

# **USSR: On the Threshold of 1984**

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**Statement by Yuri  
ANDROPOV, General  
Secretary of the CPSU  
Central Committee**

**Resolution of the USSR  
Supreme Soviet "On the  
International Situation  
and the Foreign Policy of  
the Soviet State"**

**Commentary: Towards  
Economic and Social  
Progress**



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**Statement by Yuri  
ANDROPOV, General  
Secretary of the CPSU  
Central Committee**

**Plenary Meeting of the CPSU Central  
Committee  
December 26, 1983**

Dear Comrades,

Very regrettably for reasons of a temporary nature I shall be unable to attend the session of the plenary meeting. But I have carefully studied all the material upon which the plan for the coming year has been based. I gave it a great deal of thought and was preparing to speak and set out some considerations of mine. That is why I am sending the text of my statement to the members and alternate members of the CPSU Central Committee, members of the Central Auditing Commission and the participants in the plenary meeting of the CPSU Central Committee.

As you know, having taken into consideration the preceding exchange of views, the Politbureau of the Central Committee has decided to submit to you for discussion the drafts of the plan and budget for 1984 which have been drawn up by the USSR Council of Ministers.

The questions the plenary meeting is to examine are of vital importance for the country. It is of great political significance that along with the setting of tasks for the future we are at the same time assessing fulfilment of the decisions of the 26th Congress, summing up the results of the work done in the period since the November 1982 Central Committee plenary meeting and analysing the achievements and shortcomings in order to draw correct conclusions for the future.

The implementation of some measures to improve our economic management, achieve better organisation and strengthen state, labour and plan discipline began in the country this year.

This has been largely conducive to rectifying the state of affairs in several sectors within a comparatively short period of time, to enhancing the initiative and responsibility of personnel and their confidence in their strength, and to raising the creative activity of

the masses. The course received the full approval and support of Communists, of all working people.

People have begun putting more heart into their work. The rates of economic growth have increased and quality indicators have somewhat risen. In general a change for the better has taken shape in the national economy. All this confirms the correctness of the line that has been worked out, the feasibility and substantiated nature of the tasks set by the Party to develop the economy and to overcome existing difficulties.

As can be seen, there have been some good results. But this is only the beginning. *The most important thing now is not to lose the tempo and general favourable disposition to get things going, and more actively to develop positive processes.*

An analysis of the planned targets for 1984 shows that the planned rates and proportions conform in the main to these tasks and consolidate the positive trends of the current year. I think you comrades will agree with that. Raising the efficiency of production occupies a more important place in the plan than previously. Its social emphasis has been intensified. It provides for all the measures necessary to maintain the country's defence capacity at the proper level. Thus, the draft plan accords with the political and economic strategy of the Party and, I believe, can be approved by the plenary meeting.

A few days after being endorsed by the session of the USSR Supreme Soviet, the plan will become the law of economic life for all the sectors of the economy, for thousands of enterprises, amalgamations and organisations. It will be the determinant of the working rhythm of production shops, divisions, production teams, of millions of workers, of all those who by their dedicated labour create material and cultural values and strengthen the might of our homeland.

In the present international situation which has sharply deteriorated through the fault of aggressive imperialist circles, strict implementation of the state plan becomes not just an obligation but also the

patriotic duty of every Soviet person, each work collective, and each party and public organisation.

It is very important that a good start be made from the very first days of the new year and that everyone attune themselves to even more strenuous work, without seeking any excuse in difficulties, of which there are a good deal ahead.

It is essential, first of all, to focus attention on the most urgent problems, on what are called bottlenecks, upon whose solution the success of the work depends.

You comrades know that shaping the 1984 plan was not an easy matter. To balance it required some effort. This, of course, was largely due to shortcomings in the national economy and in the quality of planning itself. But whatever reasons are given in explanation, we are bound to ensure the successful implementation of the plan *and the paramount condition for this is efficient organisation of all the work, both nationally and locally.*

It is obvious that already at the first stage, in each sector and in each work collective, one should have a clear idea of how, by what ways, means and methods the high targets set in the draft plan will be implemented as regards economising all types of resources, raw materials and other supplies, and power, as regards raising labour productivity and boosting the manufacture of consumer goods.

