

Plenary meeting of the CPSU Central Committee

MOSCOW, June 16, TASS:

A regular plenary meeting of the CPSU Central Committee was held here today.

The plenum discussed the questions:

On the State Plan of the Economic and Social Development of the USSR in 1986-1990 and the tasks of Party organisations connected with its implementation;

On the results of the meeting of the Political Consultative Committee of Warsaw Treaty member-states held in Budapest on June 10-11, 1986.

A report on these questions was made at the plenum by the General Secretary of the CPSU Central Committee, Mikhail Gorbachyov.

Taking part in the discussion of the report at the plenum were Vitali Vorotnikov, Chairman of the Council

of Ministers of the Russian Federation, Vladimir Shcherbitsky, First Secretary of the Central Committee of the Communist Party of the Ukraine, Boris Yeltsin, First Secretary of the Moscow City CPSU Committee, and other comrades.

The plenum approved the draft State Plan of the USSR's Economic and Social Development for 1986-1990 and the provisions and conclusions of the Political Bureau of the CPSU Central Committee contained in Mikhail Gorbachyov's report, directed at implementing the Party's economic strategy elaborated by the 27th CPSU Congress. The plenum advised that the five-year plan be submitted for consideration to the USSR Supreme Soviet.

The plenum's participants unanimously adopted the CPSU Central

Committee's address to the Soviet Union's working people on unfolding nation-wide socialist emulation to fulfil and overfulfil the assignments of the 12th five-year-plan period.

The plenum highly assessed the results of the Budapest meeting of the Warsaw Treaty Political Consultative Committee and fully approved the Soviet delegation's activity at the meeting.

The resolutions on these issues, adopted by the plenum, are published in the press.

The plenum considered and approved the Political Bureau of the CPSU Central Committee's proposals concerning organisational issues connected with the holding of the fifth session of the USSR Supreme Soviet of the 11th convocation.

The plenum of the CPSU Central Committee has closed its work.

Mikhail Gorbachyov's report to the plenary meeting of the CPSU Central Committee

ON FIVE-YEAR PLAN FOR ECONOMIC AND SOCIAL DEVELOPMENT OF USSR IN 1986-1990 AND ON TASKS OF PARTY ORGANISATIONS IN CARRYING IT OUT

Comrades,

We are to discuss today progress in carrying out the general policy line determined by the Congress, sum up preliminary results, learn the lessons from our post-Congress work and define the immediate tasks of the Party.

Although little time has passed since the Congress, the responsibility of the moment and the scale of the tasks that face society today are so great that we must constantly feel the rhythm of

changes and check our intentions and plans with the way things are really going. In short, we are to discuss the gist of the moment, how the energy of our projects transforms into the energy of our actions, what problems and difficulties have arisen in our way and how we should act further.

The 27th Congress of the CPSU set all spheres of Soviet society—political, economic and spiritual—in motion. Social development received a strong impetus which stimulated the political consciousness of the masses. The atmosphere of exactingness and truthfulness which dominated the Congress is exerting a mobilising influence on all practical work. Soviet people meet with enthusiasm and support innovative projects and demand that re-organisation should be universal and constructive. All this serves to show that the ideas of the Congress are becoming firmly implanted in people's minds and guarantee that the ongoing changes are irreversible.

Now we are even more convinced than before that the decisions we took at the Congress were right and consonant with the climactic nature of the moment. They have a special part to play in the destiny of this country and socialism in general and this will have far-reaching consequences for the development of the whole world. We realise better and to a fuller extent the scale

and depth of the changes initiated by the Party and all sorts of difficulties we are to surmount. We also know what we are capable of today and in the future.

The interest in the Congress in other countries does not abate. It is especially keen in the socialist countries. The Congress' decisions gave an effective impetus to the struggle for peace and social progress. Approval and support from our friends convince us that we are going the right way and that we must consistently follow this course with a high sense of responsibility and purpose.

Level-headed people in the non-socialist part of the world had a new chance to see that our extensive plans for social and economic development are inextricably linked with a foreign policy aimed at promoting peace and wide-ranging economic co-operation.

Our plans produced a different reaction from the militarist and aggressive forces led by US reactionary circles. Their animosity is particularly strong now that they are trying to fight off the Soviet proposals on ways of improving the international situation and shaping international relations that would be adequate to the realities of the nuclear and space age.

In short, comrades, we are to discuss key

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problems of the five-year plan, taking into account both domestic needs and external conditions. The plan is the basis for our work in the far and near future.

At this stage of work since the Congress we must show the ability to reorganise and build, explore new forms and methods and not to allow success to go to our heads even for a moment. Fast rates of economic growth, high efficiency and major positive changes in the social field are now becoming the main gauges of performance. We will be judged not by our intentions alone, but primarily by real changes in society, by practical results.

I. First Results of Reorganisation

Comrades, it is from the view point of practical matters and results that we must assess the activities of all Party committees, government and economic agencies, mass organisations and work collectives.

This approach will allow us to have correct bearings in the current situation and to proceed further. We must do this also because, as developments show, we are facing not only positive trends—although they, of course, dominate in society—but factors which hinder the reorganisation process. Some of these factors are objective, but most of them are due to sluggishness, inveterate habits and fossilised psychology.

Doing good work nowadays are people who have resolutely backed the stand of the 27th Congress, become vigorously involved in the common drive, do not spare either time or effort and are fitting in effectively with the process of reorganisation. However, there are quite a few people who, while realising the political need to work in a new way, simply do not know how to do this in practice. We must help them in every way possible. Further, we cannot fail to see those who have not yet grasped the essence of current changes, stick to a wait-and-see position or do not believe in the success of the economic and political breakthrough the Party has charted.

Our society is under the profound impact of the Congress's directive to foster the creative attitudes of the masses as the basis for our accelerated growth. This is inseparable from the drive for social justice, greater democracy and full openness, and to clear the community of all manifestations of petty-bourgeois psychology. Soviet people show a growing interest in politics and economics, culture and morality, in the entire public life in general. This has a significant effect on labour and political activity, discipline and order in the country.

Soviet people have forcefully demonstrated organisation and patriotism also in emergencies, as was the case with the Chernobyl accident. The breakdown at the atomic power station was a severe trial. At that difficult time, workers, firemen, engineers, physicians, scientists and soldiers acted staunchly, selflessly and courageously.

The country has risen as one to combat the consequences of the accident. The CPSU Central Committee and local Party and government organisations are flooded by applications from people who want to be sent to Chernobyl. An extensive fund-raising campaign is under way to help the families affected by the accident. Many work collectives pledged to work several shifts free of charge in aid of the sufferers.

Allow me on behalf of our plenary meeting to express deep condolences to the bereaved families and cordially thank all who, risking their lives, fought to control the accident and who are selflessly overcoming its consequences nowadays.

Comrades, we are facing major tasks in all sectors of social and economic advancement. Of course, it would be naïve to expect that it would take us a few months to cope with the lag and shortcomings which have grown over years. However, a trend towards higher rates of

economic growth is now apparent. We associate this mostly with the vigorous work of the people and the positive processes in society.

In the first five months of this year industrial production grew 5.7 per cent on the corresponding period of last year. Changes are also unmistakable in sectors which have been lagging behind for many years, that is coal, iron and steel, and railways. The timber, wood-working, cellulose and paper industries are performing better. Oil workers have not yet overcome difficulties. However, encouraging trends are evident there too. A number of segments of the mechanical engineering complex are growing fast. The agrarian sector is also working intensely.

In many regions and territories of the Russian Federation, the Ukraine, Byelorussia, the Baltic republics and elsewhere the active work of Party, government and economic organisations and work collectives shows what we can achieve if we foster initiative and creative and efficient attitudes at workplaces.

The main thing now is to consolidate the rates of growth we have achieved and to build them up. This is feasible, although this would require major efforts since we are at the very start of restructuring when not everything has yet been done organisationally, and the economic levers and incentives crucial for further economic change for the better have not yet swung into full action.

An analysis of economic change would be by far incomplete if, along with evident successes, we did not point to weakpoints, to the things which impede our advance. I must say that reorganisation is still unduly slow. Many enterprises still rely on blind rush work and stand by the old slogan of the plan whatever. The turn to quality, efficiency and new management methods is difficult and painful. However, it should be absolutely clear that the Central Committee will firmly support all that is sound and that corresponds to the decisions of the Congress, all that promotes reorganisation and headway. We will be as firm in combating all that stands in the way of this process.

The new, initiated by the April plenary meeting and developed in the decisions of the 27th Congress, calls for profound reconstruction not only of the economic sphere, but society overall. This is not a simple process. It requires efforts and serious changes in the mentality of our cadres, all working people. We have overcome passive attitudes to some extent, increased responsibility, improved organisation and given more elbowroom to initiative. At the same time, the restructuring process is not yet smooth enough at enterprises, in the field of management, in research institutions, artistic collectives, and Party and government bodies. Outdated viewpoints and inertia are strongly felt to this day.

Sometimes words are substituted for deeds, practical action does not follow criticisms, and self-criticism resembles self-flagellation. Certain managers are lavish in appeals to openness and publicity, they rightly refer to the importance of the staff, and of encouraging democratic principles. Regrettably, it all stops at that. Thus, the restructuring mirage takes shape: everything's all right in words, but no real change follows—and the restructuring process marks time.

The post-Congress period has shown that the complicated structure and inefficient performance of our management bodies noticeably hamper our progress and the introduction of new management methods. The redistribution of rights and competences between central economic bodies and ministries on the one hand, and enterprises, production amalgamations and work collectives on the other, is a painful process.

Even though the management's functions have changed, some officials strive to secure their leadership at all cost. Still, no ministry nor any other central office however efficient, can

successfully solve every issue with today's large-scale economy, and replace production collectives' creative quests. That simple truth has to be brought home to everybody.

The blind faith in management the omnipotent is reflected in requests the central bodies still receive to set up ever more management bodies and appoint ever more functionaries. Some republics, in an ungrounded bid to copy the central management structures, have requested the USSR Council of Ministers to set up new ministries and other central offices, though they have fifty or more ministries, central offices and other governing bodies.

The past few months graphically showed that social restructuring is inconceivable without remaking the style and methods of Party work at every level. Those matters deserve to be discussed in detail, and I shall dwell on them later.

Now, I should like to stress the tremendous importance of Party body leaders in affirming the new style. The consistent and energetic remaking of Party work depends on their standpoints, behaviour and work.

In this connection, I have to call special attention to the part that first secretaries of central committees of constituent-republic communist parties, of territorial and regional Party committees and, last but not least, of city and district Party committees play. They must set the tune in work, display political erudition, profound understanding of the tasks at hand, organisational gifts, utmost responsibility, and a critical appraisal of their own and others' work—in a word, the Party spirit in the loftiest sense. Only then can a district, city, region or republic aspire to successful work and an atmosphere of constructive quest and endeavour.

Comrades, what are the basic conclusions to be made from our work in the first months after the Congress?

The main thing is that the Party and the people actively support the Congress' political line. The Party is reforming itself as it organises and consolidates the working people. The past few months once again demonstrated that restructuring is everybody's concern, from a rank-and-file communist to a central committee secretary, from a shopfloor worker to a minister, from an engineer to an academician. We can bring it to a successful outcome only if it becomes a genuinely national task. We have to put an end to every obstacle in its way.

Another essential conclusion. There is no replacing collective creativity with instructions, even the best of them. Restructuring presupposes all-round promotion of independence and initiative by working collectives and by every worker. Today it is inadmissible—and practically impossible—to solve all questions in the centre. Everybody has to realise that. Production collectives at enterprises and amalgamations have to shoulder the brunt of responsibility for practical decision-making. As to creating the necessary economic, legal and social conditions for fruitful work, for progress in science and technology, that's an inalienable competence of central management bodies.

