural wishes and recommendations, claims which could be explained either by insufficient knowledge of the Soviet policy or the adherence to habitual stereotypes with respect to the Soviet Union.

Mikhail Gorbachev expounded the Soviet position on the question of Afghanistan, saying, among other things, that the Soviet Union sincerely stood for it being a non-aligned, independent and neutral state. And the USSR will do everything to speed up the process of settlement of the situation related to Afghanistan — this will make it possible to bring Soviet soldiers home.

Ending the dialogue, Mikhail Gorbachev thanked all those who took part in the meeting.

It was important for me, he said, to hear from you who represent the diverse and complex modern world your candid opinions. This

meeting confirms yet another time how everything is interrelated in it, how we all depend on each other.

In the final analysis this simple fact underlies our new thinking at which the Soviet leadership has arrived as a result of profound and careful reflection. On the political plane, the concern for the destiny of peace voiced here causes keenest satisfaction. It comes in line with the feelings and ideas of the Soviet people.

During my trips across the Soviet Union I've never heard a single voice which would call into question the need for seeking a better world based on trust, mutual understanding and co-operation. There are no such sentiments in our country, even among the generals. We have no people who would vote to have war.

I was deeply moved by the striving of those present — and they evidently reflect the views of millions — for joint actions. The Soviet leadership is fully aware of its responsibility. It proceeds from the premise that the world is now at the crossroads — it's either entering new spheres of the arms race, including exotic types of weapons and upgrading conventional arms to the parameters of nuclear arms, or giving up confrontation and moving toward a safer peace for all.

The first road, if it can be called so at all, is murderous for life on Earth and deeply wrong from the moral point of view.

## Contemporary world

The Soviet leadership is confident that it is possible to make the right and reasonable choice — in the interests of general progress and such an increase in the productive power of mankind which will make it possible, given all remaining differences: political, ideological and social, to resolve also many problems which were discussed here. It is not an easy thing to do, it will have to be made in stages. But the choice must be made in favour of this road.

It is the source of immense satisfaction that all remarks came, properly speaking, as votes for such a choice. This is the most important conclusion I'm drawing from this meeting — a conclusion which we will take into consideration in our politics.

It is gratifying that a broad approach to the problem of disarmament was voiced and that all of its positive consequences are taken into account.

It is not only security and peace, it is also the reconversion which will make it possible to increase the number of jobs. It is also the democratisation of social and political life because militarism is a breeding ground for reactionary phenomena, for the toughening of the political regime, for the limitation of the possibilities of the working-class movement whose protest against the arms race is not infrequently pictured as an effort to undermine national security. Disarmament makes it possible to meet the needs of the working man better. It is the conservation of resources and their re-direction towards solving genuine human problems, such as poverty, the ecological threat and, to be sure, indebtedness. The "third world" indebtedness is a social time bomb which can lead to most dreadful consequences. No amount of palliatives which are used to create the semblance that the problem is being addressed will be of any help here.

The entire contemporary world, the whole of civilisation — in all the diversity and heterogeneity of the components making it up — have reached such a frontier when the common values of all mankind have acquired paramount importance. The interests of one state, no matter how powerful, the interests of a group of states, no matter how unanimous, cannot determine world politics. It should be based on the interests of all mankind. A balance of interests is needed. There exist realities and it is impossible to step over them. They should be perceived and efforts

should be made to take them into account in political practice. It is impossible to tackle new tasks using old approaches. The new reality calls for a new policy. And we are realists, we are not from the world of illusions and fantasies. Our new thinking is based on all the realities of the contemporary world.

We have not only proclaimed new thinking our new political philosophy. We have started transferring it into a practical plane.

Mikhail Gorbachev mentioned the Soviet Union's main foreign policy initiatives and steps over the past 18-24 months. They deal with virtually all major problems against which the world community came up. But the Soviet leadership attaches priority to disarmament questions among these matters.

We realise that all these problems cannot be resolved at one go. There will be initial steps, there will be subsequent steps, and so on. But equal security should be preserved at every stage. I repeat again and again that we are not interested in getting superiority over the United States. This would do nothing to strengthen security. We are also against such a mode of actions when, reducing armaments in one direction, in one place, it is intended to build them up in other directions, in other places. This undermines confidence, erodes the very process of talks on disarmament. We wish everyone at all stages of real disarmament could be confident that what has been adopted and registered in agreements really strengthens security and that they will not be violated by anyone.

## Geneva

We proceed from these positions also on questions of verification. Since matters are being placed on a practical plane, reached the stage of real disarmament, we are for very stringent control. And when we hear talk about the need for double control we say that we are for triple control. And since I was asked here about the obstacles which still exist on the road to the intermediate-range and shorter-range missile agreement, I can say that one of these obstacles is that our partners wish some things to be exempt from control.

The Soviet leadership holds that the agreement on intermediate-range and shorter-range missiles can and must be concluded. We appreciate the fact that the political will for this has been manifested not only in the United States but also in other NATO countries. The outstanding problems can be resolved promptly. In any case the Soviet Union will do everything so that this initial step toward nuclear disarmament, a step of great importance, be taken. And its importance is not only that a whole class of nuclear weapons is destroyed. Its importance lies no less in its vast political and moral consequences as an example showing the possibility of real disarmament.

The problem of strategic offensive arms reduction is in the sphere of our unremitting attention. We submitted new proposals in Geneva. This problem is very serious and important. It applies at the first stage to us and the Americans but later other nuclear powers will not be able to avoid it either.

As regards the obstacles about which you ask, in this area these obstacles lie in the attitude to the ABM Treaty. Our stand is simple: let us observe this treaty as this was done till 1983, when neither we nor the Americans had any doubts about its interpretation. And when the SDI emerged and along with it a temptation to use a technological breakthrough to get an edge on the Soviet Union through space, then this main obstacle appeared. We are against the arms race in space and we are glad that you support this stand. Should such a race start, the entire process of talks would be undermined, nothing would remain of the elements of confidence that started shaping. The arms race in space also means the squandering of resources. By the way, there are hopes for this, though, with regard to us, to the

Soviet Union. It is hoped to undermine our reorganisation in this way, to make it choke so as to be able to say later that the Soviet Union cannot achieve anything.

This will not work. We have a reply to the SDI, this was said more than once. But if the Americans impose the arms race in space, all of us are in for bad times.

I believe that an agreement on strategic offensive arms is possible. It can be reached under the present administration, or at least arrangements in principle can be achieved. But the partners should be meeting each other halfway. The bridge should be built from both sides. We are prepared for this.

## Honest dialogue

Answering the questions about the concentration of large nuclear forces in the northern seas, in the Arctic, Mikhail Gorbachev linked the Murmansk initiatives with the agreement on intermediate- and shorter-range missiles, with the proposals to reduce conventional armaments and forces in Europe — from the Atlantic to the Urals. And if progress is made in this, the concentration of nuclear menace in the north of Europe, in water expanses of the Arctic and the North Atlantic should not be permitted. Precisely this connection explains the timing for the Murmansk proposals. We are very serious about them and we intend to act in such a way as to launch them into international politics.

We noted with satisfaction a favourable response to the proposals in Murmansk from the public and governmental circles of northern countries. But we are aware also of the negative reaction in definite NATO circles. This puts us on guard and concerns all of us, the entire international public.

The participants in the meeting raised the question of human rights. Summing up remarks on this score, Mikhail Gorbachev expressed the readiness of the Soviet side to discuss any matters related to this. But it is only if the socio-political choice made by peoples is respected that the discussion can be productive.

We respect the choice of every people and we, naturally, expect that the choice that was made by 280 million Soviet people and which took more than a hundred nationalities from the backyard of world development to advanced positions will also be respected. An honest dialogue should be conducted on human rights problems as well.

During a dialogue and with an objective attitude much in the institutes of democracy in other countries is seen better from a distance. And we take this into account in our debates with the West. But there cannot be any teachers in world politics now. We all learn from contemporary history.

Launching the reorganisation we started the transformation of all aspects of society. We shall have to discard many things that hampered our development. We wish to realise the entire potential of our socialist system — through democratisation. And we shall be steadily and consistently advancing along the road of glasnost, criticism and self-criticism, in other words, along the road of democracy in every area, particularly in the production sphere, where the participation of collectives, and hence trade unions, will be decisive.

Our people in all seriousness embarked on the exercise of their rights and implementation of its possibilities. All this will be done in the framework of the democratic process. This will include the solution of questions of political, civil rights and all other, specific questions of this sphere.

This is our complex and challenging world, Mikhail Gorbachev said in conclusion. And in order to take the bearing in it and resolve its acute problems, there should be no room for

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# Mikhail Gorbachev's speech at dinner for Finnish President

CONTRARY to sceptics, panic-mongers and opponents of disarmament, the international climate has become a bit warmer after Reykjavik, Mikhail Gorbachev stated in his speech at a dinner in the Kremlin on October 6 in honour of Mauno Koivisto, President of Finland.

The Soviet leader expressed hope that after the signing of the Soviet-American agreement on eliminating medium- and shorter-range missiles the international climate will change even more noticeably.

"We hope," he said, "that in the wake of the elimination of almost two thousand nuclear warheads for medium-range and shorter-range missiles we will be able to start reducing the strategic armed forces of the USSR and the United States by 50 per cent in conditions of strict observance of the ABM Treaty."