One must weigh all this thoroughly again and again, and during the implementation of the plan constantly and persistently seek additional reserves to ensure the uninterrupted functioning of the national economy.

The task can be set in a party manner only thus: one must ensure implementation of the plan without fail, but in so doing use every opportunity to exceed it. This must be the aim of all economic activities, socialist emulation, the economic, organisational, ideological and educational work of the party, trade union and Komsomol bodies, and of the local Soviets. The most important thing after a plan is worked out, as Lenin said, is to "be able to arouse both com-



petition and initiative among the *masses*, so that they set about the job straightaway" (V. I. Lenin, *Collected Works*, Vol. 35, p. 467).

I would like to note that several documents have been adopted recently with a view to further developing the initiative of working people. These are, first of all, the Law on Work Collectives and resolutions on the tightening of discipline, on the development of the team form of the organisation of labour, and others.

The ability of economic managers and public organisations to enlist people's efforts and to achieve high ultimate results of work should be judged from how the party decisions will be translated into practical deeds at every enterprise and amalgamation.

When discussing the draft plan, the Politbureau of the CPSU Central Committee supported a proposal to set the party and trade union organisations, and work collectives a specific task: *to achieve an above-plan growth of labour productivity, say, of one per cent and cut down production costs by a further 0.5 per cent. This should be regarded as the Party's additional assignment concerning the plan.*

Comrades V. Grishin, D. Kunayev, V. Shcherbitsky, V. Vorotnikov and E. Shevardnadze have reported that the foremost collectives of Moscow and Leningrad, the Ukraine, Kazakhstan and Georgia, as well as of some other cities are ready to come forward as initiators of such a movement.

This deserves the warmest approval. The working out and adoption of obligations should be organised on this basis everywhere, special economy accounts should be opened for enterprises, construction projects, state farms and all organisations, and those who will achieve the best results should be actively encouraged.

Other diverse forms of people's initiative can also make a good additional contribution to the implementation of the plan for 1984 and of the five-year plan as a whole.

A movement for raising the shift index of machinery was widely developed in the country at one time, for example. Subsequently it began to fade out unjustifiably. Yet in it lie vast reserves for the growth of both the efficiency of production and labour productivity.

What in fact is the picture we can observe now? Take the country's very big Kharkov tractor works. In 1980-1982 the machine-tool fleet at the enterprise grew by nine per cent while its shift index went down from 1.5 to 1.41. This is explained by the lack of labour resources, but at the same time demands for more and more equipment are voiced with enviable persistence and no particular concern is shown for how it will be used.

But there are other examples, too. A compulsory procedure to establish whether work places correspond to the rules of the scientific organisation of labour has been introduced at the Dnepropetrovsk harvester manufacturing factory which is, incidentally, subordinated to the same Ministry of Tractor and Agricultural Machinery Building. As a result, within three years along with an increase in output about 600 workplaces were cut, in other words, without any special capital outlays considerable labour resources were found at the factory itself.

There is no doubt that combined with intensive automation of production it is precisely such an approach which makes it possible to tap tremendous reserves for the growth of labour productivity.

Regrettably, in recent years the movement for the earliest possible attainment of designed labour inputs per unit of output has been virtually forgotten. It ought to be said bluntly that in several branches the proper concern for reducing labour inputs is not yet being shown. Yet if one thinks back, in pre-war years there was a vigorous drive to speed the attainment of the designed labour inputs.

We ought to revive also the movement to increase the shift index of machinery and achieve the planned labour inputs per unit of output. And do this, of course, on a new organisational and technical basis.

It is hardly necessary to prove that this will make it possible to boost output substantially and slash production costs. Ministries and departments as well as planning agencies should give serious thought to how the related measures should be carried out.

The next question. The resolution of the Central Committee and the USSR Council of Ministers *on the fulfilment of contract obligations for the supply of products* has great significance in the system of measures to tighten discipline. There is every indication that this measure has somewhat improved the situation in the national economy. But facts also indicate that this fundamental problem has not yet been fully resolved.