Last but not least, the time after the Congress and the latest developments have clearly confirmed the vital importance of the lesson of truth of which the Congress spoke. Whatever the situation, we have to remember Lenin's warning: "Illusions and self-deceptions are terrible, the fear of truth is pernicious." The Party and the people need the whole truth, in big things and small. Only the truth educates people with acute sense of civic duty. Lies and half-truths produce warped mentality, deform the personality and prevent one from forming realistic conclusions and evaluations—without which an active Party policy is inconceivable.

II. Decisive Stage in the Implementation of the Party's Economic Strategy

Comrades, we are to discuss the new five-

year plan and the tasks to be tackled by the Party and all the working people to accomplish that plan.

The 12th five-year plan has a special role assigned to it. The rates of socio-economic development and the level of people's welfare will depend on the foundation which we will lay over these coming years for the implementation of radical reforms in the national economy and on the acceleration of scientific and technical progress.

As you know, the work to draft the new five-year plan has been pretty tough. As revealed by estimates, the old methods of management and dead-stop planning were only leading our economy into a deadlock. For a whole year we had persistently sought out new approaches which would create the conditions for deeper production intensification and provide for higher rates of introduction of the latest advances in science and technology. The 27th Congress of the CPSU was offered guidelines for examination and approval, meeting the requirements of the contemporary economic and social policy of the Party.

In drafting the new five-year plan we succeeded in reaching the top level in the targets for the principal directions of economic and social development as far as the quantitative and, more importantly, qualitative indices are concerned. The draft plan has been thoroughly discussed in the Political Bureau of the CPSU Central Committee, has won its approval and is being now offered for discussion by this plenum.

What particular aspects of the plan should be given special attention?

First of all, I would like to say that on the whole the plan corresponds to the provisions and directives of the 27th Party Congress. It provides for the concentration of energy and resources in the key areas of economic development and for changes in the structural and investment policies in the interests of social production intensification. The plan is geared to higher efficiency of the national economy, to active material-saving policies, to the intensification of the effect of economic levers and incentives, and to the use of stable work targets and new methods of economic management.

One can get the fullest possible idea about the upcoming changes in the economy from the absolute increment figures projected by the plan. The principal figures among them are 50 per cent higher than in the previous five years. For example, the national income will grow by 124 billion roubles compared to the 79 billion in the 11th five-year plan. Industrial output growth will add up to 200 billion roubles compared to 133 billion and the average annual increment in the gross output of agricultural products to 29 billion roubles compared to 10 billion. It should be further noted here that the projected growth rates are to be secured from the very start of the new five-year plan.

The high targets projected by the plan have called for a new approach to the sources of economic growth. The decisive factor here is radical improvement of the production efficiency figures through faster scientific and technical progress. This is the foundation, comrades, on which the whole plan is built.

In the new five-year plan the share of the accumulation fund in the national income is to be increased to 27.6 per cent. This will create real conditions for boosting the absolute growth figures in capital investments. In nation-wide terms, the rates of their growth will rise from 15.4 per cent in 1981-1985 to 23.6 per cent. The plan envisages an extensive programme of technical modernisation and retooling of many operational works. The allocations for these purposes will go up by 70 per cent, and their share in the general volume of production investments will exceed 50 per cent by the end of the current five-year period.

The new period will be marked by large-scale production mechanisation and automation and by the introduction of new technologies. All this will lay the groundwork for improving by 1990 the working conditions and relieving more than five million people of manual jobs, or more than twice as many as over the previous five years. Large-scale measures have been taken to save material and energy resources.

On the whole, comrades, the package of measures for the introduction of new advances in science and technology and for the advancement of economic management methods, envisaged by the plan, will help increase the average annual rates of national income growth to 4.1 per cent, or almost by a third compared to the previous five years.

There are also plans for the accomplishment of a broad social programme on the basis of accelerated development of the economy. The real incomes of the population will grow, the supply of foodstuffs and consumer goods will be improved, there will be new services and new measures will be taken to upgrade the health service and public education.

Special attention is given to the housing construction programme. The housing stock will be increased by 595 million square metres, and this new housing will be marked by improved quality and greater conveniences. The rates of housing construction will be particularly high in the countryside. All these are important measures, but this is no reason for complacency. The search for new ways of improving the Soviet people's living conditions must be continued with the use of all available means and opportunities and with active promotion of co-operative and individual housing construction.

About four-fifths of the national income are to be spent on improving the people's well-being. The defence capability of the country will be maintained at a proper level, too.

In a word, the twelfth five-year plan is an important step in carrying out the economic and social policy worked out by the 27th Congress of the CPSU. Essentially, it is a programme of activity for each branch, each republic, the entire national-economic complex and the society as a whole. The Political Bureau believes: there are all grounds for the plenary meeting of the Central Committee to endorse this plan and ask the Council of Ministers to submit it for consideration by a session of the Supreme Soviet of the USSR. Nikolai Ryzhkov will report to the deputies on it.

A) Past Mistakes Must Not Be Repeated

Objectively assessing the plan submitted, it has to be bluntly said that strenuous work will be required for its fulfilment. It is necessary for us to reach the goals set, to carry through the new reconstruction of the economy so as to create conditions for the further growth of its efficiency. Comrades, all this has to be accomplished in the next five years.

Performance has somewhat improved over the recent period. But this has been achieved primarily by drawing on the reserves which lie, so to speak, ready to hand. In order to ensure a long-term and stable success, it is necessary to take care of more cardinal measures. The experience of building socialism teaches us that at turning points in the society's development we must boldly make abrupt changes and not be afraid of drastic reforms.

We all know what kind of economy the Russian economy was before the Great October Revolution. Its industrial production equalled only 12.5 per cent of the US level. For Lenin and the Bolshevik Party it was absolutely clear that socialism would only be able to win by embarking on a basic reconstruction of the economy and by gaining the highest labour productivity. From the first years of Soviet government the Party worked for a major renovation of the national economy, using all the resources for this.

With Lenin's plan for the building of socialism our people soon created a material-technical base for industry, of which factories fitted out with advanced machinery for that time were the core. Industries assuring swift technical progress were set up, and large-scale production re-equipment proceeded apace. The economy focussed primarily on science advancement, the promotion of education and the training of qualified research and engineering personnel.

It was in this way that the rapid pace of economic and social development came about. In an historically short time, the formerly backward peasant country became one of the world's leading industrial states. Already by the fifties, despite the enormous losses in the war, our volume of industrial production had reached 30 per cent, and by 1970 75 per cent of the US level. The USSR's national income constituted two-thirds of the level of the United States of America.

But in the seventies and the eighties we lost our previous dynamism to a certain extent. The economy did not succeed in switching over from extensive to intensive growth in time. Inertly, from the "achieved level", economic planning was done. Departmental interests hindered the transfusion of capital investments and resources into "growth" industries. The volume approach to assessments of the economy distorted the real state of affairs and gave false signals on its condition.

The structure of our production remained invariable and did not meet the requirements of scientific and technical progress. The Soviet Union produces considerably more iron ore and steel than the USA, while manufacturing significantly less engineering products; it produces as much timber, but less timber products. Under these conditions, each unit of the increment in national income or industrial and agricultural output requires of us more resources.

In order to rectify the situation, it is necessary to see clearly the causes of the lag. They boil down primarily to serious errors in the policy of capital investments. There was no justification for the reductions of investment increases, five-year period after five-year period. As a result, such basic industries of machine-building as machine tool construction, instrument-making, computer technology and the manufacture of progressive structural materials were not developed properly. Besides, capital construction was conducted ineffectively, and projects' building time and the stocks of uninstalled equipment increased.

We assess the rapid growth and accumulation of fixed production assets in the country as a great achievement and, by and large, this is correct. But at the same time, comrades, we cannot fail seeing that negative trends in their reproduction grew for a number of years. Unjustified enthusiasm for the erection of new enterprises and neglect of the requirements of the existing ones became standard with the planning agencies and many ministries. The bulk of machinery and equipment went to the new facilities, whereas a timely replacement of the obsolete equipment in existing factories and plants actually was not done. The process of asset renewal was too slow and their age structure worsened.

Among the negative effects of the extensive reproduction of fixed assets is the excessive swelling of the repairs sphere. In industry alone equipment repairs cost 10,000 million roubles, and of this sum over 3,000 million roubles falls to the repair of equipment which is being operated beyond the standard time limits.

Mention should also be made of the fact that such an approach slows the turnover of the country's metal stock. Instead of sending the obsolete machinery for remelting in time, the metal is "tied up" in low-efficiency equipment frequently subjected to expensive repair. In order to produce new machinery, the production of pig iron, steel and rolled metal as well as the output

of iron ore, coal and other mineral resources have to be increased.

And, finally, the extensive forms of the build-up of fixed production assets led to an artificial shortage of labour resources. Some people still cling to this ring-buoy in explaining the causes of low growth rates, a failure to make contract deliveries or fulfill the plan. Of course, we know the demographic situation in the country. But we may ask: if there is a shortage of labour resources, then why continue building ever new enterprises, and on the basis of obsolete equipment at that, and quite often turn out yesterday's products?

This is the exact situation. At present, industry alone has about 700,000 job vacancies. And this practically with a one-shift work of equipment. At the shift ratio of 1.7, the number of job vacancies in industry will exceed 4 million. Tens of billion of roubles have been spent on their creation. So it turns out that old machinery works in the existing enterprises, and the new ones have no workers to handle the machines. The money has been spent, but there are no proper returns.

Comrades, today at the plenum I would consider it necessary to draw special attention to the fact that the shortcomings in investment policy had the most adverse effect on the development and the technical level of the engineering industries.

Machine-building capital inputs' share of the total volume of investments was unjustifiably downrated. Both the planning bodies and the ministries had a finger in this. The prestige of engineering trade was undermined, and the once flourishing national schools of technology designers withered away. The vicious philosophy of imitation and mediocrity shaped up. As a result, some products do not meet the present-day level of science and technology.

What is the matter, comrades? What is the root cause for the situation with the technological standards of our machines? It lies first of all in the fact that till now we did not make a systems analysis of the latest world achievements. Attainment of the top quality and reliability was, in effect, not envisaged in the designing of new technology. True, we have recently begun to evaluate technology on the basis of analogues. But it is not the latest foreign models that are taken for standards. This is a sorry example of the outdated thinking and eye-wash on the part of those who are responsible for the creation of necessary technology. Whom are they deceiving? It turns out that they are deceiving their people.

The existing orientation to the average or even low technological level of products was to a certain extent legalised by the standards which were in effect. The system of standards did not mobilise designers for quest for new ideas and did not raise a barrier in the way of backward machines and equipment. Evidently, a kind of an inferiority syndrome that emerged at some research institutes and design offices has also played its role. They tried to justify the low results of their work by claiming that it was impossible to work better. Not everything was all right also in stimulating effective work of scientists, designers and engineers.

For many years proper attention was not given to the development of the research and experimental base, and necessary investments and resources were not channelled into it. It is clear that all this could not but tell on the technological level of machine-building and on the rates of scientific and technological progress.

Such was the situation before the April plenary meeting. It was comprehensively analysed by the Central Committee. It mapped out measures which were unanimously approved by the plenary meeting and the Party Congress. I want once again to tell those who are trying to pull us backwards: we cannot and will not put up with this attitude and must stem any attempts at multiplying the former approaches and errors, first of all in the sphere of scientific and

technological progress.

I am sure that the plenary meeting of the Central Committee will adopt a principled line in this fundamental question of our home policy and will support all the necessary measures of the Political Bureau and the government which make it possible to revolutionise the development of our economy and to lead it to the vanguard positions of scientific and technological progress. I have already spoken about the responsibility which lies in this connection on the members of the Central Committee elected by the 27th Congress of the CPSU. Comrades, we must not shun this historic responsibility.

What should be first of all done for optimally fulfilling the strenuous 12th five-year plan and for creating the necessary prerequisites for the further acceleration of scientific and technological progress?