The hope was expressed that at the same time the USSR and the USA will be able to reach agreement on the first steps to limit nuclear weapon tests and to set the course at their total prohibition.

The load on the Vienna meeting increases in these conditions. The Soviet side expects it to "end with the reaching of accords on all the three so-called Helsinki baskets," Mikhail Gorbachev noted.

It is time to reach agreement on the mandate for the second stage of the Conference started in Stockholm, the aim being talks on reducing troops and armaments in Europe from the Atlantic to the Urals.

"The whole of Europe is interested in the reduction of troops and armaments. For this reason there should be no, so to speak, European-supernumeraries, including from among neutral and non-aligned countries. We appreciate that Finland strives to play an active role in questions of disarmament within the framework of the CSCE process," the Soviet leader emphasised.

However, he pointed out that in connection with the forthcoming agreement on medium-range and shorter-range missiles some quarters in the United States and other NATO countries are taking steps in order to 'compensate' for the disappearance of a class of nuclear missiles in such a way that nothing would change in the level of military confrontation.

The waters and air space precisely of the North

Atlantic and the adjoining seas are being chosen as the sphere of such 'compensation'.

In that case a new threat would have confronted not only the entire north of the continent but also the whole of Europe.

The General Secretary of the CPSU Central Committee spoke for closer economic and scientific-technical co-operation in Europe. He recalled that the USSR proposes to hold in Moscow a representative conference on the entire set of humanitarian matters.

The Soviet Union attaches much importance to its relations with Finland, with its leadership, Mikhail Gorbachev said.

"Firm and good traditions have appeared in our relations in the 40 post-war years," the Soviet leader stressed.

He recalled that soon both countries and both peoples will celebrate interconnected anniversaries of historic importance—the 70th anniversary of the Great October Socialist Revolution and the 70th anniversary of the Finnish Republic.

Mikhail Gorbachev described the talks in the Kremlin as fruitful. "A new milestone has been set in perfecting good-neighbourliness," he pointed out, "taking due account of the new conditions characteristic of the present stage in the development of each of the two states."

## Joint Soviet-Finnish Communiqué

### SUMMARY

THE fruitful development of Soviet-Finnish relations "is a good example of a successful implementation of the principles of peaceful coexistence between states with different social systems." This is pointed out in the joint Soviet-Finnish communiqué on the results of the official visit to the USSR of President Mauno Koivisto of Finland, which ended on October 11

The talks between Mikhail Gorbachev and President Mauno Koivisto covered the key trends in the development of Soviet-Finnish co-operation in various fields. Big practical steps neighbourliness and mutually beneficial co-operation in various fields, big practical steps along these lines have been mapped out. The sides have reaffirmed their wish to carry on the all-round development of relations between the two countries. A number of documents aimed at

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disrespect for states and peoples. The science of living in this world should be learned. And for this purpose it is also necessary to heavily involve the public in world politics, including such a vast social force as trade unions.

I had really looked forward to this meeting and it is with optimism that I am summing up for myself its results. I think that it has helped start the ball rolling.

You and we have big possibilities for co-operation in upholding and building a secure world. An ancient Indian saying has it that only he who walks will traverse the road. This saying is two thousand years old. So let us heed it and go forward, uniting our efforts as we do so. Thereby we will bring the aim closer. You can count on our readiness to co-operate with the ICFTU in international matters.

developing and deepening bilateral co-operation had been signed.

In discussing international issues, the sides underscored "the paramount significance to humanity of building up efforts in order to divert the nuclear threat, ensure lasting peace on Earth and a stable tendency towards improving the international situation, preserving and strengthening the process of detente."

"The sides welcome the agreement in principle reached between the USSR and the USA on concluding a treaty on the elimination of medium-range and shorter-range missiles," the communiqué says. It expresses confidence that the conclusion and implementation of that treaty "could serve as a good impetus to achieving decisive progress both at the bilateral Soviet-American talks in Geneva on space weapons and the multilateral disarmament talks."

"The USSR and Finland maintain that outer space should be an arena of broad international co-operation with peaceful aims rather than military rivalries." Both sides "favour an immediate end to any nuclear tests, and the earliest conclusion of an agreement on their total ban."

"The sides have stressed the need to further strengthen the regime of preventing the proliferation of nuclear weapons, which is based on the Treaty on Non-Proliferation of Nuclear Weapons, and also to assist towards the co-operation between states in peaceful uses of nuclear energy and protection against the consequences of possible nuclear accidents."

"Both sides have declared for completing at the earliest date the talks on signing an international convention providing for a ban on the chemical weapons under strict international control."

"Both sides have pointed out the relationship between disarmament and development and stressed that it is important that the disarmament measures should lead to the release of financial

and material means with the aims of economic and social development not only of the developing, but also of the developed nations."

"The sides are unanimous that it is necessary that the work of all forums on disarmament issues be invigorated, so that they achieve genuine progress with the ultimate goal of general and complete disarmament under effective international control."

"The Soviet Union and Finland have declared their determination to contribute towards a further development of the all-European process, which has demonstrated its vital force as an important factor in strengthening security, stability and co-operation in Europe, as an important instrument in political dialogue." The communiqué reaffirms the USSR's and Finland's firm wish to contribute actively to strengthening peace and stability in Northern Europe. "In connection with the aggravation of the situation in the Persian Gulf area the Soviet Union and Finland reaffirmed their stand for putting an end as soon as possible to the Iran-Iraq war, taking urgent and effective measures that would contribute towards a radical relaxation of tensions in the Persian Gulf. The sides attach special significance to the implementation by all states of UN Security Council resolution 598.

In the course of the talks deep concern was expressed over the growth of acts of terrorism in the world, including state terrorism. The sides resolutely condemn every terrorist activity carried out both by individuals, groups or states, and consider it necessary to combat it with the use of all lawful methods. They favour the invigoration of international co-operation in combating terrorism.

The sides have expressed satisfaction with the results of the visit of President Mauno Koivisto and the talks held, considering them to be a sizeable contribution to strengthening traditional friendship between the peoples of the Soviet Union and Finland and to strengthening practical co-operation between the two countries.

# Mikhail Gorbachev's speech at Smolny Institute

*Here follows Mikhail Gorbachev's speech at Leningrad's Smolny Institute on October 13:*

LET me cordially greet all of you, all Leningraders on behalf of the Central Committee of the Communist Party of the Soviet Union. Let me wholeheartedly greet the veterans of the Party, of labour and of the Civil and the Great Patriotic wars, go-ahead production workers and intellectuals of Leningrad, Party activists, local government officials, economic executives and trade union and Komsomol activists. I would like to thank you for the words you said here, conveying the Leningraders' enthusiastic support for the activities of our Party, Central Committee, its Politbureau and the Soviet Government.

I am glad, dear comrades, that I have been here among you Leningraders on these days ahead of the 70th anniversary of the October Revolution. It is an enjoyable experience and I am feeling tremendous satisfaction. I have felt the Leningraders' good mood in our conversations — of which I have had quite a few, although my stay here was brief. The main thing that these conversations made clear is that the restructuring effort in the city and the region is gathering momentum. Morale here is growing stronger. Over the past two years Leningraders have begun to show more initiatives. People are starting to square their shoulders and feel really in control in the country, city and region. This is a striking change. I hope it will eventually be dominant in the Leningraders' sentiments. This will be, comrades — as we know from our national history and the history of Leningrad — a decisive factor. Man is the key figure in the restructuring drive. Self assured, politically confident and competent, he will definitely secure success in accomplishing the great tasks facing us at this juncture in the development of our society, in what I will describe as a watershed period in the history of our socialist state. In this connection the Leningraders have impressed me greatly.

I think it is natural that we all are excited as we are assembled here, in the white marble hall of the Smolny Institute which holds the sacred memory of the October days of 1917. Realising that a delay in the uprising would be disastrous, Vladimir Ilyich Lenin came here to the headquarters of the revolution on the night of October 24-25 (November 6-7). It was from here, from the Smolny Institute, that the following words sounded — the revolution about the need for which the Bolsheviks have been speaking all the time is accomplished. It was from here that the October Revolution marched throughout the whole country and its ideas spread throughout the world.

The working class was the mighty leading force of the October Revolution and inevitably marching in its front ranks were the proletarians of Petrograd. They were the pace-setters of the three Russian revolutions, a sensitive barometer of the moods, requirements and aspirations of the working class. It was about them that Vladimir Lenin said "the Petrograd workers are only a small part of the workers of Russia. But they are one of the best, the most advanced, most class conscious, most revolutionary, most steadfast detachments of the working class and of all the working people of Russia — and one of the

least liable to succumb to empty phrases, to spineless despair, and to the intimidation of the bourgeoisie".

The Leninist party is the leader of the working class and an embodiment of everything living and honest in the people. It raised the working people of Russia to take the old world by storm. Both during the days of the October Revolution, throughout the trail-blazing road of building socialism and in the present time of the restructuring — the perestroika — the Party was and remains the political, ideological and moral vanguard of our Soviet society.

On the eve of the October uprising, when urging immediate action, Lenin wrote "the entire honour of the Party of Bolsheviks is at stake." To protect the Party's honour and its prestige means not only to work out and proclaim a correct policy. It requires bold and fearless action, persistent implementation of what has been planned and fulfilment of promises.