The responsibility of economic executives for fulfilling contracts and orders has been increased. That is true. But there still are "loopholes" allowing the payment of bonuses where supply quotas have not been met in full. Planning agencies have even legalised a special term: "the maximum percentage of underfulfilment". True, the instructions make the reservation that this indicator of lack of discipline—one can hardly call it anything else—should be limited to one or two per cent and only in exceptional cases to three per cent.

But since violation of contracts is allowed in principle, some executives are exercising this "right" to the full. Thus, several engineering ministries this year have applied the maximum limit of underfulfilment of contract obligations to nearly half of their plants and factories.

Quite understandably, discipline in the field of supplies depends not only on the enterprises but also on the work of the materials and machinery supply agencies, of transport, of all those managerial links that are called upon to ensure that the production process continues without interruptions and maintains a steady rhythm. And everyone involved in this process should, in the event of contract obligations not being honoured, answer for this to the extent he is to blame.



The USSR Council of Ministers should examine these issues, work out corresponding proposals and enforce proper order.

There is another problem that deserves very close attention. Our planning agencies, ministries and departments have not yet come up with the necessary solutions *to ensure that the country's production, scientific and technological potential should be used fully and most efficiently.*

Take, for example, the huge capacities that have in recent years been created in the chemical and petrochemical industries and also in engineering. Many of them have for a long time not been used in full because of the intrasectoral and intersectoral lack of coordination and because of disproportions.

It would appear expedient that each ministry, the USSR State Planning Committee and the USSR State Supplies Committee should as soon as possible work out special measures to eliminate the bottlenecks and disproportions that reduce efficiency in utilising the production potential.

And we are, of course, duty-bound to work constantly and persistently to accelerate scientific and technological progress. Many branches of industry are now advancing more rapidly and confidently in this decisive direction. The new decisions taken after the November plenary meeting and the important experiments conducted to stimulate the development and introduction of new technology have given an appreciable impetus to this.

But the organisation of the entire package of scientific and technological work is still far from smooth. Some branches are marking time and failing to fulfil plans to introduce new equipment, and the scope of these plans themselves leaves much to be desired. The state of affairs in the national economy demands that the ministries, departments and the USSR Academy of Sciences should make a decisive turn towards raising the technical standards of production and improving the quality of products.

Much will depend on how we mobilise personnel at enterprises, research and design organisations, en-

gineers, technicians and scientists for intensifying scientific and technological progress. This is a task of paramount importance. We must and can accomplish it.

Every year, when discussing social and economic development plans, we are compelled to dwell upon problems of capital construction. This is understandable. The scale of capital construction in the country is vast. There is a direct link between capital construction and the fulfilment of our plans to increase industrial production, consolidate the material and technological basis of agriculture and improve the living conditions of working people and the cultural and everyday amenities available to them.

Regrettably, the state of affairs in this very important field still cannot satisfy us. Several facilities and projects are not being completed on schedule.

The heads of building organisations often enter upon lengthy explanations of their work failures and seek objective reasons for them. What is needed, however, are not explanations but real improvements in the state of things in construction. After all, tremendous public funds have been invested in this sector, a well-developed industrial base has been created, there are competent design organisations, and the building sites are now better equipped with machinery.

The key to success here, as, incidentally, everywhere, is to heighten the responsibility of the personnel and strictly demand from them irreproachable performance of their duties, efficiency, initiative and the unconditional fulfilment of the tasks set. It is from this standpoint that we should appraise the work of our building ministries and their collegiums and territorial agencies, and the performance of managerial staff. One should be particularly exacting as regards the fulfilment of plans to build housing, schools, hospitals, childcare pre-school establishments, communal facilities, and public service establishments.

Transport operations demand the unremitting attention of economic, party and government bodies. Of course, trends for the better have appeared of late.

But in transport there are, perhaps, more reserves and untapped opportunities that can be brought into play within a short period of time than anywhere else.

This is, above all, true of reducing the irrational carriage of freight. Evidently a thorough study of this question must be made and essential measures worked out to achieve proper order in the deployment, specialisation and integration of production and to exclude the many cross hauls and needless journeys which burden the whole economy.