B) To Speed Up the Modernisation and to Energetically Develop Machine-Building

In our work to realise the Party's economic strategy we will lean heavily on the reorientation of the investment and structural policy: we will increase the share of capital investments in the modernisation and retooling of the industrial plants now in operation, accelerate the development of machine-building, and reduce the investment cycle.

We have recently taken some far-reaching measures with respect to the cardinal issues of economic growth. I mean the resolutions calling for a fundamental reorganisation of metal production, broader and more effective application of chemicals, modernisation of engineering, faster advance in computerisation, installation of flexible production systems, rotor lines, automated designing systems, industrialisation of capital construction, and improvement of design-and-estimate work. Guidelines have been laid for resource saving. An effort of tremendous importance is under way to upgrade the quality of output in every sector of the national economy. Finally, good groundwork has been laid for going over to new methods of management and economic activity.

The decisions taken are oriented towards intensive economic growth through faster application of advances in science and technology. The whole of this work must be done, comrades, with all determination in every respect. Naturally, we have to act now within the framework of the five-year plan. Within this framework, we have vast opportunities for a further intensification of the national economy and enhancement of its efficiency.

Speaking of reserves, I would like to begin with the problem of better utilisation of fixed capital and optimisation of its renewal. For this is, comrades, the key component of the wealth of a socialist society, the material base of our economic potential. We have to set things right as far as the use of fixed capital is concerned, and to ensure a genuinely proprietary, rational attitude to it and its effective reproduction.

We can bring about a substantial qualitative improvement of our economic performance, above all higher productivity and increased returns, if we accelerate the renewal of fixed capital, jettison its outdated part as soon as possible, and use technically modern machinery and equipment more intensively in various ways, including improved machine shift. By cardinally renewing fixed capital and paring down the scale of new building, we can make substantial capital investment available for faster social welfare development, above all housing construction.

These are, comrades, the potentialities of vast proportions coming within the mainstream of the Party's present economic policy. They are not a figment of the imagination divorced from the course of life but an actual reality confirmed, notably, by the initiative of the Leningrad Party organisation.

While working out the ways of continued

intensification of industrial production, the Leningrad Regional Party Committee has analysed the draft economic development plans of industrial enterprises for the twelfth five-year plan period. It has turned out that the overwhelming majority of the ministries are still committed to extensive development of enterprises they have under their control in this region. Close to 40 per cent of the capital investment is earmarked for new building and for the extension of operating capacities. At the same time, the scope of technological updating of production is clearly insufficient.

After a thoroughgoing investigation of the state of things, the regional Party committee has arrived at the right conclusion: new and advanced components of the fixed capital must be used in two or three shifts and, on that basis, the assignments of the twelfth five-year plan must be carried out, while phasing out outdated equipment and using the space thus made available for the installation of modern productive capacities. That means, as Leningrad comrades have figured out, about three million square metres of space. The proportion of advanced types of machinery in the total machine-tool inventories of the city and the region will double by the end of the five-year period as machinery and equipment are renewed. There will be an improvement of the quality standards in industry.

Deep cuts in new building will let the Leningraders decrease capital investment for the purpose. Some of the resources thus saved will be directed towards the technical updating of the enterprises concerned, but the bulk of it for an extension of housing construction and provision of more amenities in cities and townships. That is to say that major technological, economic and social problems are being tackled integrally.

The Political Bureau of the Central Committee has, as you know, considered and approved the proposals of the Leningrad Regional Party Committee and found them to open up quite a promising area of accelerated development of social production. The initiative thus taken is one of national importance. It is an effective way to follow by the industries of other regions of this country.

We consider the change-over to two-shift working to be an important initiative today. It must be said that this work schedule has long been a standing practice in many countries. They have enterprises crucial to scientific and technological progress working in two or even three shifts. This reflects the determination to make the best possible use of advanced equipment and replace it with even more effective equipment as soon as possible. Afternoon and night shift workers have additional incentives to encourage them. Our central offices have to make things clear in this matter without delay and advance proposals for improved moral and material incentives for workers employed in afternoon and night shifts. We expect the All-Union Central Council of Trade Unions to make its active and constructive contribution to this matter of great national importance.

Even in the early stages, as the initiative of the Leningraders was discussed, somebody suggested that it would be not so simple to get engineering factories to operate in two or three shifts. That is not a simple thing, indeed. But we have the right to say: why can people work three shifts at continuous production plants, as metallurgy or chemistry as well as in the food and textile industries, with female labour predominating, incidentally? So why is there only one shift working, as a rule, in the engineering and metal-working industries where working conditions are no worse at all?

The Political Bureau considers that all the ministries and departments, in conjunction with local Party, government, trade union and Komsomol bodies, must get down at once to the actual job of intensifying production, taking into account the Leningraders' initiative. It is important, in this context, to remodel the

operation of the transport services, institutions of learning, day nurseries and all of the social services so that proper conditions for effective work could be created.

Apparently, there is some point, while changing over to multi-shift working, in allowing the regions, territories and republics to retain the overall capital investments they are entitled to under the five-year plan, leaving them free to use the resources they save by reducing the amount of new industrial building for updating their productive capacities and advancing their social welfare and recreational development. And they, in their turn, must make sure they do achieve their five-year plan targets. Such proposals have, incidentally, come from some Party and local government officials. I think they must be supported.

One of the most urgent issues of the new five-year plan is to speed up the technological updating of operating productive capacities. The plan envisages a substantial increase in capital investments for these purposes. There are many untapped reserves here too.

The Central Committee of the CPSU set great store by the initiative of the Volzhsky motor works and the Sumy Research and Production Association, which decided to reach the frontiers of technological progress, improve quality of products and ensure fast economic growth rates through the use of internal reserves and the upgrading of the organisation and methods of managing production. Many other enterprises emulate their practices. More than 200 other big industrial plants are to adopt the principles of self-financing and self-sufficiency next year.

The work collectives of the Zil motor works, the Leningrad metal works, the Voronezh synthetic rubber factory, the Rosa Luxemburg knitwear factory in Kiev and the Ekranas plant in Panevezys, Lithuania, and hundreds of other enterprises are successfully using internal reserves to enhance efficiency at each work place.

Many enterprises in the machine tool manufacturing industry are being re-organised for the production of advanced machine-tools and equipment capable of increasing productivity many times over and ensuring high quality of products. These include the machine-tool making amalgamations and plants of Leningrad, Ivanovo, Gomel, Odessa and Ulyanovsk.

The instrument-making and electronics industries are making big efforts to speed up the development of computers and microprocessors. They have now created realistic opportunities for quickly solving the problem of arranging the production of high-performance computers and ensuring large-scale production of technology to electronise engineering and other sectors of the economy. The 12th five-year plan envisages a 140 per cent increase in the production of computers, as compared with the previous five-year period, and the manufacture of 1.1 million personal computers.

The practices of Byelorussian railwaymen are gaining ever wider acceptance. Ten railways have now adopted new methods of organising and stimulating work. The implementation of this project of national importance will ensure more efficient work of transport and, at the same time, make it possible to increase labour productivity and release nearly 100,000 workers. Such imaginative attitudes to work deserve high praise and vigorous support. Generally speaking, there is a creative quest in all sectors of the economy and in all regions of the country.

Comrades, re-tooling and modernisation of production call for new attitudes. You know how many plants were re-tooled in the past. Billions of roubles were spent on the replacement of obsolete equipment. Nevertheless, the efforts often failed to produce the desired result. One of the chief causes was poor quality of detail design which was often based on low-efficiency technology and antiquated methods of organisation of labour. New equipment was often different

from old machines only by date of manufacture.

How are ministries dealing with the problem of modernisation now, in the time of change? What projects are to be carried out in the new five-year period?

A sample analysis of plant modernisation projects of some industrial ministries has been made at the request of the Central Committee of the CPSU. What are the results? Far from all projects could be accepted as matching modern standards. Many of them need a thorough revision. Moreover, some of them had gone out of date so that it was recommended to stop their further implementation.

Here are some examples. The plan for the reconstruction of the Voznesensk hydraulic press plant was drawn up by the Kharkov Institute of the *Ukrgipromash* at the Ministry for the Machine Building Industry. Just look what figures are programmed into this plan—the number of workers is to be increased more than five-fold, while the growth of labour productivity by a mere 70 per cent. Moreover, just one third of this growth is to be achieved by technical solutions, and the remaining two thirds by a rise in prices on the produce.

The situation in other places is much the same. The State Institute for the Designing of Textile Industry Enterprises drafted a plan for the reconstruction of the Moscow printed calico factory of the Ministry for the Light Industry of the USSR: equipment which has been manufactured without modernisation for more than 15 years is to make up half of its stock. It is impossible to produce high quality fabrics of the required range with this machinery, or to achieve a high productivity of labour.

The question is where they are sending the country, these wretched planners and ministerial officials who endorsed these plans? It is clear that such plans can discredit the idea of accelerating scientific and technical progress, and incur onerous spending for the economy.

To sum up, comrades, we have to draw the necessary lessons from all this. We have to examine without delay, and in the shortest possible time, all plans of technical retooling and reconstruction which are slated for implementation in the 12th five-year plan. Those which would be qualified unfit for the tasks of speeding up scientific and technical progress, should be resolutely discarded, and their implementation prohibited, while the funds thus saved should be channelled into the development of high technology production.

Responsibility for the level of the plans for technical retooling and reconstruction should be placed, above all, on the ministries which are called upon to be real technical headquarters of industries. It is they who should be accountable in the first place.

The attention of ministers to these questions was drawn at a conference held as early as the June of the past year. They were directly instructed to reconsider the plans for technical retooling and reconstruction.

The approach has to be drastically changed, comrades. We cannot allow billions to be invested into obsolete projects which are based on technically unfit solutions. Acting so, we will not rise to the world's modern standards of production. And we cannot, I'd even say have no right to accept this.

Everyone knows the urgency of the question of supplying the people with light industry products. Some specialists propose building new enterprises for this. Nobody rules out this road of development, which is especially important for the output of modern materials and goods. But basically the task of building up the production of goods can only be solved along the lines of the technical retooling and reconstruction of light industry enterprises. The main thing is to find the right solutions to this problem.

Here's what the calculations show. If the most

advanced equipment and technologies are used in reconstruction of enterprises, we shall be able to raise their effectiveness by 30 to 40 per cent.

This is what shall be done, to all appearances: where there is such equipment reconstruction shall be conducted vigorously, and where it is absent reconstruction shall be put off for two or three years until production of efficient equipment runs smoothly, and then it will be possible to make good the delay on a new production basis. Generally speaking, ministries and central offices have to approach these matters with utmost responsibility, and to stop clinging to the old. Otherwise, they will go bankrupt in the people's eyes.

Comrades, you will realise that plans for updating the national economy on the basis of the latest scientific and technological achievements depend, in the final analysis, on machine-building. It is there that all burning economic questions are focussed today. We shan't cope with the tasks the Congress posed us unless we quickly update machine-building and re-orient it on producing new machine systems and sophisticated equipment for every branch of the national economy.

The matter was recently discussed at the conference of machine-building branch leaders at the CPSU Central Committee. We had a serious conversation with the ministers. The discussion showed that we can't afford to limit ourselves by measures charted by the well-known resolution on developing machine-building. More, and just as extensive, effort is needed to thoroughly update the machine-building complex. Proposals have been elaborated on instruction by the Central Committee for additional measures to accelerate progress in machine-building.

First of all, guidelines have been determined for a sweeping improvement in the technological standards of machines, instruments and other equipment, for raising the production of automatic-controlled articles, for a dramatic growth of production of special-purpose technology needed at the enterprise which manufactures it, and for sharply increasing the output of stock preparation shops.

Measures have been worked out to further step up the science and production integration, and improve the experimental bases of scientific research institutes and design bureaus.