The Leningrad Party Organisation, tracing its history from the first Marxist circles headed by Lenin, has carried his Leninist tradition through the years. Indeed, the first Party card presented to Vladimir Lenin in April 1917 was issued to him by the Bolsheviks of the legendary Vyborgskaya Storona District, Leningraders. Leningrad remember thousands of names of staunch Party members who by their Bolshevik words and deeds prepared the socialist revolution, made an invaluable contribution to its victory and to building the new life.

Leningrad has made a tremendous and unique contribution to the creation of socialism's firm industrial base. The novelty of the tasks required a creative approach to their solution and Leningraders have conducted a quest in technology, in economics and in the organisation of production. The first counter plan adopted by the workers of the Karl Marx plant, the first technical, industrial and financial plan of the Sevkabel enterprise, the first cost-accounting teams at the Nevsky machine-building plant named after Lenin and one of the first agreements on socialist emulation signed at the Krasny Vyborzhets plant and later emulated by thousands of collectives — all this has gone down forever in the arsenal of the socialist methods of economic management.

Leningrad became a symbol of staunchness, courage and determination to win in the Great Patriotic War. The 900 days of the blockade brought forth the most important and brightest in the human being — the ability to commit an exploit and the readiness to sacrifice one's self in the name of life. Thousands of Leningraders rest at Piskarskoye Cemetery, may the Motherland eternally protect their peace and may this memory live forever in our hearts.

Leningrad's exploits are most striking evidence of the inexhaustible might of the people's spirit and of Soviet patriotism. The whole country sustained the thread of life stretching across Lake Ladoga. And embattled Leningrad helped the whole country, instilling faith in the coming victory. And we held out and won.

Today we are saying words of sincere gratitude to the veterans of the Party, the participants in the revolutionary events, the Civil War and the Great Patriotic War, the shock workers of the five-year plans. They deserve that we address these heartfelt words also to those who are here, in this hall, and beyond its walls, to those who are no longer with us. The Motherland, the Party will never forget your exploits, your selfless work.

The CPSU Central Committee highly values

the examples set by Leningraders in their today's work, in the hard crucial activity which we call perestroika.

More than two years ago in this hall we had with you a business-like and concrete discussion of the problems facing the country at the new historical stage of socialism's development that we have entered. That was my first trip after the duties of General Secretary were entrusted to me by decision of the Central Committee. The destination of that trip was not a chance choice. It was determined by the role played by Leningrad, its working class, all working people of the city, and the Leningrad Party Organisation in the life of our state, in the implementation of the changes outlined by the Party.

At that time, in the spring of 1985, there was an intense search for ways of accelerating the country's social and economic development. It can be said that the destiny of socialism depended on the results of that search. In Moscow there were meetings with the working people of Proletarsky district, then came the trip to Leningrad. I remember how Leningrad workers had expressed in a few words but very precisely and meaningfully the expectations generated in our society by the decisions of the April plenary meeting of the Central Committee: persistently to continue what we had started, to prevent words from being at variance with deeds. This formula was heard today in the meetings with Leningraders.

Those were wise wishes to the Central Committee which sounded at the time like a political mandate. And also like a mandate of trust given by the working people to their Party at a difficult time for it, when the pre-crisis phenomena in Soviet society's life were sharply making themselves felt.

What the Party, its Central Committee have succeeded in doing in order to justify the mandate of trust received from the people, what we have failed to accomplish so far that requires undelayed action, I said that already the other day.

Nonetheless, I will say a few words about the main things.

The time that has elapsed allows to state the following: the principled decisions adopted then are justifying themselves. The chosen road is a correct one and accords with the requirements of life. I heard today another confirmation of that on the part of Leningraders.

This path was embodied by the 27th Congress in a clear-cut strategy and substantiated action programme that has won the support of the majority of the people. The line of April, of the 27th Congress was continued by the January and June plenary meetings of the Central Committee which substantiated the concept of revolutionary restructuring and placed it on the firm rails of practice.

Today we are at a crucial stage of perestroika when it should penetrate all spheres of our life — from the material to the spiritual. The specificity of this stage is the deepening of the processes of restructuring and the drawing into them of the multimillion masses of working people, all our immense country. And this requires of all of us, as never before, civic courage, genuine enterprise and the highest degree of competence, an utmost exertion of all spiritual and physical strength. And it is to this, comrades, that we should all attune ourselves as we firmly follow Lenin's lessons and the

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# Eduard Shevardnadze's meeting with Fidel Castro

TALKS were held in Havana on October 9 between Fidel Castro, First Secretary of the Central Committee of the Communist Party of Cuba, President of the Council of State and the Council of Ministers of the Republic of Cuba, and Eduard Shevardnadze, Member of the Political Bureau of the CPSU Central Committee and Foreign Minister of the USSR.

During the talks the sides expressed mutual satisfaction with the state and steady movement forward in a variety of areas of Soviet-Cuban relations, the wish to upgrade in every way fraternal co-operation between our two countries in specific directions.

In exchanging views on international issues, the sides emphasised the need for further

deepening interaction between the Soviet Union and Cuba, of all fraternal countries in the efforts to remove the threat of a nuclear war, to build a nuclear-free and demilitarised world.

Castro stated the Cuban side's unreserved support for Soviet peace initiatives. He reaffirmed the principled significance of the Soviet-US Accord on medium-range and shorter-range missiles, which opens up the way to realistic nuclear disarmament.

The Soviet side expressed solidarity with Cuba's constructive foreign policy, its activity within the framework of the Non-Aligned Movement.

The sides declared for a just political settlement of the conflict in Central America and the establishment of durable peace there. They expressed support for the understandings achieved at the Guatemalan meeting of the heads of five Central American states and spoke out for

fulfilling the UN General Assembly resolution calling for the parties to the Guatemalan agreement to continue efforts to bring lasting and stable peace to Central America. The USSR and Cuba confirmed solidarity with the struggle by the Nicaraguan people for the implementation of their inalienable right independently to decide their destiny.

Anxiety was expressed in view of the persisting tense situation in the south of Africa. The participants in the talks condemned the aggressive policy of the Republic of South Africa towards Angola and other "frontline states", declared for immediate and genuine independence to Namibia on the basis of the known UN resolutions and for the total abolition of the inhuman apartheid regime in South Africa.

The sides spoke out for a fundamental restructuring of international economic relations and establishment of a new international economic order.

## Soviet Foreign Minister's South American visit

EDUARD SHEVARDNADZE completed an official visit to Argentina on October 5.

During talks with the Argentine Foreign Minister Danute Caputo it was pointed out with satisfaction the identity of stands of the Soviet Union and Argentina on a number of key problems of world politics. The representatives of the two countries expressed the profound concern of their governments over the threat posed to humanity by the continuation and the stepping up of the arms race, especially the nuclear arms race, and the danger of its spreading to outer space.

When discussing regional conflicts, the USSR and Argentina expressed their conviction that they should be settled in a peaceful way in accordance with the provisions of the UN Charter.

A joint communiqué was released in Buenos Aires on October 5 on completion of the official visit.

On October 7 Eduard Shevardnadze completed an official visit to Uruguay.

During talks the Ministers of Foreign Affairs of

Uruguay and the USSR confirmed again the firm adherence of their countries to the norms of international law and the main principles of international coexistence.

The need was stressed for creating nuclear-free zones in the world as a means of completely ridding it of nuclear weapons. In this context the USSR Minister of Foreign Affairs supported the efforts of Latin American countries carried out within the framework of the Treaty on the Prohibition of Nuclear Weapons in Latin America (the Treaty of Tlatelolco). Both sides declared in favour of creating a zone of peace and co-operation in the South Atlantic.

A joint communiqué was distributed in Montevideo on October 7.

## Viktor Nikonov's meeting with Ronald Reagan

VIKTOR NIKONOV, Member of the Political Bureau of the CPSU Central Committee and Secretary of the CPSU Central Committee, visiting the United States at the head of a delegation of the Commissions for the Agri-Industrial Complex of the two chambers of the Supreme Soviet of the USSR, was received on October 6 by President Ronald Reagan in the White House.

Viktor Nikonov conveyed to the US President good wishes from Mikhail Gorbachev, General Secretary of the CPSU Central Committee.

Ronald Reagan expressed his thanks for them and, in turn, asked similar wishes to be conveyed to Mikhail Gorbachev.

Soviet people are engaged in creative labour, Viktor Nikonov said, and welcome the agreement in principle to eliminate medium- and shorter-range missiles reached recently between the USSR and the United States. There is no doubt that the conclusion of this agreement will impart an impulse to talks on the entire range of disarmament problems, he said further.

Then the Soviet guest dwelt on the interconnection between the Soviet Union's home and foreign policy, stressing that the USSR's course in international affairs is now determined more than ever before by the Soviet people's interest in security and lasting peace as an imperative condition of success in the current restructuring of all aspects of society's life in the Soviet Union.

On his part the President of the United States showed much interest in the process of transformations in the USSR, in particular in the sphere of the agri-industrial complex.

Questions related to the state and prospects for the development of trade and economic ties between the USSR and the United States, the creation of joint enterprises, scientific-technical co-operation, including in the field of the food and processing industry and the possible participation of American firms in this were also raised in the course of the conversation.