The present-day scale and pace of development of productive forces demand changes in one's attitude to questions relating to *environmental protection and the rational use of natural resources*. This is a task of major economic and social import. For what is at issue in effect is protecting the health of the people and carefully husbanding the country's national wealth. Moreover, these are questions of the future, too. Upon their solution depend the conditions in which succeeding generations will live.

It must be stressed that despite the serious efforts we are making, this acute problem remains on the agenda.

This indicates that work to protect nature requires even more persistent and purposeful efforts. A narrow departmental approach is, perhaps, more intolerable in this field than in any other field. It sharply lowers the effectiveness of the use of capital investments, hinders pursuance of a single policy in carrying out nature protection measures, gives rise to a disregard for the ecological consequences of decisions taken, leads to false economies which ultimately result in great losses. In a word, one must approach this problem in a comprehensive way, from the standpoint of the national interests, and resolutely improve the whole system of environmental management and control.

*Comrades, all our efforts in the economy are ultimately aimed at securing a rise in the living standards of the people. This is the main social and political objective of our plans. Any successes in developing*

production are appraised at their true worth when they lead to an improvement in people's well-being.

In this respect quite a lot is being done in our country. The real incomes of the population are steadily rising, the construction of housing, cultural and public service facilities is proceeding on a large scale, education, health protection and culture are successfully developing. The plan for 1984 provides for a further rise in living standards.

As before, the implementation of the Food Programme requires great attention. The measures carried out this year have made it possible to improve somewhat the supply of some foodstuffs to the population. For the first time in the recent period noticeable progress has been made in such an important field as stock raising. Purchases of milk, meat and eggs have increased. Fodder supplies are more firmly based. This gives grounds to hope for a further change for the better next year, too. To this end the Central Committees of the Communist Parties and the Councils of Ministers of the Union republics, local party, government and economic bodies, workers in the countryside must ensure the successful wintering of cattle, the successful accomplishment of spring sowing, in a word, take another step towards increasing the output from field and farm.

It is the paramount duty of party and government bodies in the republics, territories and regions, ministries and departments persistently to increase the use of the potential that has been created in agriculture, the returns from the resources channelled to the development of the agro-industrial complex in order to resolve in full the problem of supplying the population with foodstuffs.

It remains an urgent task to meet fully the market demand for manufactured goods. At a time when the purchasing power of the population and the degree to which people are supplied with various goods have risen, the demands made as regards the range and quality of products have considerably increased of late. Yet industry is readjusting itself extremely slowly to the manufacture of modern consumer goods.



At the wholesale fair of domestic and leisure goods intended for sale in 1984, trade organisations refused to purchase 500,000 TV sets, 115,000 radio sets, almost 250,000 cameras, 1,500,000 clocks and watches, 160,000 domestic refrigerators and some other goods because the quality and range of these goods did not meet consumer demand.

It is surely intolerable that when there is a shortage of many goods in the shops high-quality raw materials and other supplies should be wasted on manufacturing unmarketable products which will then be stored in warehouses and whose prices will inevitably be marked down later.

There are also instances when due to the lack of flexibility on the part of trade and industry officials, a lack of knowledge of the real demands of the population and of the market situation, some products alternately become scarce or accumulate on shop counters and at factories. This leads not only to the restructuring of production and to losses, but also to discontent among people.

The incomplete satisfaction of the public demand for goods is a source of negative phenomena, including profiteering. It goes without saying that we must continue resolutely to combat this disgusting phenomenon using all means which the state has at its disposal. Yet the main point is that it is necessary constantly to increase output, improve the quality of goods, intensively develop the sphere of services, so as fully to eliminate the shortage of goods and deficiency of services. This should be made the personal responsibility of executives at all levels throughout the country. The time has apparently come not just to talk about shortages in the production of goods for the public, but about the particular officials standing behind these shortages. The party, government and economic bodies must keep this most important problem under their permanent control.

As is known, the Politbureau of the CPSU Central Committee has found it necessary to draw up, within the five-year plan for 1986-1990 and the Guidelines for the long-term economic and social development



of the USSR, a comprehensive programme for developing the production of consumer goods and the system of public services, embracing the most important aspects of Soviet people's life.

We certainly should not wait until this work is completed and should resolve the pressing problems without delay, step by step.