When implemented, those measures will allow the basic nomenclature goods corresponding to the world standards to make up 80 to 95 per cent of the total output by the year 1990, the figure for newly developed products reaching practically 100 per cent. It is planned to fully switch production to highest-quality articles between 1991 and 1993.

The share of microprocessor equipment will grow sharply, as will the automation of research and development work. The demands of the instrument-making industry for the latest electronic equipment will be met in full.

Machine-building enterprises will be re-equipped much more quickly, with 38 to 40 per cent of the Soviet-manufactured technology assigned for this purpose. In 1990, special technologies for use at home will be manufactured to the sum of 4 to 4.2 billion roubles, as against the initially planned 2.5 billion.

The capital investments in developing the machine-building complex are fully ensured by contract allocations and equally distributed for every year of the five-year plan period. To concentrate investments on the crucial lines of scientific and technological progress, and observe the specified time limits in construction, it is planned to freeze over a hundred machine-building projects now under construction, whose design is outdated.

Major steps are envisaged to improve the economic mechanism in machine-building. Starting with next year, the number of confirmed assignments will be drastically cut, with such

general indices as profit, labour efficiency growth and decrease of relative consumption of basic materials and resources gaining priority.

The planning of machinery and equipment production in tons is ruled out. Solutions to most of the questions determining the interaction of the industries within the machine-building complex have been found, and other reserves for the further enhancement of the technical level of production disclosed. The machine-building ministries have been asked to complete in 1986 the shaping of plans of technical re-equipment for each enterprise and the industries as a whole on the basis of the broad use of scientific and technological achievements. The solution of the problem of providing the machine-builders with high-quality and progressive materials will require an extra development of component suppliers' capacities. This will also have to be accomplished.

The Political Bureau has examined all these proposals, supported them and is submitting for approval by the plenum of the Central Committee.

As you see, comrades, the realisation of such a very crucial and complex programme will call for extraordinary effort, strenuous and competent work. It has to be carried out, we have no other path. Any other path means a relinquishment of positions, an orientation towards lag. This the CPSU Central Committee cannot accept.

We hope that the heads of the machine-building ministries and the work collectives will treat with full understanding and due responsibility the fulfilment of this important national task. Remembering the lessons of the past, we must in advance warn all those who are obliged to fulfil the programme of updating the engineering industry: no retreats from what has been outlined, no references to objective or subjective reasons can be made here.

Comrades, speaking of our work on a major technical re-equipment and reconstruction of the economy, we cannot bypass the problems of capital construction. Its volume in the new five-year period is enormous. Almost a trillion roubles is being allocated for these purposes. More than 500,000 million roubles worth of building and assembly work alone will be carried out. This is 20 per cent more than in the eleventh five-year plan.

Yet the situation in construction remains unsatisfactory and the process of reconstruction has become protracted. Nearly half the construction trusts chronically fail to fulfil the plans and to bring capacities and facilities into operation on schedule. Serious defects mark the organisational structure of the management of construction work. The establishment of design and building associations and firms for the mass industrialised 'turn-key' construction of multiple-recurring projects still does not go beyond good wishes.

Generally speaking, comrades, a thorough streamlining of the entire construction industry will have to be undertaken and the advanced experience will have to be more widely used.

Everybody knows the successes of the Byelorussian builders, for example. Over the five years under the eleventh plan they reduced the number of projects being constructed at a time by 21 per cent and their average building time by 28.6 per cent. Considerable labour and material resource savings were achieved, and at the same time the bringing into service of all pre-completion capacities and facilities was ensured. The overall volume of capital construction went by 19 per cent, and the commissioning of fixed assets increased by 23 per cent. And this was done on the scale of the entire republic. But this very successful experience so far has not gone beyond Byelorussia.

There are also good examples in other areas of the country. In 1979 a building team led by Nikolai Ilyich Travkin was set up in the Moscow

Region. Cost-accounting principles and elements of self-management disclosed a great potential and ensured the achievement of good results. In 1983, on the basis of this collective, a new prime contractor organisation, the PMK-96, was established. And later the entire trust *Mosoblsestroj* No. 18, led by N I Travkin, shifted to cost accounting. Here are the results. In the past year the trust delivered 1.5 times more commercial building products than a year earlier. Productivity rose by 25 per cent, and production costs were reduced by 12 per cent. Having earlier operated with losses, the trust now received almost 1.5 million roubles in profit. The average pay increased by 11 per cent.

It is also important to stress that the successes of the Byelorussian and Moscow builders have been achieved practically on the same material base. Therefore, when we hear that the shortcomings in capital construction are due to a shortage of labour resources or transport facilities, these words are often worthless. Experience shows that capital construction can successfully be conducted with existing potential. The only thing needed is to ably dispose of everything the builders possess right now, and show creativity and economic initiative in work.

It is obvious that we face the need for a cardinal restructuring of capital construction. The time has come for calling up all those who are responsible for the assimilation of advanced experience in this industry. It is necessary to change the planning and organisation of construction and, of course, update its material base.

C) Thrifty Management and Skilful Administration

Comrades, there is a lot of other reserves within the framework of the five-year plan which can give additional momentum to our movement forward. When we are speaking of the need for a deep-running re-structuring of the economy we view a substantial improvement in the quality of products as one of its most important results. The Party Congress formulated the problem of quality as a nation-wide task. The CPSU Central Committee addressed a special letter to all working people. It is now possible to say definitely that a majority of Soviet people realise the need for an urgent solution to that most important problem.

Many work collectives have got down to work in a thorough fashion. Without special outlays—largely due to a conscientious attitude to work, stronger labour and technological discipline, the adoption of a series of urgent organisational and technical measures—such enterprises as the Alma-Ata machine tool manufacturing plant, the Tallinn machine building works, the Fergana-based Azot amalgamation, the *Elektrozolit* amalgamation in the Moscow Region, the *Bakelektrobypribor* production amalgamation and number of others have sharply reduced the number of unsatisfactory equipment reports and ensured the output of products in strict compliance with the standard requirements. I would like to emphasise specially that they have achieved a breakthrough in improving the quality of output using what is actually the existing equipment.

Thus, decisive steps to improve the quality of machines, equipment and consumer goods can and should be taken even today, without waiting for the arrival of new plant. As you know, the Political Bureau of the CPSU Central Committee and the Council of Ministers of the USSR passed a special resolution. Measures of a technical and economic character, standardisation and certification of products, price-setting, the system of moral and material encouragement are directed toward improving the quality of output. The system of state-controlled independent approval of products is being introduced at enterprises.

It is important that the Party committees actively support the work of production collectives, state control and approval bodies in order to remedy the situation radically right in the

near future. That this is realistic is evidenced by the experience of the enterprises where the system of independent approval was introduced last year, by way of an experiment.

Radical changes are to be achieved in the utilisation of material resources as well. Not so long ago the CPSU Central Committee and the Council of Ministers of the USSR passed a resolution that formulates challenging tasks as regards the saving of energy and resources. The saving of resources is the decisive source for meeting the growing requirements for the materials, fuel and electric power. We hope to receive over one-quarter of the increment of the national income in the current five-year plan period due to this factor.

This is an important task, but not all managers fully realise it, remaining in the captivity of their outmoded conceptions. The Ministry of the Automobile Industry, the Ministry of Heavy Machine Building, the Ministry of the Coal Industry, the Ministry of Electric Power Development and Electrification, and the Ministry of Light Industry of the USSR systematically fail to fulfill the tasks as regards the saving of resources of a number of types. A no small number of enterprises still allow direct losses of most valuable raw materials and products. Thirteen billion cubic metres of associated petroleum gas are burnt needlessly in flares every year. Millions of tons of coal are lost during the haulage by rail. The loss of agricultural produce is high, reaching nearly 20 per cent on the whole. And how much electric power, heat and water is still wasted needlessly? The utilisation of secondary resources is still poorly organised.

Let us put it straight—we have reached a line beyond which such mismanagement is not only intolerable, but simply unaffordable. The scientific and technological policy, planning, economic and administrative levers should be used to eliminate these ills that have struck root.

We must launch all-out war on wasteful practices and we must exercise the strictest economy. Steps should be taken to make the fulfilment of tasks as regards the saving of resources and the level of their utilisation one of the main criteria for assessing the performance of every enterprise and collective.

The saving of feedstock and materials should be encouraged more actively. Can we consider as normal the practice whereby the payment for the saving of resources stands literally at mere kopecks? This simply won't do. Thriftiness should also become a habit, an organic feature of every worker. The sense of thriftiness should be constantly fostered in the rising generation, both in the family and at school.

Comrades, special attention in the five-year plan is devoted to the development of the agri-industrial complex. The planned targets come in line with the policy formulated by the May (1982) plenary meeting of the CPSU Central Committee. On the whole, the defined volumes of capital investments, the output of produce and the material and technical supplies to the agri-industrial complex are on a par with the level of assignments of the Food Programme. Enterprises engaged in the processing, produce storage and the production of agricultural machines will be developing at priority rates.

In general, favourable conditions are being created for a build-up of the potential of the agrarian sector. And this effort is undoubtedly well-justified. At the same time we must clearly see that the immense resources channelled into that sphere are not paying back properly thus far. On the whole, the completed 11th five-year plan period achieved low indicators. This affected the supply of foodstuffs to the population and the rates of economic development of the country.

For the sake of objectivity it must be said that positive changes have made themselves felt in the agrarian sector in recent times.

However, they are not taking place in all sectors of the agri-industrial complex, and in far

from all regions, territories and republics. We are now faced with the acute task of ensuring stable production of the produce of plant-growing, primarily of grain and fodder crops. This is the main problem on the successful solution of which the stable development of livestock farming, the incomes of collective farms and state farms and the economic performance of the processing enterprises largely depend.

The task is to intensify work in the agrarian sector in order to change the situation decisively for the better. There are vast reserves, comrades, for doing that. They lie, above all, in the huge potential that has already been created. We have accumulated the experience of efficient agricultural production in practically all zones. Thanks to the measures taken to improve the administration and the system of management, economic and organisational pre-requisites have been created for improving the labour activity of agricultural workers.

Without going into details, I would like to emphasise the main thing once again—the road to higher productivity of the fields and livestock farms lies through a wide-scale utilisation of intensive technologies. This is both the most realistic and the most efficient way of achieving better results in cropping and in livestock production.

We should carry on with the policy of concentrating efforts and means in the decisive areas of the agri-industrial complex. This is a dependable condition for getting tangible returns from the inputs into the countryside. The experience of our country indicates that it is expedient to concentrate the resources on those farms and in those regions where they ensure the best results, from the viewpoint of the volume of production and from the viewpoint of economic efficiency. In this connection, there is every reason to think yet once more of re-distributing the resources and allocating them for the specific volumes of production.

Also meriting study is the question of setting up research-and-production amalgamations on the scale of the regions and, perhaps, in some cases of districts so that they would become catalysts of the accelerated development of the collective and state farms in their zone, help them in introducing progressive technologies and advanced methods of husbandry. This approach guarantees a rational use of the economic potential and the obtaining of high end results.

Such experience already exists in Moldavia, the Ukraine and other republics. Amalgamations have been formed there on the basis of zonal institutes, educational and experimental farms. Similar experience exists in a number of fraternal socialist countries. I believe it would be expedient to study it thoroughly and to make active use of it in practice.

If we intend to achieve serious successes in agri-industrial production we cannot follow traditional paths alone. It is only by concentrating resources, creating priorities along the decisive directions, skilfully using the advantages inherent in the new economic mechanism and structure of management that we will be able to operate efficiently, quickly develop production and successfully solve the tasks set by the Food Programme of the USSR.

Finally, comrades, our successes in the 12th five-year plan period will depend on how we will conduct further the work to perfect management, the entire economic mechanism. The principles of this work have been defined. On the one hand, we must further perfect centralisation in the management of the national economy, raise the role of the State Planning Committee and other economic agencies, specify the functions of ministries and, on the other hand, expand in every way the rights and economic independence and increase the responsibility of enterprises and amalgamations for the results of their activity.