The US Secretary of Agriculture Richard Lyng and the USSR Ambassador to the United States Yuri Dubinin were present at the conversation that passed in a business-like and constructive spirit.

## Anatoli Dobrynin meets Helmut Kohl

ANATOLI DOBRYNIN, Secretary of the CPSU Central Committee, was received in Bonn on October 9 by West German Chancellor Helmut Kohl. A letter from Mikhail Gorbachev was handed over to the Federal Chancellor.

In the conversation that followed the sides thoroughly discussed issues connected with world developments, above all in Europe.

Kohl expressed his thanks for the letter and pointed out the two sides' identity of views on a broad range of issues mentioned in it.

He stressed the West German Government's desire and readiness to open a new page in Soviet-West German relations through concerted effort.

Both sides stated that the situation was favourable for this turn of events.

The Chancellor highly assessed the Soviet-American agreement in principle on medium- and shorter-range missiles. The common view was expressed that the signing of a Soviet-American treaty on these missiles should be followed by fresh steps towards reducing both nuclear and conventional arms and eliminating chemical weapons in the near future.

Dobrynin voiced the hope that the West German Government would play in this a role that would match the political weight and possibilities of the Federal Republic in international affairs.

The conversation was held in a constructive spirit.

### The Bondage of Debt

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# Meeting of the Political Bureau of the CPSU Central Committee

AT its meeting on October 8 the Political Bureau of the CPSU Central Committee approved the slogans of the Central Committee for the 70th anniversary of the Great October Socialist Revolution. The text of the slogans will be published in the press.

The Political Bureau was briefed by Mikhail Gorbachev on his visit to Murmansk region and approved the results of the work done by him. Central economic agencies, ministries and the All-Union Central Council of Trade Unions were instructed to analyse the questions raised by working people. Party officials and economic managers during Mikhail Gorbachev's meetings and conversations and submit the relevant proposals to the Political Bureau of the CPSU Central Committee for consideration.

The Political Bureau studied drafts of the State Plan for the Economic and Social Development of the USSR and the State Budget of the USSR for 1988. It was noted that the draft plan and budget correspond on the whole with the strategic course

of the 27th Party Congress of accelerating Soviet society's development, and the Guidelines of the January and June 1987 plenary meetings of the Central Committee concerning the drastic restructuring of management of the economy.

The draft plan was formed on the basis of the assignments of the 12th five-year plan and oriented at further improving the quality of economic growth, at ensuring the accelerated growth of the production potential and making more efficient use of it, at the priority development of machine-building, perfecting the structure of social production and branch ratios.

The draft state budget for 1988 is directed at fulfilling the pressing requirements of raising economic efficiency, concentrating financial resources on key sections of socio-economic development. A special role is given to resource-saving.

The Political Bureau approved in the main the drafts of the plan and budget for 1988 and found it expedient to submit them for consideration to the forthcoming session of the Supreme Soviet of the USSR.

The special importance of the plan for 1988 for speeding up the economy's development, for the reliable operation of all of its branches, for the resolute implementation in practice of the radical reform of economic management was stressed at the meeting.

At its meeting the Political Bureau discussed and approved measures to organise the fulfilment of the July 17, 1987 resolution of the CPSU Central Committee and the Council of Ministers of the USSR "On Improving the Performance of Republican Bodies of Management". It determined the fundamental provisions concerning the drafting of general schemes of managing the economy of constituent republics, territories and regions. It also stressed the need of ensuring qualitative changes in the various echelons of management, of reducing and making less costly the management apparatus while simultaneously increasing the efficiency of its work.

The Political Bureau of the Central Committee heard a report on Vladimir Dolgikh's trip to the Mongolian People's Republic and instructed the heads of the appropriate ministries and agencies of the USSR to study concrete questions of further developing and improving Soviet-Mongolian co-operation.

The Political Bureau also discussed some other questions of home and foreign policy and adopted decisions on them.

## Budget of the Soviet family

A SYSTEMATIC spot survey of budgets of 62,000 Soviet families is conducted every year by the USSR State Committee for Statistics to study the material and cultural standards of the population. A columnist in *Izvestia* writing on economic problems comments in the October 9 edition of the newspaper on the latest such survey.

The average monthly wages of factory and office workers amounted to 200.5 roubles this year. The remuneration for collective farmers in the public economy came to 147 roubles. Payments and benefits from the public consumption funds should be added to this, the economist writes. They surpassed 77 billion roubles for the first half of the year. He points out that the public consumption funds are spent on education, including the payment of scholarships, on the health services and physical culture, social security and social insurance (pensions, benefits), for the maintenance of housing stock which is not covered by low rents. These funds should, naturally, be also taken into consideration when calculating the real incomes of the population. Thus, with taking into account the benefits and the payments from the public consumption funds, the average monthly wages of factory and office workers now make up 279 roubles.

The USSR State Committee for Statistics also gives such information: 65 per cent of the population had in 1986 an income of over 100 roubles a month per member of a family. Thirty-one per cent of the population out of that percentage had an income of over 150 roubles a month per family member.

The overall conclusion of the USSR State Committee for Statistics is that considering the fact that more than one person earns wages in the families of factory and office workers, the average monthly pay for a family with taking into account payments and benefits came to 500 roubles per month in 1986.

The economist further analyses the sources from which the family budget is formed and how the family spends its money.

If the aggregate income of a family is taken to be 100 per cent, its components are as follows: the wages of members of the family make up 67.1 per cent, pensions, scholarships and other payments and benefits from the public consumption funds — 22.9 per cent, the income from individual plots, income from other sources (contributions by relatives, payment for work for individual citizens, alimony, and so on) 7 per cent.

The survey of the USSR State Committee for Statistics indicates that 28.3 per cent of the funds earned is spent on food, 15 per cent on the purchase of fabrics, clothes and footwear. Eight per cent is spent on the purchase of furniture, and such durables as passenger cars, motorcycles, bicycles, and so on. Twenty-three-point-two per cent of the funds is spent on social, cultural and everyday services. Savings account for 7.3 per cent; taxes, collections, payments for 8.1 per cent; other expenditures for 7.1 per cent. Only 0.6 per cent of the family budget was spent on the purchase of building materials. A family's spending on alcoholic beverages makes up 2.2 per cent.

The economist touches upon other facts. Thus, in January-August of this year the purchase of goods from markets of farm produce dropped by 8 per cent. Prices went up by 7 per cent (9 per cent for products of plant growing, 1 per cent for products of livestock breeding).

"The structure of our budget has actually remained unchanged this year. But we experience an acute shortage of funds," the economist sums up.

A heated debate concerning price reform is underway now. Various judgements are made. But all are united in the main thing that never and under no circumstances should the price reform adversely affect the living standards of the working people.

## Calls by CPSU Central Committee

THE CPSU Central Committee has addressed a call to nations across the world to come out against the nuclear menace, for arresting the arms race, curbing the forces of aggression and militarism, preserving and consolidating world peace. The calls by the CPSU Central Committee on the occasion of the 70th anniversary of the Great October Socialist Revolution published on October 11 underscore that the foreign policy of the Soviet land is a policy of a nuclear-free world, international co-operation and social progress.

The CPSU Central Committee conveys fraternal greetings to the peoples of the socialist countries. "Let co-operation of the fraternal countries go deeper and the socialist community grow stronger", say the calls.

The document sends greetings to the communist and workers' parties, fighters against imperialist exploitation, oppression, neo-colonialism, for freedom and independence.

The CPSU Central Committee has called upon the Soviet Union's working people to carry through in a creative way the restructuring, a revolutionary undertaking, renovate societal life, vigorously to participate in the reform of economic management, acquire economic knowledge, daringly to employ new methods of management, advanced experience, progressive forms of labour organisation and incentives, profit-and-loss accounting principles and self-financing.

"Citizens of the USSR actively join the governing of the country, ensure greater openness, criticism and self-criticism, enhance exactingness and responsibility, the inalienable features of socialist democracy", say the calls.

The calls hail the great multi-ethnic union of the peoples of the USSR united by solid fraternal friendship.

"Long live socialist internationalism and Soviet patriotism", the document says.

### The Russian Federation — The Public Education System

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# Nikolai Ryzhkov's speech at CMEA session

EXAMINING the proposed draft resolution aimed at upgrading the mechanism of co-operation of the CMEA, and setting out the programme for our further work, we cannot but take into consideration the situation now shaping in the world and in our community, said Nikolai Ryzhkov, Member of the Political Bureau of the CPSU Central Committee and Chairman of the USSR Council of Ministers. He was addressing a sitting of the 43rd (extraordinary) session of the Council for Mutual Economic Assistance in Moscow on October 13.

The activity of the peace forces is growing due to major foreign policy initiatives, concrete programmes for stage-by-stage elimination of nuclear weapons which have been advanced by the Soviet Union and the Warsaw Treaty countries. The consistency and flexibility on our part, our readiness for far-reaching steps toward effective verification of disarmament have resulted in Soviet-American agreement in principle to eliminate the intermediate-range and shorter-range missiles.

The ideas inherent in the all-embracing system of security meet with ever wider recognition, but the world situation still remains complex and tense, Nikolai Ryzhkov went on. The United States and its allies step up their policy of a differentiated approach to countries of the community. A global system of export control toughens, the lists of COCOM are expanded. They are used as an instrument for holding back the scientific and technological progress in the socialist countries.