*In outlining current objectives we must not overlook strategic questions in the development of the national economy.*

We will have considerably to intensify work to improve economic management and further enhance the initiative of work collectives.

We attach great significance to conducting at several ministries an economic experiment to widen the rights of enterprises and increase their responsibility for the results of their work. In the course of the experiment some new elements of management will be tested. The results will be a basis for preparing relevant proposals for the national economy as a whole. One must prepare for this in advance in other branches, too. We should enter the 12th five-year plan period with a well-adjusted economic mechanism allowing for fuller use of the potentialities of our economy.

I must say that of late quite a lot has been done to improve the quality of state plans.

But our planning mechanism still has many weaknesses. Some cardinal tasks of economic development often seem to have been adapted to suit the conditions in particular regions and branches. We must consistently abandon such a passive, you might say, approach in planning.

The choice of the most effective lines of development of the national economy, of those chief elements which make possible its swift advance along the path of intensification, is one of the most pressing tasks of improving planning and management.

In this connection I would like to share some considerations with you.

The specific forms of management and planning must correspond to the real conditions at each stage

of the country's social development. This is an objective law which, quite obviously, no one can either change or annul. That is why improvement of the management system, based on the principles of democratic centralism, is an integral part of the overall process of improving our social system.

The question of working out a programme for all-round improvement of the entire mechanism of management is now ripe for solution. This mechanism must fully correspond to the economy of developed socialism and to the nature of the tasks being tackled.

I think such a programme should provide for:

Improvement of the organisational structure of management at all levels and in all sectors of the national economy, including a clear definition of the functions, rights and responsibilities of management bodies and of enterprises, the organic combination of the interests of the state and of work collectives;

Improvement of the planning system in the national economy proceeding from the need to raise the socio-economic efficiency of social production;

Increasing the effectiveness of the economic levers and stimuli of the economic mechanism as a whole, including price-formation, the credit system, methods of analysing the results of economic activity, and so on.

Only an all-round interrelated study of the problems of improving the managerial system can resolve the task of the fullest use of the advantages intrinsic in the socialist method of production. This should become an important integral part of the new edition of the CPSU Programme.

These are some issues I thought it necessary to dwell upon. They do not, of course, exhaust the range of economic problems that demand solution, especially since life is constantly advancing new ones.

Our successes will to a decisive degree depend on mobilisation of the masses, on people's creative attitude to the work assigned them, on the further development of socialist emulation.

Of major importance is thorough selection of personnel according to their business and political qualities, the training of true organisers of production, resourceful, capable workers. The attitude of goodwill to them, which has been established, must to an even greater degree be combined with an exacting attitude to them and adherence to principle.

These are all urgent tasks of party work.

A review-and-election campaign is currently drawing to a close in the Party. The meetings and conferences already held have demonstrated full support for the course of the 26th Party Congress, the November and June plenary meetings of the Central Committee, the orientation of all party organisations towards determined improvement of the style and methods of party guidance. In this we see a pledge of the successful solution of the new tasks of further advancing the national economy and raising the well-being of Soviet people.

Comrades, in conclusion I would like to share with you my thoughts about the lofty role of members of the CPSU Central Committee, of all the participants in the plenary meeting of the Central Committee present in this hall, and their responsibility to the Party and the people.

We have roused the working people, directed them to work well and have at the same time encouraged great expectations by the collectively worked out decisions of the November plenary meeting. A good deal has been done, but much still lies ahead.

Millions of Communists and non-party people have boundless trust in the Party and are prepared to support the measures for further improving the situation in the economy and in other spheres of the life of society. This places immense personal responsibility on all of us, on everyone without exception, and we must justify this deep trust of the people.

No matter where members and alternate members of the Central Committee and members of the Central Auditing Commission are working—in the government or in sectors of the national economy, in party

bodies, in local government or in the sciences, in the sphere of culture or in the diplomatic field, all of us must always remember that we are political leaders and we must set the interests of the Party and of the people above all else.

The main thing today is to set the tone and set a worthy personal example in our work, do everything to develop the economy and social relations, and to improve the life of people, being invariably guided in this activity by lofty Leninist principles.

*Situation and the Foreign  
Policy of the Soviet State*