I believe everybody agrees with this now. But the practical work to implement democratic

centralism in management is not proceeding in the way that is dictated by the present situation. We have conducted experiments, obtained promising results but we often get cold feet when it comes to their extensive dissemination. Much in the system of the economic mechanism has already been tested and it is necessary to introduce the novelties more boldly into practice, to operate, so to say, along the entire front. With this aim in view the central economic bodies on the basis of the principled guidelines of the 27th Congress should draft and adopt more quickly the documents necessary for transition to the new principles of management.

The numerous instructions, regulations and methodological guidelines that we have been accumulating for decades should be reviewed in accordance with the demands of the Congress and resolutions adopted after the Congress, and those of them that contradict the transformation should be resolutely cancelled. We will not be able to advance without this, comrades. Genuine centralism in management has nothing to do with a bureaucratic regulation of the multifaceted life of production, research and design collectives. The system that has formed over many years of entangling them in farfetched instructions and methods deprives managers and developers of the possibility to promptly solve the arising economic and technical questions.

This results in missed profits amounting to many billions of roubles on the scale of the country. We encounter such phenomena at every step. The director-general of the *Kriogenmash* research-and-production amalgamation V P Belyakov, the director-general of the *Elektrosila* amalgamation B I Fomin, the designer from the *Zavod Imeni Vladimira Ilyicha* amalgamation V I Radin and many other experienced managers, scientists and developers have written about them.

Order must be installed here and concern shown for a real expansion of the rights of work collectives. This requires the speediest completion of the draft law on the socialist enterprise (production amalgamation). This document should be based on the concept of the new conditions of economic management, sum up the experience accumulated lately, consolidate all the best connected with the implementation of the course of the utmost expansion of economic independence, of raising the role and responsibility of enterprises and production amalgamations.

Thereby we will set the beginning for the optimum distribution of rights and duties among ministries and enterprises, legislatively protect work collectives from petty tutelage and administration by fiat, from unjustified interference in their economic activity. And this, comrades, will mean a serious step forward in democratising the management of our economy and developing the initiative of working people.

As you know, the 27th Congress set the task of really mastering economic methods of managing the national economy. In this connection we will have to ensure first of all the drafting of progressive standards and quotas. The State Planning Committee should head this crucial work and draw into it ministries and agencies, scientists, specialists of amalgamations and enterprises on a broad scale. Moreover, this work should not be dragged out. Without creating substantiated economic standards we will not rid ourselves of the yoke of all sorts of instructions fettering the performance of enterprises, it will be difficult to move from administrative methods of management to economic ones. This will slow down the application of the principles of work without state subsidies and self-financing which we intend to use ever more widely.

And, finally, mention should be made of the key importance of price-forming in developing economic methods of management. Many unsolved questions have accumulated here. Prices of machinery and equipment and estimates of the cost of construction are raised under the pretext

of modernisation. Changes in the product mix and the pursuit of 'gross' often bring about an unjustified increase of prices of consumer goods as well.

Regrettably, state and economic bodies often so to say look the other way and quite often themselves turn out to be interested in increasing volumes of production by 'playing' with prices. Checks showed that last year alone more than 100 million roubles of profits unlawfully received by enterprises were seized and directed into the budget for violations of the price-setting regulations.

I would like to warn, comrades, that this is an extremely dangerous trend. Artificially jacking up of prices does not cure economic ailments but only depraves officials and puts a brake on technical progress. Exaggerated prices based on the input approach conceal shortcomings in technology and the organisation of production, generate a disdainful attitude to the search for economic methods of management.

Price increases are justified only if they are due to a substantial improvement of the consumer qualities of commodities and a higher effectiveness of products. We must introduce order in price-forming. The State Committee for Prices must take a more clear-cut and principled stand here. Questions of perfecting crediting and first of all banking are also ripe. As we switch to new methods of management we must raise the role of the bank as a key organ of economic management.

I would particularly like to single out a problem without solving which we will hardly successfully attain the task of introducing resource-saving technologies and overcoming the input-oriented nature of the economy. I am referring to the notorious 'gross'. Assignments in terms of gross indicators of various forms play a major role in assessing the performance of industries, regions and enterprises. And since this is so, costly materials are often used for the sake of increasing this 'gross', the weight of machines is beefed up, ton-kilometres are chalked up, the intra-enterprise turnover is inflated, and so on. We are fighting for efficiency but look at the really stupid situation in which economic managers find themselves: they manufacture a cheap product and get a dressing down for failing to meet the target assignment in terms of roubles, they introduce a novelty, save resources and again it turns out that they have placed their enterprises and sometimes even the whole industry in a tight spot.

I will give you the following example. An economic experiment at motor transport enterprises of a number of ministries was started two and a half years ago. The participants in the experiment began planning their work in such a way as to interest people not in ton-kilometres but in the timely delivery of all ordered freight with the least outlay. The causes prompting managers to pad their accounts with non-existent tons and kilometres were removed.

And here are the results: the fulfilment of orders, this key indicator of work, rose to 100 per cent. At the same time demand for motor vehicles and drivers declined and fuel expenditure dropped by 18 per cent. The introduction of such conditions of work on the scale of the country will free thousands of motor vehicles and drivers and save more than five million tons of motor fuel.

The planning bodies, it would seem, should embrace the new method of work. Far from it. Certain high-ranking officials of the state planning committees of the USSR and the Russian Federation began to defend the outmoded planning systems with might and main, as the saying goes. The matter is that the earlier planned 'gross output' and the volumes of transportation turned out to be exaggerated. Planners did not want to admit that these estimates were useless. Here is an example of

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Resolution of the plenary meeting of the CPSU Central Committee

MOSCOW, June 16, TASS:

HERE follows the full text of the resolution of the plenary meeting of the CPSU Central Committee 'On the Results of the Meeting of the Political Consultative Committee of Warsaw Treaty Member-States Held in Budapest on June 10 and 11, 1986':

Having studied the results of the meeting of the Political Consultative Committee of Warsaw Treaty member-states (Budapest, June 10-11, 1986), the plenary meeting of the CPSU Central Committee fully approves of the activity of the Soviet delegation headed by the General Secretary of the CPSU Central Committee, M S Gorbachyov, and the documents adopted by the meeting.

The plenary meeting of the CPSU Central Committee stresses the big importance of the collective analysis of the international situation that is taking shape and the main causes of the present tension rooted in the dangerous foreign policy course and imperial ambitions of the United States Administration, which refuses to take into account the will of the peoples and act in the spirit of the Geneva accords. In these complex conditions the fraternal countries will not be drawn onto the path of deepening confrontation and consider it their duty persistently to continue the search for possibilities of reducing armaments, improving the international situation, and of constructive co-operation among countries.

This principled course is determined by the decisions of the 27th CPSU Congress and the congresses of the ruling parties in other socialist countries outlining the ways and real means of

creating a safe world.

The plenary meeting notes with satisfaction the resolve of the allied countries to invigorate the joint course directed at ending the arms race and radically restructuring the entire system of inter-state relations on the basis of all-embracing security equal for all. The countries of the Warsaw Treaty are unanimous in their conviction of the need for still greater dynamism and a bold approach to the solution of both old and new problems connected with the struggle against the danger of war, for asserting peaceful coexistence in inter-state relations.

The raising of the level, quality and scope of the interaction of the fraternal countries is today a source of the further acceleration of the development of each of them, an imperative precondition in the struggle for the international interests of world socialism.

The foreign policy line of the 27th CPSU Congress and the congresses of other fraternal parties of strengthening peace, liquidating weapons of mass annihilation and creating an all-embracing system of international security was fully supported during the meeting of the Political Consultative Committee of Warsaw Treaty member-countries.

The further coordination of the positions and practical actions of the Warsaw Treaty countries on the main problems of current politics—the ending of nuclear tests, the full elimination on a mutual basis of the Soviet and American medium-range missiles in the European zone, the Soviet-American talks on nuclear and space arms, the liquidation of chemical weapons and the strengthening of the international regime of the safe development of nuclear power generation was a substantial result of the meeting.

The joint initiative concerning the large-scale reduction of armed forces and conventional armaments in Europe—from the Atlantic to the Urals—is of special importance. The address adopted at the meeting on this matter weightily supplements and shores up the programme of fully liquidating nuclear and other types of weapons of mass annihilation.

The meeting confirmed the importance of further strengthening the defensive military-political alliance of socialist states, the development of their co-operation in all fields, the significance of the still more vigorous interaction of the fraternal countries in international affairs, in formulating and implementing the agreed-upon foreign policy course directed at ensuring security, eliminating the danger of nuclear war and consolidating universal peace.

The plenary meeting instructs the appropriate Soviet agencies and organisations to work out and adopt measures to implement the decisions of the Budapest meeting, to extensively disseminate these documents inside the country and abroad, to ensure a coordination of actions with the fraternal parties and carry out other measures of an international, diplomatic nature.

The plenary meeting of the CPSU Central Committee expresses confidence that the friendship and cohesion of the fraternal countries of socialism, the further development of their interaction with all peace-loving states and broad public forces will bring about a further intensification of socialism's peace offensive, the development of international co-operation with the aim of attaining mutually acceptable accords in the field of arms limitation, in the name of mankind's development and progress. □

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non-acceptance of the new, the reluctance to deal with the re-structuring of the economic mechanism and to renounce the outdated methods of work.

Gross output indicators still dominate in many sectors. Moreover, efforts are being made again to revive the 'gross output' as the main evaluating indicator, say in construction, and not without approval from the USSR State Planning Committee and the Ministry of Finance of the USSR. This is happening despite the fact that the experience of the leading building organisations testifies to a different thing—their work should be evaluated and encouraged on the basis of finished products, the commissioning of projects, not on the basis of the amount of construction and assembly work. I believe, comrades, that the time has come to unravel this 'gross output' tangle. Otherwise we will not be able to move ahead along the road of coping with the input mechanism.

Considering questions of management, it is impossible not to mention the responsibility of the USSR State Planning Committee for the solution of national economic problems advanced by life itself. Conceived at its founding as the think tank for managing the economy, the State Planning Committee continues to perform the traffic controller's functions in many respects. Not infrequently it is dealing with matters which top industry executives, and perhaps even directors of enterprises, can sort out. At the same time it does not perform the main function of the strategic planning body of the country.

Routine business prevents planners from seeking ways for resolving the main socio-economic tasks, choosing proportions and priorities in the development of the national economy, defining the structural policy, locating

productive forces and balancing the economy.

This is why we have overlooked many things. Generally speaking, a serious re-structuring is required in the planning work.

Comrades, discussing questions related to the long-term development of the country and charting measures for the future, we must not lose sight of the tasks of the current moment. The successful fulfilment of the plans for this year, and hence the entire five-year plan, depends on whether these tasks are tackled correctly. Workers in the countryside have some special concerns today. The results of the current year in the agrarian sector are of exceptional importance for us. As you know, fairly good results have been achieved in livestock production in the five months. It is important that they be consolidated.

However, the chief task is to grow and take in without losses the harvest of grain, fruits and vegetables, fodder and industrial crops. This is the task of nation-wide importance. And it should be approached as such in everyday work. And what is especially important in the existing conditions, that are not easy for many regions, is to take in and preserve everything that will have been grown, to prevent losses.

A crucial period is beginning in the operation of industry, capital construction and transport. There must be no slackening in the results in their work: efforts should be made to try and increase the pace of production growth and to fulfill all the plans unconditionally. It is important to get ready in time for the operation in the winter period. We must learn lessons from the past. Considering this, the CPSU Central Committee and the Council of Ministers of the USSR passed a resolution a few days ago charting specific measures to prepare the national economy for the forthcoming autumn and winter season.

Even today the attention of the Party, state and

economic bodies should be directed towards fulfilling it.