The CMEA countries, being part of the world economy, feel the consequences of the negative processes taking place in the world capitalist market. The structural changes in the economies of capitalist countries implemented on the basis of the latest achievements of science and technology lead to the aggravation of contradictions within the imperialist system, sharpen the competition for markets and the spheres of application of capital, lead to the revival of protectionist tendencies in world trade, to the intensification of the policy of discrimination and economic sanctions.

Intensive work for the restructuring of the national economic complexes is under way in our countries. Advanced results are still to be attained in many new areas of the development of science and technology. Because of the worsening of the conditions for the Soviet Union's trade caused by changes in the situation in the world capitalist market, the value of our trade with the European CMEA countries has virtually been unchanged since 1985, despite the growth of its volume in accordance with long-term agreements. It follows from this that unless we take appropriate joint measures, the development of our commercial and economic relations with the countries of the community might complicate this still more.

We proceed from the view that a consistent implementation of the course at the reorganisation will yield a real gain not only to the Soviet Union but also to other CMEA countries, the Chairman of the USSR Council of Ministers went on to say. All the decisions we take on the questions of reform of the management of external economic relations clearly emphasise the priority of economic relations within the socialist community.

The use of economic levers will create the

conditions for gradually shifting the emphasis in our co-operation with fraternal countries from an area of trade to a sphere of science and production in whatever degree it suits our joint interests. That enterprises become direct participants in integrational processes does not mean that our co-operation is losing the advantages connected with centralised planning and management. Quite the contrary, the reform will create an opportunity for closer linking the planning with the process of working out a scientifically-substantiated investment and external economic policy, with the shaping of optimum proportions of the national economic development.

The establishment of new forms of co-operation is inevitably linked with overcoming a number of difficulties, particularly in the initial period. But as transformations implemented in the Soviet Union and in fraternal countries deepen, direct ties will undoubtedly be developing and creating new opportunities for the deepening of socialist integration.

## Co-operation

New trends in the development of the economic ties of the CMEA member countries in keeping with the level of their economic development and new nature and contents of the integrational processes at the present stage and being of special importance for the social and economic acceleration require radical transformations of the mechanism of our co-operation and the activity of the Council for Mutual Economic Assistance, Nikolai Ryzhkov said.

The provisions of the draft resolution lay down a foundation for harmonising economic policies more thoroughly, for making more specific on that basis the type of specialisation of the member-countries, streamlining the structure of their national economies and the mutual goods turnover, and for restyling from that point of view the entire work to coordinate plans.

What is especially important in this respect is the accord reached by the member-countries on evolving a collective concept of the international socialist division of labour for the period between 1991 and 2005. We need such a document in order to make the transition to a new, technological model of the division of labour in conditions of which the process of the further increase in the goods turnover will be based not on an increment in the exchange of fuel and raw materials for finished goods, but on a wide-scale intra-sectoral co-operation in production.

Nikolai Ryzhkov then dwelt on matters related to the streamlining of the pricing systems and the currency-financial mechanism. He stressed the importance of those matters for a wide-scale introduction of new forms of co-operation, for the development of co-production ties, and the deepening of socialist economic integration.

He took note of the need for a consistent use of economic levers for ensuring the cost accounting interests of enterprises in socialist countries which establish direct production contacts between themselves, for pursuing a loss-precluding policy and turning out competitive products.

Touching on the restructuring of the currency-financial mechanism, he said that the Soviet delegation was of the opinion that, alongside the further strengthening and development of the monetary functions of the collective currency — the transferable rouble, national currencies should be drawn increasingly into mutual settlements between the member-countries. This

is important also from the point of view of direct production contacts and new forms of co-operation. The long-term aim which should be borne in mind in this respect is a gradual transition, as necessary conditions for that will be emerging, from the mutual convertibility of the national currencies to the institution of a collective monetary unit, which could be converted in the future into freely convertible currencies. However, this will require a certain time, and substantial changes will have to be made in the economic mechanisms and principles of economic interaction between the member-countries.

Accords on multilateral assistance and international aid to Vietnam, Cuba and Mongolia in ensuring a steady progress of their economies is directly linked with the issue of a rational division of labour in the framework of the community, Nikolai Ryzhkov went on to say. A closer coordination of efforts in that sphere would be of great significance. This is why the decision to draw up special comprehensive programmes for co-operation with the European CMEA countries is perfectly justified. If these programmes reflect the tasks pertaining to the build-up of the export capabilities of the three mentioned countries, it would not only come in line with their interests, but also enhance the efficiency of economic ties with them.

In our opinion, one of the important functions the Council for Mutual Economic Assistance is to promote the elaboration of decisions meeting the interests of each country and the community as a whole and the drafting of wide-scale agreements and programmes. Specific issues related to co-operation in production and technology can be tackled directly by sectoral bodies and enterprises in the member-countries. However, the road to the CMEA is never closed for them: more substantive issues can always be submitted for discussion to the council's organs.

We support the proposals concerning a new structure of the council. They come in line with the demands of the reorganisation drive. In our opinion, structural management systems existing in the member-countries should not be mechanically reproduced. The council should have both standing and temporary organs set up specially to examine one or other problem. But I would like to emphasise that the important thing is not the structure and the number of organs, but the quality of work. Advocating the further consolidation of internationalist and democratic principles in the work of the CMEA, the Soviet delegation considers it important that countries, which are not prepared to participate in some or other project at a given time, should not hinder others from reaching accord.

Unlike the previous years, the coordination of national economic plans will be carried out at three levels: the inter-governmental and sectoral levels and at the level of enterprises and amalgamations which maintain direct contacts. This will make it possible to study more thoroughly matters pertaining to specialisation and co-operation and put emphasis on the implementation of the comprehensive programme for scientific and technological progress. In the course of the coordination of plans it is important to work out specific proposals concerning the organisation of wide-scale specialisation and co-operation in the output of the latest manufacturing equipment. In addition to that, vast opportunities exist for deepening specialisation and co-operation in the sectors of machine building which have already taken shape. The coordination at the level of enterprises and amalgamations should promote a faster and more efficient solution of questions

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## MIKHAIL GORBACHEV'S SPEECH AT SMOLNY INSTITUTE

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traditions of the October Revolution.

The meetings and conversations with Lenin-graders on these days convince me that Soviet people realise this full well, are prepared to do everything so that tasks of the crucial period of restructuring, however complex and hard, however new, would be resolved successfully.

The Party generates the energy of perestroika in all its echelons, the highest, the middle and the lower, wherever the fate of perestroika is directly determined.

The fulfilment by the Party of the social function of a vanguard is inseparable from its creative, imaginative role in analysing problems of social development and setting forth new ideas in line with this development's requirements.

I think it essentially important that the Party has succeeded in establishing within a brief period largely a new theoretical, conceptual system, a theory and practice of restructuring and acceleration, on the basis of which we are building our domestic and foreign policy that takes into account new realities.

In devising this system as open and dynamic, capable of renewal and development, we also relied on time-tested elements of past experience, mainly on the Leninist methods and analysis of what Lenin introduced in the theory and practice of socialism.

The new practical experience, constantly analysed and generalised by the Party today, serves as the basis for new theoretical conclusions. This, in turn, results in the detection and raising of new problems of economic, state, and socio-cultural construction. Demands, as before, further intensive development of the Marxist-Leninist theory and invigoration of all public life in the country.

We need today, as never before, as broad and profound integration as possible of all advanced creative forces of our society.

Without this we will be unable to cope with problems and tasks of restructuring, will not resolve the task of moving Soviet society to a qualitatively new level of development. This can be achieved only by the Party, our Leninist Party which unites all forces of society.

Our Party is strong because it possesses a powerful organisational-political and intellectual potential.

More than 19 million communists in our country are united in 442,000 primary, 520,000 shop-floor Party organisations and 730,000 Party groups. They operate practically at every

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related to the beginning of output of new types of products and ensure the integrity and continuity of the "science-production-supply" cycle.

Such an approach to the coordination of plans will bring us closer to the implementation of the joint strategy for the development of economic co-operation, enable us to use properly and in our own interests the participation in the international division of labour and help us neutralise those negative phenomena which may result from the interaction with the world capitalist system.

The Soviet delegation, Ryzhkov said, will vote for the adoption of the draft resolution of the session, for we believe that it will mark the beginning of our further joint efforts to streamline co-operation. The socialist community is living through a very difficult and very responsible stage in its development. However, our fraternal parties and nations have the strength and the will to overcome difficulties and march ahead confidently along the road of integration and progress, discovering and using to the full in our practical actions the advantages of socialism for the benefit of an all-round consolidation of our community.

enterprise, construction site, collective or state farm, scientific institution and at management bodies, spreading its influence to all spheres of life of society.

The Party of the October Revolution assumed all historical responsibility for the destinies of revolutionary change continuing its cause, and is at the head of them. Dismantling the "mechanism of deceleration", breaking the forces of inertia of all sorts that have accumulated in all spheres of social life without exception for many years, overcoming social apathy that has affected quite a number of our working people, creating durable guarantees for irreversibility of restructuring — all that demands today, as seventy years ago, that the Party display a strong political will and iron discipline and initiate creative, bold practical actions.

Embarking on revolutionary restructuring, the Party has begun with itself. Guided by new political thinking, putting into life the concept of restructuring, it is perfecting forms and methods of its work, refining all available tools of influence on various spheres of life of society.

In doing that, one must bear in mind that the Party's leading role is gained, asserted by the work of every Party committee, by the word and deed of every communist. We observe that serious changes are taking place in the activity of many Party committees and organisations lately. They have started working with greater vigour and drive, their contact with people is becoming stronger and more diverse. Democratism, openness, criticism and self-criticism are being asserted in the life of Party organisations, an atmosphere of interested participation of communists in handling urgent tasks of perestroika is being created.

The Party has begun uncompromising struggle against negative processes and phenomena in its life, resolutely ridding itself of those who have soiled the honest and pure name of Party member, grossly violated norms of socialist morality. Far from all Party organisations, however, have found their place in handling the new tasks. Some are not catching up with restructuring, with people's mood, part of them are simply trailing behind, while they must be in the vanguard. This should worry us, comrades, because a Party organisation's place is in the lead.

At present, when processes of practical policy are moving to the foreground, all Party organisations without exception are called upon to act with vigour in their day-to-day work, to achieve real changes in all directions of restructuring. A problem of criterion that would make it possible to assess objectively what has been done by each organisation is emerging at this point. We have said, and I want to repeat once again: from now on and in the near future, we ought to have only one criterion in the appraisal of our cadres, in the appraisal of communists and in the appraisal of Party organisations — that of attitudes towards restructuring, real contribution to attaining its objectives. It is as simple as that. This should be our approach.

One more thing should probably be mentioned: the practice that has been going on for many years has accustomed all of us to handle with confidence figures of production growth, capital investment and other economic indicators. I heard about this approach during my current trip, during conversations with Leningraders and senior executives. But, comrades, it is not the figures by themselves that we need. One should be able to give a confident answer to the question as to the relationship between the dynamics of these figures and the process of the real growth of working people's well-being, improvement of their working and living conditions, intensification of their intellectual and cultural life, and improvement of order and discipline. This is the end result of the activity of Party organisations. In other words, we ought to learn to constantly keep within the

field of vision the individual, social consequences of restructuring, to see and assess every step in its implementation within the human dimension.

As day-to-day progress of restructuring shows, this is a hard task to handle, and not all our Party committees are able to do that instantly. The more important it was to see these days that the Leningrad communists, Party functionaries and activists got down in earnest to perfecting the activity of Party organisations, that diverse issues of the life of working people, or work collectives are moving to the top of their priorities.

These are encouraging, although small changes, but they were felt in all conversations. Such an approach has made it possible to prepare and submit to the CPSU Central Committee and the Government proposals for a long-term plan of the development for Leningrad and the region. These proposals serve as a basis for concluding the elaboration of the resolution of the CPSU Central Committee and the USSR Council of Ministers "On the Masterplan of the Development of Leningrad and the Leningrad Region for the Period Through the Year 2005". This implies linking organically problems of the economy, the social sphere and cultural construction. The region's scientific, technological and industrial potential and its own base of food supply will continue to develop further. The requirements in children's preschool institutions in Leningrad and the region must be met fully by the year 1990. Every family must be supplied with a separate apartment or house of its own by the year 2000. Corresponding development of other facilities of the social and cultural complex, as well as transport and infrastructure, and the necessary measures for environmental protection are planned. Rational distribution on the territory of the city and the region of the facilities for work, everyday living and rest of the population is envisaged. Architecture and urban development of Leningrad and the populated localities of the Leningrad region will be developed further on the basis of careful preservation of historic traditions, restoration and reconstruction of unique historic and artistic monuments of Leningrad and its suburbs.

All the problems of a long-term development of the city have been tackled in combination with problems of the development of the region. Town planning has been linked with long-term economic and social planning. The resolution will be shortly discussed at a meeting of the Politburo of the CPSU Central Committee. I think that now that the Leningraders will have such a large-scale programme, oriented wholly towards the continued rapid development of the country's biggest region, there will open an opportunity for more harmonious combination of all spheres of the population's activity. The principal task of the regional Party organisation now is to implement the plans through concerted, creative and high-quality work.

It is good that this is the way you are organising your work without waiting for the resolution to be published.

During my first trip here we had a lot of discussion about how to speed up the solution of the housing problem. I must say that today too this problem was central in the conversations. Nevertheless, I want to say that it is gratifying that the situation has started changing for the better. The enterprises of the city and the region have started showing more concern for housing while the work collectives of the Volkhov aluminium plant and the Nevsky ship-building yard have shown a good example of tackling the job by undertaking the finishing work of new buildings in their off work time. Today, when we were discussing problems of housing construction at the Baltiysky plant workers said that they were prepared actively to join the solution of the housing problem. We in the country's leadership set the question as follows: you will get

as much housing as you will manage to build. Think about this and use all possibilities to start resolutely gaining ground in solving the housing problem.

Youth housing complexes are gaining momentum in your city although the reserves here are still great. I was shown houses located right across from the shopping centre operated by manufacturers. Outwardly they looked excellent. I don't know how they are inside but after all the young people were building them for themselves.

We spoke on the previous occasion about stepping up the capital repair and changing the lay-out of old housing. This section is one of the important ones in the master plan of developing the city and region. A certain amount of material and financial resources is being allocated for this. But all this has to be solved by you, comrades. The country is looking for possibilities to support the Leningraders. For Leningrad this is vitally important because the central part of the city is its history, the history of our country, and a considerable part of native Leningraders live there. That is why by solving this task we will thereby display concern first of all for them. It is good that here too there are changes but, frankly speaking, they are very small ones so far. I even do not want to disappoint you with a calculation that we made with comrades L. N. Zaikov and Y. F. Solovyov when discussing this problem: if we do not speed up the pace of reconstruction of this part of the city, the old housing, if we do not expand the scope of this work and remain on the level reached today then, I must say, this will take dozens of years.

This means this is not suitable. This means that there is again a problem for discussion. So think, comrades, find ways of solving it. The initiative is to come first of all from you.

I want to back the efforts by the Leningrad Regional Party Organisation in coping with the food problem. By now, the region has completed establishing big zones of dairy and beef farming, commercial poultry farming and production of vegetables and potatoes. The plans for the sale of all types of farming produce to the state are fulfilled. This makes it possible to improve supply for the population. But how much more will have to be done, comrades, along this very important direction as well.

The chief reserve here lies in the intensification of the introduction of progressive technologies, new methods of economic management and growth of productivity of fields and livestock farms.

Leningraders are behind neighbouring republics both in yields and in the productivity of farms. But you have no right to lag behind. This is a matter of honour for the Leningrad Party Organisation and the working people of the city and region.

The solution of the food problem is not a task of the distant future but an immediate and pressing task.

I cannot but stress in this connection the importance of widening the choice and improving the quality of foodstuffs. Leningrad has created considerable capacities to process farm produce. On the whole, they keep the many millions of people in the city and region supplied with foodstuffs. But a significant part of the plant at the food factories in the region has grown obsolete and does not make it possible to achieve either proper conditions or modern labour productivity levels and product quality.

On the previous occasion I spoke frankly with you about the light industry. There are some changes now and quite substantial ones. I will be now just as frank. It does not become Leningraders to sit with their arms folded and wait for instructions from above. Besides, you have the possibilities: production capacities; scientists and designers. They can accomplish

much. Yesterday representatives of the city told me that workers in the food industry, it turns out, do not know what they need. What kind of argument is this? I do not think that this is so. They know what they need. I would put it this way — the present leadership of the region and the city to this day does not know what the food industry needs, has not really gotten to the bottom of things.

I would like to dwell on the question of the light industry. It is picking up pace, modernising and look how the mood of the people has changed, look how the quality of Leningrad-made light industry products is improving. The fame lost by Leningrad in producing light industry products that was lost at some stage is being regained. Now again many commodities are being eagerly sought by shoppers. This is good, comrades. I suggest that you make an all-out effort to solve this problem and set an example for others.

During our previous meeting we spoke about the setting up of fruit and vegetable garden co-operatives which allow millions of people to work and rest on the land in their off-work time and with benefit for themselves. There are changes in the country and there are changes here, in the city and region. It is good that a special agency to service collective gardens has been set up in Leningrad. I was told that forwarding and cargo-handling enterprises and the entire trade in building materials has been handed over to this agency. A production base for construction is being created. It is planned that houses will be delivered under contract to members of fruit and vegetable garden co-operatives. All this is exactly an example of raising the standard of services, of concern for man, something, comrades, that we so acutely lack.

Such, it would seem, simple things. But they concern the family, people in general and the very mainstays of the life of working people. Therefore this is a centre of policy. Why am I saying this? Leningrad is a major cultural, scientific and industrial centre. It would seem that gardens, vegetable plots, seed beds and the like are totally irrelevant. But all this is needed by man, by the family for health, rest and work, for supplementing the family's food resources. So let us see what outweighs what — people or capacities and parameters . . . people are most important. It is good that Leningraders responded to our conversation of two years ago. They have not only responded but are making their contribution. This is good, comrades, and I welcome this.