The entire life-sustaining sphere of cities and villages should be set in good order—the reliable operation of the electric power and heat supply systems, the repairs to energy generating units and the planned commissioning of new capacities, the timely build-up of stocks of fuel at enterprises and in the utilities should be ensured. In a word, matters should be dealt with in such a fashion as to ensure that the population does not experience discomfort in everyday life under any circumstances, that the work collectives operate in the normal production regime, and the economy develops at a stable pace, gathering momentum.

These, comrades, are considerations on the principled and current questions related to the economic policy—questions the solution of which will determine to a decisive extent the fulfilment of the wide-scale programme for transforming the national economy in the 12th five-year plan period. The realisation of the assignments of the five-year plan will become new evidence of dynamism of the socialist system and its vitality, it will become a major step forward in the realisation of the policy course charted by the 27th Congress of the CPSU.

III. Active Efforts To Re-structure Party Work

Comrades, when the case in point was the destiny of the country, the solution of questions of vital importance for its present and future, Lenin emphasised: "The Party is responsible".

Our is the ruling Party, it has in its hands mighty levers for influencing social processes.

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Meeting of the Political Consultative Committee of the Warsaw Treaty member states COMMUNIQUE

BUDAPEST, June 11, TASS:

THE Political Consultative Committee of the member-states of the Warsaw Treaty of Friendship, Co-operation and Mutual Assistance held a meeting in Budapest on June 10-11.

The meeting was attended by:

From the People's Republic of Bulgaria—Todor Zhivkov, General Secretary of the Central Committee of the Bulgarian Communist Party and Chairman of the State Council of Bulgaria, and head of the delegation; Georgi Atanasov, member of the Political Bureau of the BCP Central Committee and Chairman of the Council of Ministers of Bulgaria; Petar Mladenov, member of the Political Bureau of the BCP Central Committee and Foreign Minister of Bulgaria; Milko Balev, member of the Political Bureau of the BCP Central Committee and Secretary of the BCP Central Committee; Dobri Djurov, member of the Political Bureau of the BCP Central Committee and Minister of People's Defence of Bulgaria; Dimitr Stanishev, Secretary of the BCP Central Committee.

From the Hungarian People's Republic—Janos Kadar, General Secretary of the Hungarian Socialist Workers' Party, and head of the delegation; Gyoergy Lazar, member of the Political Bureau of the HSWP Central Committee and Chairman of the Council of Ministers of Hungary; Matyas Szueroes, Secretary of the HSWP Central Committee; Peter Varkonyi, member of the HSWP Central Committee and Foreign Minister of Hungary; Ferenc Karpati, member of the HSWP Central Committee and Defence Minister of Hungary.

From the German Democratic Republic—Erich Honecker, General Secretary of the Central Committee of the Socialist Unity Party of Germany and Chairman of the State Council of the GDR, and head of the delegation; Willi Stoph, member of the Political Bureau of the SUPG Central Committee and Chairman of the GDR Council of Ministers; Hermann Axen, member of the Political Bureau and Secretary of the SUPG Central Committee; Heinz Kessler, member of the Political Bureau of the SUPG Central Committee and National Defence Minister of the GDR; Egon Krenz, member of the Political Bureau and Secretary of the SUPG Central Committee and Vice Chairman of the State Council of the GDR; Guenter Mittag, member of the Political Bureau and Secretary of the SUPG Central Committee and Vice Chairman of the State Council of the GDR; Oskar Fischer, member of the SUPG Central Committee and Foreign Minister of the GDR.

From the Polish People's Republic—Wojciech Jaruzelski, First Secretary of the Central Committee of the Polish United Workers' Party and Chairman of the State Council of Poland, and head of the delegation; Zbigniew Messner, member of the Political Bureau of the PUWP Central Committee and Chairman of the Council of Ministers of Poland; Josef Czyrek, member of the Political Bureau and Secretary of the PUWP Central Committee; Marian Orzechowski, alternate member of the Political Bureau of the PUWP Central Committee and Foreign Minister of Poland; Florian Siwicki, alternate member of the Political Bureau of the PUWP Central Committee and National Defence Minister of Poland.

From the Socialist Republic of Romania—Nicolae Ceausescu, General Secretary of the Romanian Communist Party and President of the Socialist Republic of Romania, and head of the delegation; Constantin Dascalescu, member of the Political Executive Committee of the RCP Central Committee and Prime Minister of the Government of Romania; Ion Stoian, alternate member of the Political Executive Committee and Secretary of the RCP Central Committee; Vasile Milea, alternate member of the Political Executive Committee of the RCP Central Committee and National Defence Minister of Romania; Ilie Vaduva, member of the RCP Central Committee and Foreign Minister of Romania; Nicolae Veres, Romania's Ambassador to Hungary.

From the Union of Soviet Socialist Republics—Mikhail Gorbachyov, General Secretary of the CPSU Central Committee, and head of the delegation; Andrei Gromyko, member of the Political Bureau of the CPSU Central Committee and President of the Presidium of the Supreme Soviet of the USSR; Nikolai Ryzhkov, member of the Political Bureau of the CPSU Central Committee and Chairman of the Council of Ministers of the USSR; Eduard Shevardnadze, member of the Political Bureau of the CPSU Central Committee and Minister of Foreign Affairs of the USSR; Sergei Sokolov, alternate member of the Political Bureau of the CPSU Central Committee and Minister of Defence of the USSR; Vadim Medvedev, Secretary of the CPSU Central Committee.

From the Czechoslovak Socialist Republic—Gustav Husak, General Secretary of the Central Committee of the Czechoslovak Communist Party and President of the Czechoslovak Socialist Republic, and head of the delegation; Lubomir Strougal, member of the Presidium of the Central Committee of the CPCZ and Chairman of the Government of the CZSR; Vasil Bilak, member of the Presidium of the CPCZ Central Committee and Secretary of the CPCZ Central Committee; Milos Jakes, member of the Presidium of the CPCZ Central Committee and Secretary of the CPCZ Central Committee; Bohuslav Chnoupek, member of the CPCZ Central Committee and Minister of Foreign Affairs of the CZSR; Milan Vaclavik, member of the CPCZ Central Committee and Minister of National Defence of the CZSR.

The work of the meeting was also attended by the Commander-in-Chief of the Joint Armed Forces of the Warsaw Treaty member-states, Marshal of the Soviet Union Viktor Kulikov, and by the Secretary-General of the Political Consultative Committee, Deputy Minister of Foreign Affairs of the Hungarian People's Republic Miklos Barity.

Views were exchanged on the situation in Europe and in the world as a whole, and topical tasks of struggle for disarmament, for restructuring international relations and strengthening European and universal security, and for the development of co-operation between states were discussed.

I

The participants in the meeting expressed serious concern over the tense situation in the world formed as a result of the intensification of the arms race, first of all the nuclear arms race, in connection with the actions of the United States and NATO which refuse to embark on the road of curbing the arms race, preventing it from

spreading to outer space and ending nuclear tests. They are avoiding giving a constructive reply to such a major initiative as the programme proposed by the USSR of totally eliminating weapons of mass annihilation by the end of the 20th century. The deployment in Europe of American medium-range missiles is continuing, manifestations of the imperialist policy of force, of rude interference in the internal affairs of other states are multiplying. The hopes of the peoples for real steps towards disarmament and a return to detente, generated by the Soviet-American summit meeting in Geneva and the principled accords reached at it, are yet to be fulfilled.

The world has entered such a phase of its development when dodging the solution of cardinal questions of our time means to stake the destiny of the whole of civilisation. In the present conditions not a single state or group of states can base their own security and well-being on the use of military force to dictate their will to other countries and peoples. Such a policy, be it called 'neo-globalism' or something else, has no future. It is baleful to mankind.

It is the cardinal task of our time to defend peace, stop the arms race and pass on to concrete measures of disarmament, first of all in the nuclear field. It is possible to achieve this task, to overcome the tendency towards mounting danger of war and to bring international relations back into the channel of detente. Mankind can and must block the road to nuclear catastrophe.

The participants in the meeting are firmly convinced that reliable security for all countries and peoples, peaceful conditions for their development and progress can be ensured only by political means, by the concerted efforts of all countries. This position accords with the realities of the nuclear age and is evidence of a high sense of responsibility for the destiny of their peoples and the whole of mankind.

In the present situation there is no reasonable alternative to the peaceful coexistence of states. Today it is more imperative than ever before strictly to observe the principles of respect for national independence and sovereignty, non-use of force or the threat of force, inviolability of borders and territorial integrity, peaceful settlement of disputes, non-interference in internal affairs, equality and other generally recognised standards of international relations.

II

Reaffirming the topicality of the goals and tasks set out in the statement, dated October 23, 1985, of the Sofia meeting of the Political Consultative Committee, the members of the Warsaw Treaty Organisation consider it their duty persistently and consistently to press for the elimination of the nuclear threat, for a turn for the better in European and world affairs, and for the development of fruitful co-operation between countries. The allied socialist states strive to create an all-embracing international security system covering both military and political, and economic and humanitarian fields. The fraternal countries' foreign-policy line, expressed in the decisions of the congresses of their leading parties, is aimed at building a world which would be safe for everyone—a world without weapons and without wars.

The participants in the meeting resolutely come out in favour of carrying on and deepening the political dialogue between countries with different social systems and giving it a maximally

concrete and resultative character. This also applies to a continuation of the summit contacts started in Geneva between the USSR and the USA, and to talks, both multilateral and bilateral, between European countries.

III

The countries represented at the meeting express readiness for the broadest co-operation with other countries with a view to ending the arms race on Earth and preventing it in outer space, and to achieving disarmament, and call for pooling efforts first of all in the following directions:

—the cessation of nuclear tests. This would become a big and easily practicable step towards nuclear disarmament and would become an obstacle to the sophistication of nuclear weapons and to the development of new types of nuclear weapons. A mutual moratorium by the USSR and the USA on nuclear explosions, and the start of talks without delay on a total ban on nuclear tests with the strictest verification are the way to a solution to this task. The participants in the meeting welcome the new extension of the unilateral moratorium by the Soviet Union and are calling on the USA to join it. At the same time they urge other countries possessing nuclear weapons to discontinue nuclear tests and to act towards reaching agreement as soon as possible on a comprehensive ban on nuclear tests.

—total liquidation on a mutual basis of the Soviet and American medium-range missiles in the European zone, on the understanding that Britain and France will not build up their respective nuclear armaments and the United States will not hand over its missiles—strategic and medium range—to other countries. In the event of a total liquidation of American medium-range missiles in Europe the Soviet enhanced range operational-tactical missiles will also be removed from the territory of the GDR and Czechoslovakia.

—attainment of concrete accords at the Soviet-American talks on nuclear and space arms that would take into account the interests of both sides and all other states. The Warsaw Treaty member-countries confirm their adherence to the treaties and accords in the field of arms limitation and disarmament and persistently urge the United States strictly to observe the agreements on the limitation of strategic arms.

The programme of 'Star Wars', of creating space strike arms, the drawing into it of other countries and also the development in a number of West European countries of projects like the 'European Defence Initiative' are of a dangerous nature. Outer space should be used for peaceful purposes, for the good of the whole of mankind.

—elimination already during this century of such weapons of mass annihilation as chemical weapons and also of the industrial base for their manufacture. It is a pressing necessity to multiply efforts to ensure a successful completion at the Geneva Conference of the talks on the conclusion of an appropriate international convention and to refrain from any actions that would obstruct the total prohibition and liquidation of chemical weapons. The participants in the meeting firmly come out against a further build-up of arsenals of these weapons of mass annihilation and their deployment on the territory of other states, and call on the NATO countries to give up the implementation of the plans to produce and deploy in Europe the binary, a particularly dangerous variety of chemical weapon.

—substantial reduction of armed forces and conventional armaments on the global and regional levels. The Warsaw Treaty member-states propose to start such a reduction with Europe where the concentration of troops and armaments has reached a particularly dangerous scale. The meeting adopted an address to the NATO member-countries, to all European countries with a programme on this matter.