Meriting praise, as I have already said, is the work to implement the comparatively recently adopted programme to modernise the light industry. This work is already yielding fruit. We visited the manufacturers' shopping centre. We visited the Bolshevichka plant on the previous occasion and this time, too, met with the director of that amalgamation. The previous time there were problems galore and as much talk about them. Now Bolshevichka's output is in high demand by shoppers. Hence the good mood of people and hence the plant's social development funds. That is how it should be. Look, 17 per cent of output is sold under contracts with trade enterprises and 37 per cent of output is taken up by new products. Output is being quickly renewed. What did we lack in the light industry? Quality. And the light industry workers could not solve this problem in the old conditions.

Greater skills are required in order to produce quality goods. And greater skills deserve a higher pay. A greater labour-intensiveness is needed and it requires a higher pay, too. Better materials are needed and they must be paid for. So a closer circle was thus forming. But contract prices, special prices for the latest kinds of goods, for new products with new consumer properties have opened an opportunity for creative work in this branch. And the branch that had declined has now invigorated and is gaining momentum. This can only be welcomed.

It is good that a network of specialised stores selling highly fashionable goods is set up on the basis of creative co-operation of related enterprises. Manufacturer's trade outlets are being a success, and this is a good thing.

We can learn a lot from you also as refers health protection. I liked very much the thought of Comrade Nikolai Pavlovich Napalko who spoke here that if we wait for new facilities for the health services, then their development can drag out for years. We are working out a programme for the construction of a large number of contemporary facilities for the health services all over the country. But a great deal can be achieved now by conscientious work of medics. I liked very much this trend in the work for health protection in Leningrad and, the Leningrad region where a great deal is being done to improve the quality of the medical services and to supply hospitals and outpatient clinics with up-to-date medical equipment. I would also like to commend the vigorous participation of research institutes and medical educational establishments in this important undertaking. This is the manifestation of the reorganisation in such a sphere in the life of our society as the health services. And the incidence of disease in the city and the region decreases as a result. I believe it is important to commend your success. But you also have shortcomings in this area. They have already been mentioned here.

Gains in public health will be heavily dependent on whether the republican, region and city organisations and, above all, the local governing councils are able together with economic agencies to bring about fundamental improvement of the ecological situation in their respective areas.

The Leningrad Region Party Committee lately, for instance, has adopted a series of urgent measures related to Lake Ladoga, Neva Bay and the eastern part of the Gulf of Finland. The region's leadership has had enough resolve to take extreme measures to stop the more dangerous air and water polluters. There are now fewer oil slicks on rivers and lakes and the air in Leningrad, too, is cleaner than in many other of the nation's cities. I would like to draw attention to an initiative by Leningrad scientists, which has been supported by the Regional Committee of the CPSU, for establishing a research centre for ecological security. Such an organisation geared to specific results is currently badly needed.

In general, comrades, we should actually improve the economics and organisation of the use of nature everywhere. There must be substantial improvements in the ecological culture of our society, which, I am convinced, should make a highly important ingredient of the overall culture of developing socialism.

I am glad that as the jubilee of the October Revolution approaches we are holding a good discussion with you about accomplishments, plans for the future, about what has been done and what is yet to be achieved. Remember Lenin's behest: precisely such discussions should be at jubilees — accomplishments and, even better, outstanding questions, problems. Therefore I think that you will view with understanding everything that I have said about the life of the city and the region. Take into account the recommendations and advice that have been made to the leadership of the regional Party organisation, to the local government bodies and all working people in the city of Leningrad and the Leningrad region.

Comrades,

To learn to think and work in a new way in present-day conditions means to secure a creative approach to handling all tasks of restructuring.

We are now talking and writing much about the pressing need to inculcate the feeling of being really in control in every Soviet worker. But

words alone, even the truest and most compelling ones, will not be enough if we hope to do away with mismanagement, sloppy workmanship and couldn't-care-less attitudes to a task in hand and to educate people as true masters of life, to awaken them. It is needed to create real conditions for every worker and every working collective to be able to exercise their rights as co-owners of the producer goods belonging to the whole nation. This is what the economic reform and a significant part of the multifarious work which we call the restructuring are geared to.

It is essential that such strong, experienced and highly-cultured worker collectives as the staffs of Leningrad factories and their Party organisations and cadres assume leadership in the restructuring effort.

On behalf of the Party Central Committee I would like to propose that the Leningraders take the lead in the restructuring drive.

We launched many initiatives here in Leningrad, tested much and conducted experiments which were then spread to the entire country. Much of what had been tested here later formed the basis of new documents, including the Law on the State Enterprise.

Many Leningrad factories are already using the principles of full cost-accounting and self-financing. They are employing the pivotal parts of a new mechanism while the old system is still in place as far as the national economy as a whole is concerned, while material and equipment supplies on the basis of wholesale trade are not yet dependable enough, the finance-and-credit system is only beginning to be remodeled, and pricing reform is yet merely in the making. It would, of course, be good to go to sleep under the old economic system one night and to wake up under a new one in the morning. Such a miracle, though, is not going to happen and we have to start with a first step.

That is why it is now so important for us to gain experience of work in a new way, and we pin our hopes as before on the Leningraders, on their work in the new conditions.

Scientific and technological progress cannot care less about the very symbolic division of the integral national economy into sectors and urgently demands that all available resources be consolidated and society's intellectual and production assets boldly manoeuvred for it to go ahead.

The final results of the efforts made by the Party today will also depend to a large extent on how skilfully, carefully and innovatively they will work.

I must say, and this is seen from the press, from tours of the country, from acquaintance with the work of Party city and district committees, that many city committees are already living a new life. This rejoices me, comrades. But by far not all yet. For it is in individual district committees that warnings were made to active communists and non-party members who came to the Party bodies with new ideas about what should be done and what should be changed. They were told — wait because "upstairs" they are not yet clear themselves about what will happen with this perestroika, so let us just wait. Those who waited lost much time, while those who immediately joined the process of renewal have already gained momentum and are acting in the right way.

If you remember, during our meeting two years ago I said that we should give everyone a chance to change. We cannot deny either the leadership, or a rank-and-file functionary, a worker or an intellectual this chance — to analyse, work out a position, transform it into convictions and realise it through one's deeds. Two and a half years is a lot of time, I think, for a revolutionary period when everything is moving and developing swiftly. We were patient, democratic and if somebody wanted to change his ways, he has already joined the restructuring.

But there will hardly be any use for those who continue the wait-and-see attitude. I have in mind those who stand at the head of work collectives, districts and towns. This question, too, should be solved democratically.

That is why at the June plenary meeting of the Central Committee we decided to call late this year plenums of the central committees of the parties in the union republics, of territorial, regional, area, city and district committees of the Party to discuss reports of the bureaus of the respective committees on their work in guiding the course of restructuring. And to hear reports of the bureaus and Party committees which were not slated for re-election this year in primary Party organisations.

The Central Committee expects much to come out of these meetings and plenums. The aim is to carry out everywhere an in-depth analysis of the course of restructuring, give an exacting appraisal to the activity of the elected Party bodies and of their secretaries, to solve urgent personnel issues.

It is well known that the success of the undertaking is decided not by organisational contraptions, to say nothing of bureaucratic inventions. It is decided only by people — by their Party principle, professionalism, cultural standards and humanity. These qualities are a must for all who work in the sphere of management. Officials should have twice, and Party workers thrice as much of these qualities.

A large advance has been made in the work with personnel after the 27th Congress, after the January and June plenary meetings of the Central Committee. I know that in Leningrad, too, matters of personnel are being decided by Party and government bodies, public organisations with taking into account the requirements of democratisation and openness. I was told this today also by workers at the Baltiysky plant.

But much more remains to be done to learn to notice, select and promote those people who, as Lenin put it, have "more strength, vigour, staunchness, directness and sincerity" than others.

Ponder these words, comrades. How far the qualities of a Party member mentioned by Lenin are removed from "communist" vanity which is manifested even now and which seriously hampers the cause of reorganisation. True, with the passage of so many years it has, at least, become more decorous in its outward manifestations. But it has not become less abominable, harmful and dangerous for all that.

This danger should be borne in mind, first of all, in the implementation of the present-day personnel policy. Conceited, vainglorious people, people who lack culture, who do not like to work with people should be kept at an arm's length from Party work.

The reorganisation, developing socialism require talented cadres of high moral stature, steeped in the idea of the revolutionary renewal of society, who are close to people. I spoke about this yesterday during the conversation with Leningraders.

The scouting, promotion, political education, support, and if need be, protection of those people, including non-party cadres, should become the priority concern of Party organisations. The load on cadres increases in connection with the restructuring.

When setting the task of freeing Party bodies from functions that are not theirs we do not have in mind freeing them from economic questions. The Party has always dealt with the economy and will continue doing so. As we are now implementing reforms and mastering new mechanisms of management we must simultaneously restructure the methods of Party work in the sphere of the economy.

Party committees can and should hold economic managers with Communist Party membership cards strictly responsible for the

true restructuring of the economic activity, for the work in a new fashion and for the final results. To be able to do that Party functionaries should assimilate new economic thinking.

A no small number of instances are known when Party committees at the local level continue to make chief emphasis in their demands to enterprises on "extorting" percentages of growth in the volumes of commodity output, that is, act in essence as exponents of the old "gross output" approach. The volumes are here but contract delivery schedules have not been met in time, low-quality products have gone into the national economy and to store shelves.

All this is so because indices of volume achieved at all cost always are accompanied by failures to fulfil delivery contracts and this makes the entire economy feverish and affects first of all quality of output.