—effective verification in all fields and at all

stages of arms reduction and disarmament with the use of both national technical means and of international procedures, up to and including on-site inspections. The states represented at the meeting are prepared to reach agreement also on any additional verification measures.

The participating countries confirm their stand in favour of a continuation of efforts on the international scale with the aim of liquidating foreign military bases and withdrawing troops from foreign territories.

Practical steps to reduce armaments and achieve disarmament will make available huge material, financial and manpower resources for peaceful, creative purposes, including for liquidating economic backwardness in many parts of the world. The participants in the meeting attach much importance to the holding of the international conference on disarmament and development in accordance with the decisions of the United Nations Organisation.

The disquieting international situation urgently dictates: the existing mechanisms of bilateral and multilateral talks on limiting and reducing arms and achieving disarmament should function effectively, and should not be used as a screen to justify the arms race.

IV

The member-states of the Warsaw Treaty Organisation consider it one of the central tasks of their foreign policy to strengthen security and co-operation in Europe. They come out in favour of lowering the military confrontation in the continent, in favour of reducing the military potentials existing here, and in favour of continuous headway towards the complete deliverance of the territory of Europe from nuclear and chemical weapons. The strengthening of stability and the building of confidence would be promoted by the establishment of zones free from those types of weapons of mass destruction in the Balkans, in Central Europe, in the north and in other regions of the continent. This is the goal of the proposals which were put forward recently by the German Democratic Republic and Czechoslovakia as well as by Bulgaria and Romania and which are supported by the countries participating in the meeting.

The goals of detente in the continent would be served by reaching mutually acceptable agreements at the Vienna talks on a reduction of the armed forces and armaments in Central Europe.

A resultative conclusion of the first stage of the Stockholm Conference would contribute to building confidence and security in Europe and to creating more favourable conditions for moving on to the consideration of disarmament matters on a European scale.

As long as military groupings opposing each other exist in Europe, the proposal of the Warsaw Treaty member-countries to conclude a treaty with NATO countries on mutual non-use of military force and on the maintenance of relations of peace retains all its topicality. Such a treaty would be open to other countries. In the interests of reducing the acuteness of the current situation, the participants in the meeting come out in favour of continuing and developing the dialogue between the Warsaw Treaty Organisation and NATO member-countries, including the establishment of direct contacts between the two organisations with a view to reaching appropriate accords.

In the current international situation the countries represented at the meeting consider it important that steps be taken with a view to improving the situation in the Mediterranean, to making the region a zone of steady peace, security, good-neighbourliness and co-operation. A simultaneous withdrawal of the navies of the USSR and the USA from the Mediterranean could play a great role in this connection.

Socialist countries attach much importance to the forthcoming Vienna meeting of representatives of the states which participated in the

Conference on Security and Co-operation in Europe (CSCE), and are ready to make their contribution to further balanced development of the CSCE process in all fields of co-operation defined by the Final Act of the Helsinki Conference.

The establishment of official relations between the Council for Mutual Economic Assistance (CMEA) and individual CMEA member-countries and the European Economic Community would open up fresh opportunities for mutually beneficial co-operation.

Calls for a revision of the borders between European countries and for a change of their socio-political systems contradict the building of trust and the strengthening of mutual understanding and good-neighbourly relations in Europe. The post-war borders in the continent are inviolable. Respect for the existing territorial-political realities is an indispensable condition for lasting peace in Europe and for normal relations between European countries. The activities of revanchist forces, first of all those in the Federal Republic of Germany, and encouragement of revanchism anywhere run counter to the interests of detente, security and co-operation in Europe, to the spirit and letter of the Final Act of the Helsinki Conference.

Europe is in need of a revival of detente and of headway towards its more steady phase. Only along such lines is it possible to ensure reliable security for all European peoples, to overcome the split in the continent and to create a Europe of peace, friendly co-operation and good-neighbourliness. This is a real goal and it can be attained through active joint efforts.

V

The leaders of Bulgaria, Hungary, the GDR, Poland, Romania, the USSR and Czechoslovakia exchanged views on the seats of tension and conflict situations existing in the world, and reaffirmed the determination of their countries to promote their just settlement through talks. They condemned imperialist forces' interference in the internal affairs of sovereign countries, slanderous propaganda campaigns directed against socialist and other countries, methods of *diktat*, and acts of aggression in various parts of the world.

The participants in the meeting reaffirmed their countries' principled stand, set out in their statement issued in Sofia, on conflicts and seats of tension in the Near and Middle East, in South-East Asia, Central America, in the south of Africa, and in other parts of the world. They declared for the strengthening of peace and security and for the development of relations of good-neighbourliness and co-operation in Asia, in the Pacific Ocean area, Africa, and Latin America.

The participants in the meeting stated their solidarity with the peoples who struggle against the imperialist policy of aggression, for independence, social and economic progress, for the right to free independent development without interference from outside.

They pointed out the growing role of the Non-Aligned Movement as a big factor of international relations, and expressed hope that the Non-Aligned Movement's summit meeting, which is to be held in Harare in 1986, would make its contribution to the cause of strengthening peace and international security.

As the principled opponents of any terrorism, and first of all of the state-backed terrorism which threatens to disrupt international relations, the countries represented at the meeting are prepared constructively to co-operate with all countries in order to eradicate the dangerous phenomenon from the life of the international community.

The task of normalising international economic relations becomes increasingly important and urgent. The economic plight of the developing countries and the neo-colonialist

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ADDRESS

of Warsaw Treaty member states to NATO member states, to all European countries with a programme of reducing armed forces and conventional armaments in Europe

BUDAPEST, June 11, TASS:

BEING aware of their responsibility to their peoples and humanity for the destinies of peace in Europe and the whole world, and guided by the striving to achieve a radical change for the better in the present complex international situation, the Warsaw Treaty member-states hold that decisive actions, concrete measures aimed at ending the arms race, embarking on real disarmament and removing the war menace are needed more than ever now.

They support the Soviet Union's programme of the complete elimination of nuclear weapons and other weapons of mass destruction before the end of the current century everywhere. They are convinced that an end to nuclear testing, implementation of nuclear disarmament and prevention of an arms race in space, the banning and elimination of chemical weapons and other measures for disarmament would lead to the creation of a safer peace for European peoples, for peoples of the whole world.

The allied states declare for a comprehensive approach to the problem of disarmament, for the elimination of weapons of mass destruction to be backed by a substantial reduction of armed forces and conventional armaments. Alongside ridding Europe of nuclear weapons, the problem of the reduction of armed forces and conventional armaments assumes particular acuteness for the present and future of the European continent, where now the biggest groups of armed forces equipped with the latest weapons oppose each other. And some systems of conventional armaments approach ever more weapons of mass destruction by their operational characteristics. The allied states declare in favour of concrete measures in the sphere of nuclear disarmament, reduction of armed forces and conventional armaments to be accompanied by corresponding lowering of the military expenditure of states.

Guided by these considerations, the Warsaw Treaty member-states put forward to all other European countries, the United States and Canada these proposals which are a substantial addition to the programme of the elimination of weapons of mass destruction. At the same time they have an independent character and their implementation would lower considerably the level of war danger in Europe.

I

The Warsaw Treaty member-states propose a substantial reduction of all components of the land forces and tactical strike aviation of the European states, as well as of corresponding forces and weapon systems of the United States and Canada deployed in Europe. Operational-tactical nuclear arms with a range of up to 1,000 kilometres would be reduced alongside conventional armaments.

The entire territory of Europe, from the Atlantic to the Urals, would be a cut-back area.

It is suggested to implement the reduction of

armed forces and conventional armaments in Europe gradually, according to agreed-upon schedules, and with constantly observing a military balance at lowered levels without damage to anyone's security. Alongside the formations and units reduced, their organic armaments, including nuclear weapon systems, would also be reduced.

A one-time mutual reduction of the numerical strength of the forces of states of the opposing military-political alliances by 100-150 thousand troops from each side within one or two years is proposed as an initial step. The reduction of the tactical strike aviation would be of much importance in the framework of this step. Immediately after that, the Warsaw Treaty member-states are prepared to further considerable cut-backs, as a result of which, given the reciprocal readiness of countries of the North Atlantic alliance, the land forces and the tactical strike aviation of both alliances in Europe would be reduced early in the nineties by approximately 25 per cent as compared to their present level. This reduction would comprise over half a million people from each side. The armed forces of the opposing groups in Europe would thus be reduced by over a million.

The allied socialist countries declare that the process of reduction of armed forces and armaments of the NATO countries and the Warsaw Treaty countries should continue. Substantial reductions of the armed forces and armaments of both alliances would make it possible to involve other European states in that process.

The components of armed forces being reduced are proposed to be disbanded by equivalent integral military formations and units alongside their organic armaments and military equipment. Their personnel would be demobilised in accordance with the procedures established in each state.

The armaments and equipment subjected to reduction should be either destroyed or consigned to depots on national territory in accordance with agreed-upon procedures. Nuclear charges would be destroyed. Some types of military equipment on arrangement could be put to use for peaceful purposes.

The funds saved as a result of appropriate reductions of armed forces and conventional armaments must not be channelled for the creation of new types of armaments and other military purposes. They must be used for the needs of economic and social development.

All the states party to an agreement on armed forces and armaments reduction would assume the commitment to keep from increasing their land forces and tactical strike aviation beyond the limits of the cut-back area.

II

It is proposed to work out such a procedure of the reduction of armed forces and conventional armaments under which the process of reduction would lead to the lessening of the danger of a sudden attack and would promote the consolidation of military-strategic stability on the European continent. For this purpose it is suggested to agree at the very start on a considerable

reduction of the tactical strike aviation of both military-political alliances in Europe, and also on the lessening of the concentration of troops along the line of contact of these alliances.

Additional measures capable of enhancing the confidence of the Warsaw Treaty countries and the NATO countries, of all European states, that sudden offensive operations will not be launched against them would also be worked out and implemented for the purpose.

Arrangements are envisaged on restrictions on the holding of large military exercises (as regards their number and scope) and on the exchange of more detailed information about them, also about forces and weapon systems drawn into Europe from other areas for the period of exercises. Envisaged also are other measures that would promote the strengthening of mutual confidence.

Confidence-building and creation of more favourable conditions for the reduction of armed forces and armaments in Europe would be promoted by the implementation of such measures as creation of zones free from nuclear and chemical weapons in Europe, gradual reduction of the military activity of the two military alliances, the establishment of co-operation between their participants on questions of arms limitation and disarmament.

III

Armed forces and conventional armaments would be reduced under reliable and effective control with the use of both national technical means and international procedures, including on-site inspections.

Alongside measures of verification of the entire process of reduction, it is proposed to establish observation of the military activity of the forces that remain after cut-backs.

Adequate forms of verification of measures for mutual confidence-building, to be implemented in accordance with agreements, would also be used.

To implement control, the sides would exchange, at an agreed-upon moment, data of the total numerical strength of the land forces and tactical strike aviation in the cut-back area and, separately, data about that part of them that is to be reduced and that will remain after the cut-backs, the lists of military units that are to be reduced (disbanded) citing their unit designation, numerical strength, deployment and number of the main agreed-upon types of armaments subject to reduction. There would also be notifications about the beginning and completion of cut-backs.

An international consultative commission with the participation of representatives of the NATO countries and the Warsaw Treaty countries, as well as neutral and non-aligned states concerned and other European states, would be instituted for purposes of control.

On-site verification of the reduction of armed forces and destruction or storage of armaments could be implemented, when needed, with the involvement of representatives of the international consultative commission. Check-points staffed by representatives of the international

consultative commission could be set up for such control at large railway junctions, at airfields, in ports.

IV

The present proposals for the reduction of armed forces and conventional armaments in Europe could become the subject of concrete discussion at the second stage of the Conference on Confidence- and Security-Building Measures and Disarmament in Europe.