The restructuring drive precisely changes the criteria of our work. We need end-result efficiency. If we get more grain with a lesser number of tractors and will spend less metal on each tractor such a loss in tractor-building and metallurgy will only be useful.

We should learn to orient economic managers and work collectives at fulfilling contracts, attaining high quality, quickly renewing equipment, accelerating turnover of financial resources, speeding up growth of labour productivity and enhancing capital productivity. This is what the acceleration is all about.

Another problem which demands attention from Party committees is connected with the specific features of the transitional period.

First of all with the specific features of the remaining three years of the five-year-plan period. This is the most difficult, the most complex time. I would call it the critical stage of perestroika. The old mechanism, the old administrative levers are only being dismantled while the new economic incentives are only beginning to gain in strength. This is a particularly exacting time for communists. Precisely they should be the first in the efforts to solve the tasks of this transitional period.

The communists must set the example in learning to work in a new way, in overcoming the force of inertia. The resistance of this force will be the greatest at this stage. Don't think that the force of inertia is somewhere at a distance. It is in us.

In tackling this task it is important to take into consideration what Lenin said at a period crucial for the Party, when it was necessary to make a sharp turn from the policy of Military Communism to the New Economic Policy. Here's what he said: "Since resolute change, flexibility and skilful transition have become politically necessary, the leaders must realise it. A strong apparatus must be suitable for any manoeuvre, but struggle is inevitable when the strength makes it unwieldy and hampers change. All efforts must, therefore, be turned to achieving our aim: the complete subordination of the apparatus to politics."

This is the only way we should raise the question today, at a crucial stage of our development. A consistent implementation of the Party's policy — this is the task of tasks. And this presupposes the constant detection of the initiative of the masses, a broad extension of democracy and self-government of the people.

I must say that the people is striving sincerely to take part in all the processes of renewal, and our cadres fail to keep pace with these sentiments of the people.

At the Baltiysky plant, one of the workers said: "Mikhail Sergeevich, we agree that the first stage is over. Everything has been considered and discussed by all, a lot of words have been said. What is required now is that the centre act resolutely."

This is a correct view. It is time for resolute actions, for new approaches.

Comrades, in the very run-up to the Great October Socialist Revolution Lenin wrote his famous work *State and Revolution* here, at the place called Razliv. His ideas which have become the theoretical foundation for the socialist statehood in its unbreakable unity with self-government of the people are of paramount importance for our today's work. Not partial improvements, not half-measures, but the development of democracy to the utmost, as Lenin formulated the task — only this can ensure the practical all-round progress of socialism. Hence, to find, to use Lenin's words, for forms for this development, to test them by practice is the vital demand of the moment we are living through. Precisely the CPSU stands at the cradle of the democratic processes that have widely unfolded now. Today everyone can see that they are consistently gaining strength, becoming broader and going deeper, embracing the entire domain of social relations and all spheres of life, and, to be sure, first and foremost, the life and activity of the Party itself. At the June plenary meeting of the CPSU Central Committee I had to mention an alarming tendency — failure of a number of Party organisations to keep pace with dominant sentiments and dynamic processes of democratisation that are unfolding in our society. The atmosphere of exactingness is being enhanced in the Party organisations of the country and the responsibility for the entrusted task is growing. The Party guidance over the social processes of restructuring is intensifying, and, nonetheless, the CPSU today is faced with an acute problem of enhancing the vanguard role of communists, and vigour of each primary Party organisation and of Party committees. This seems to be a customary formula but what stands behind it is a dramatic nature of the pulsating life of our times. The experience is teaching us — truly revolutionary action and revolutionary work are inconceivable without courage, selflessness and boldness in combatting everything that is hindering us from making headway. It should, however, be admitted — far from all in the Party have understood that the example of restructuring should be displayed by every communist, that the position of marking time and the position of an indifferent observer are impermissible for him. The communist differs from others by that he subordinates his personal interests to the interests of the entire Party, of all people.

To ensure that restructuring gathers momentum it is important that the spirit of vigour, aggressiveness and irreconcilable attitude to shortcomings, to everything outdated and formal in work characterise every Party organisation. What is required are an active position, resolute actions by the communists.

You have probably already understood that the main message of my speech is that the Party should improve work in all its links, in all echelons and at all levels. And to prevent slowdown in restructuring and take the lead at the new exclusively important stage.

I want to point out again. Primary Party organisations are facing a task of special, one can say, extraordinary importance. It is very important for us that the mechanism of running the country, new principles of the functioning of all spheres, above all the economy, do not break down. For the opponents of restructuring will take advantage of that in order to discredit it.

Much depends here on how people are prepared for new conditions, on the mood of the collective and organisation of people's study of restructuring problems. Not in general terms, but with regard to specific conditions of the city. District or work collective. It is perfectly clear that we will not manage to achieve a higher level of work of primary Party organisations if we fail to care for them systematically and render

assistance to them.

In this connection I would like to say a few words about district and city committees of the Party. They should help primary Party organisations. The district and city committees should move the centre of day-to-day work on restructuring to work collectives with reliance on primary Party organisations. Enough sitting inside offices, inside mansions that have been built in the past decades. They, too, should be opened to fill Party committees, district executive committees with excitement. The country is abuzz, the country needs ideas, actions and discussion. And yet everything is calm inside offices with their parquet and carpeting and time-tables of reception hours. Can you imagine revolution being made in that way, according to a time-table?

District and city committees are advanced posts of the Party moved into the forefront of the restructuring drive and at the same time they are the closest to the people, to primary Party organisations.

We should highly value and give due to the corps of executives without allowing contempt towards their work. All of our society, working people need them. In the conditions when each work collective is transferred to principles of cost-accounting, it is the more interested in having talented cadres at the head, and, naturally, in having such people at the head of district Party organisations, local government bodies.

We have pinned much hope in the reorganisation on the development of criticism and self-criticism as an effective instrument of the renewal of society. A certain experience of life in conditions of openness has accumulated over the past period. New problems came to light, however, for instance, part of the cadres experience certain perplexity over the scope and acuteness of criticism under which negative social phenomena, sections of our social economy that are lagging behind, drawbacks and miscalculations in the activity of various organisations and departments come now. Are there any excesses in this critical work that is gaining momentum? Yes, comrades, there are, but, I think, the main thing should not be lost sight of. The widening of criticism and self-criticism should be viewed as the evidence of the growth of self-awareness, political responsibility and social activity of our working people.

We have waged and will be waging the struggle against all sort of demagoguery, excesses, lopsidedness in criticism, but we will not be frightened with them and will not swing to the opposite side, will not yield to the temptation to put a stop to criticism. All our cadres of any rank should get accustomed to taking into consideration the attitudes of the masses, which, by the way, should be skillfully influenced. And they should learn once and for all that only one method is suitable in talking with people, and that is conviction, only one form is possible, and that is equal dialogue.

We shall be learning all this, and not in words but in actions. Regretably, not all and not always succeed in this, and moreover at once. The Leningrad Party Organisation is not free from such phenomena, either.

I believe life itself makes the communists of Leningrad, the many thousands of ideological activists aware of the need for more effective forms and methods of work influencing the convictions of people, aimed at widely informing the working people, at shaping the public opinion.

Something has already been done towards this. Characteristic of the present time is the open discussion of many problems of reorganisation, active participation of the working people in drawing up the plans of housing and cultural construction, the development of public education, culture and health services, trade, transport and public catering, in the solution

of other problems of the social and economic development.

The Leningrad mass media made a step forward. Lively reports on the activity of Party and government bodies, performance of work collectives appear ever more often. The share of live broadcasts of Leningrad television and radio has increased, quite a good level has been achieved in prompt coverage of the life of the city and the region, a number of programmes are telecast all over the country and are watched with interest by TV viewers.

I would say that the big detachment of Leningrad intellectuals is taking an active part in all these undertakings. It appeared to me during my first visit and especially now that the intellectuals are standing firm for restructuring and are devoting all their strength and talent for the triumph of the cause of restructuring.

Comrades, we should work jointly to master the culture of democracy on whose development the destiny of the reorganisation hinges. Special attention should be paid in this respect to young people. Their public opinion, their interests and needs should be studied and moulded. We have no right to lose sight of young people if only for a moment. We regard them as the active force of reorganisation, the present and the morrow of developing socialism and, hence, their corresponding future.

The preparation for the 19th All-Union Party Conference starts now. On the decision of the June plenary meeting of the Central Committee it will be held next year. It is our duty to bring to the conference new experience of Party work, the experience of promoting the reorganisation.

Comrades, history is made by millions of people, and serious policy begins where millions are acting. More socialism in reality — this policy meets the vital interest of all the classes and social strata of Soviet society. We do not expect easy victories. Our Party is called the revolutionary one precisely for the reason that it is unafraid of difficulties, does not give in to them. The Party will be firmly following the charted course, advancing the reorganisation, crushing the mechanism of its braking. And the Leningrad working people, the Leningrad communists hold an honourable place in this truly revolutionary work.

I wish you, comrades, great success in all your undertakings.

I am glad to greet you cordially once more on behalf of the CPSU Central Committee shortly before the 70th anniversary of the Great October Socialist Revolution which started here, in the historic city on the Neva.

The CPSU Central Committee is confident that the working people of the city of Lenin, the city of the October Revolution will be in the front ranks of the revolutionary reorganisation!

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