At the same time, proceeding from the urgent need to take measures for the lowering of the level of military confrontation in Europe, the Warsaw Treaty member-states hold that the discussion of these proposals could be started without delay. They also deem it possible to convene for the purpose a special forum consisting of European states, the USA and Canada.

They are also prepared to widen the scope of the Vienna talks on mutual reduction of armed forces and armaments in Central Europe by drawing into them other European states and by changing the mandate of the talks accordingly.

Proclaiming the readiness to use all the possible channels and forums for mutual lowering of the level of military confrontation on a European scale, they at the same time confirm their interest in armaments and armed forces reduction in Central Europe and declare again in favour of an effective conclusion of the first stage of the Stockholm Conference.

V

The question of military doctrines is of no little importance for assessing real intentions of the military-political groups and separate states. It is necessary to remove mutual suspiciousness and distrust that have been accumulating for years, to analyse thoroughly each other's concern on that matter, too. In the interests of security in Europe

and the whole world, the military concepts and doctrines of the military alliances must be based on defensive principles.

The Warsaw Treaty member-states declare with all responsibility that never, under any circumstances, will they launch hostilities against any state, be it in Europe or in another area of the world, unless they become the target of aggression themselves. The proposals they advance stem from their consistent policy aimed at removing the war threat and at creating a stable and secure peace, stem from the defensive character of their military doctrine which presupposes the maintenance of the balance of military forces at the lowest possible level and the reduction of military potentials to the limits necessary for defence.

The same peaceful intentions prompt the proposal of the Warsaw Treaty member-states for a simultaneous disbandment of both military alliances.

The NATO member-countries also declare the defensive nature of their alliance. It follows from this that there should be no obstacles to considerable mutual reductions of armed forces and conventional armaments in Europe.

In making this address the Warsaw Treaty member-countries do not set any preliminary conditions whatsoever for the commencement of a concrete discussion of the proposals contained in it. They are also prepared to study in a constructive spirit other proposals on this score that could be made by the NATO member-countries, the neutral and non-aligned, and other European states.

For the People's Republic of Bulgaria:
Todor Zhivkov,
General Secretary of the Central Committee of the Bulgarian Communist Party

and President of the State Council of the People's Republic of Bulgaria:

For the Hungarian People's Republic:
Janos Kadar,
General Secretary of the Hungarian Socialist Workers' Party;

For the German Democratic Republic:
Erich Honecker,
General Secretary of the Central Committee of the Socialist Unity Party of Germany and Chairman of the Council of State of the German Democratic Republic;

For the Polish People's Republic:
Wojciech Jaruzelski,
First Secretary of the Central Committee of the Polish United Workers' Party and President of the Council of State of the Polish People's Republic;

For the Socialist Republic of Romania:
Nicolae Ceausescu,
General Secretary of the Romanian Communist Party and President of the Socialist Republic of Romania;

For the Union of Soviet Socialist Republics:
Mikhail Gorbachyov,
General Secretary of the Central Committee of the Communist Party of the Soviet Union;

For the Czechoslovak Socialist Republic:
Gustav Husak,
General Secretary of the Central Committee of the Communist Party of Czechoslovakia and President of the Czechoslovak Socialist Republic.
Budapest, June 11, 1986. □

POLITICAL CONSULTATIVE COMMITTEE COMMUNIQUE

(Continued from Page 282)

exploitation of them are fraught with serious consequences for peace and for the entire system of international relations. This is one of the deep-seated causes of international tension and conflicts in various parts of the world. Comprehensive problems of the world economy cannot be tackled in an isolated manner by this or that group of countries. The leaders of the countries represented at the meeting come out in favour of restructuring the entire system of international economic relations on a democratic basis, the establishment of a new international economic order, which would ensure equal economic security for all countries, in favour of eliminating the underdevelopment of countries, and in favour of global and just settlement of the problem of external indebtedness. They firmly call for removing from international practice all forms of discrimination, the policy of boycotts and sanctions, high interest rates, the setting up of artificial barriers in the field of scientific-technical and technological exchanges.

The participants in the meeting are for the development of co-operation between all countries in the cause of forming an international regime of safe development of nuclear power engineering, including the creation of a mechanism for prompt warning and supply of information. They declare for enhancing the role of the IAEA, the UNO, and of its specialised agencies in this field as well as for convening a special international conference to discuss the entire range of matters connected with this.

The countries represented at the meeting come out in favour of raising the contribution by the UNO and other international organisations to the cause of preserving peace, ending the arms race and achieving disarmament, and to the

solution of all global problems mankind is faced with. They are doing and will continue to do everything for 1986—the International Year of Peace—to be marked really by a turn for the better, for a more secure world.

VI

Special attention at the meeting was devoted to matters aimed at strengthening the unity and cohesion of the Warsaw Treaty member-countries and their defensive alliance, and at developing co-operation in all fields. The importance of increasingly active co-operation in international affairs, in the elaboration and translation into life of a coordinated foreign-policy course towards ensuring the security of their peoples, removing the threat of nuclear war, achieving disarmament and strengthening universal peace was emphasised.

The invariable stand of the countries participating in the meeting on the simultaneous dissolution of the Warsaw Treaty Organisation and the North Atlantic Treaty Organisation was emphasised at the same time.

The participants in the meeting declared for a further expansion of exchanges of experience in socialist construction, for a wide mutual acquaintance with the affairs and problems of one another, and intensive use of mass media for these purposes. The importance of raising the effectiveness of economic, scientific and technical contacts, cultural exchanges and widening contacts between work collectives, the public, local and tourist contacts, and of deepening co-operation in other spheres was pointed out. The countries represented at the meeting reaffirmed their readiness actively to develop relations, co-operative action and all-round co-operation with all other socialist

countries in the interests of the struggle for peace, socialism, against imperialism.

The meeting positively evaluated the work of the Committee of the Ministers of Foreign Affairs and of the Committee of the Ministers of Defence over the period that has passed since the previous meeting of the Political Consultative Committee, and determined their further tasks.

The Political Consultative Committee took a decision on a report by the Commander-in-Chief of the Joint Armed Forces of the Warsaw Treaty member-countries on the practical work done by the command.

Provision is made that the Hungarian People's Republic, as the meeting's host country, will ensure the distribution of the address and of this communique adopted by the committee.

The next meeting of the Political Consultative Committee (PCC) of the Warsaw Treaty member-countries is to be held in Berlin, the capital of the German Democratic Republic (GDR). Herbert Krolikowski, representative of the GDR, State Secretary and First Deputy Minister of Foreign Affairs, was appointed the PCC General Secretary for the subsequent term.

The meeting passed in an atmosphere of friendship, comradely co-operation and unity of views on all the matters discussed. □

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Mikhail Gorbachyov's conversation with Indian Foreign Minister

MOSCOW, June 14, TASS:

MIKHAIL GORBACHYOV, General Secretary of the CPSU Central Committee, today received India's External Relations Minister V P Shiv Shankar, who handed him a message from Indian Prime Minister Rajiv Gandhi.

In their warm and friendly conversation the sides voiced their mutual satisfaction with the high level, many-sided character and international significance of traditional relations of trust, friendship and co-operation between the USSR and India. The leadership of the two countries, they noted, intend to continue to contribute in every way to the broadening and developing of precisely such relations.

Proceeding from the fact that Soviet-Indian co-operation is becoming an ever more beneficial and constructive factor in the current world situation, the sides discussed a broad range of

urgent problems of international security, disarmament and development, and also bilateral contacts. They informed each other of priority domestic and foreign policy matters now in the focus of attention of the Soviet and Indian leaderships. They were unanimous that strict and consistent respect for the national characteristic features and rights constituted one of the foundations of the unity, strength and social progress of multinational states. They stressed the inadmissibility of foreign intervention in the settlement of such problems and in internal affairs in general. Terrorism and encouragement of terrorism constitute an especially disgusting form of such intervention with a view to destabilising the domestic socio-political structures of states.

"In our age," Mikhail Gorbachyov noted, "the historical destinies of the Soviet Union and India are related, and this, along with the will of the two peoples and their mutual affection, constitutes an objective and sound foundation of solidarity and mutual understanding between the two great countries and feeds the deep roots of

their friendly relations."

Mikhail Gorbachyov reiterated the Soviet Union's constant respect for the independent foreign policy course of the Indian leadership and for the choice of the independent road of development being followed by the Indian people.

The authoritative role played in world affairs by the Non-Aligned Movement, which is now in the crucial stage of its activity, was noted and the Soviet Union's positive view of the initiatives and efforts of the 'New Delhi Six' in favour of peace and disarmament was reiterated.

Mikhail Gorbachyov sent friendly greetings to Prime Minister Rajiv Gandhi and wished the Indian people success in overcoming difficulties, and in making further progress to ensure the firm unity and territorial integrity of their great state.

Eduard Shevardnadze, a member of the Political Bureau of the CPSU Central Committee and Minister of Foreign Affairs of the USSR, took part in the conversation. □

Soviet and Indian Foreign Ministers meet

MOSCOW, June 14, TASS:

"MANKIND is now living through a very dangerous period and it is very important to overcome the adverse tendencies in international developments, to check the slide of the world towards nuclear catastrophe," Eduard Shevardnadze, member of the Political Bureau of the CPSU Central Committee and Minister of Foreign Affairs of the USSR, said at a luncheon here today in honour of India's External Relations and Trade Minister V P Shiv Shankar.

Anatoli Dobrynin meets Frelimo representative

MOSCOW, June 14, TASS:

ANATOLI DOBRYNIN, Secretary of the CPSU Central Committee, met today Jacinto Veloso, member of the Political Bureau of the Central Committee of the Frelimo Party. Jacinto Veloso has arrived in the USSR as special representative of Samora Machel, Chairman of the Frelimo Party and President of the People's Republic of Mozambique.

Jacinto Veloso handed over Samora Machel's personal message addressed to the General Secretary of the CPSU Central Committee, Mikhail Gorbachyov.

Anatoli Dobrynin and Jacinto Veloso had a comradely exchange of opinions on some questions of the international situation, the situation in southern Africa, as well as Soviet-Mozambican relations. Samora Machel's special representative highly assessed the Soviet Union's peaceful foreign policy.

The participants in the meeting declared for the further deepening and developing of co-operation between the Soviet Union and the People's Republic of Mozambique, and between the CPSU and the Frelimo Party.

The conversation passed in a warm and friendly atmosphere. □

Eduard Shevardnadze noted that the Soviet Union and other socialist countries had in the recent period made a number of proposals aimed at turning the arms race around and promoting peaceful co-operation among states with different social systems. The other day the Warsaw Treaty countries made, at a meeting of their Political Consultative Committee in Budapest, another far-reaching initiative, formulating a programme for major cuts in the armed forces and conventional armaments in Europe.

"It cannot but give us much satisfaction that the positions of the Soviet Union and the Republic of India on major matters of world politics coincide or are close.

"We are encouraged and heartened by your country's support for the Soviet peace initiatives and by the growing co-operation of our states in resolving the more important problems of our time, the prevention of nuclear catastrophe and the strengthening of world security. The Soviet Union and India are co-operating closely and in a productive manner at global, regional and bilateral levels," Eduard Shevardnadze continued.

Eduard Shevardnadze noted that in two months the Soviet Union and India would mark the 15th anniversary of the Treaty of Peace, Friendship and Co-operation between the Soviet Union and India. The road travelled by the two countries together since the treaty had been signed was forceful proof of how fruitfully and broadly states with different social systems could develop their relations if both sides displayed goodwill, and respected the practical interests of each other.

Eduard Shevardnadze also had a meeting with India's External Relations and Trade Minister V P Shiv Shankar on June 14.

The ministers expressed satisfaction with the high level and dynamic progress of bilateral relations on the firm foundations of the Treaty of Peace, Friendship and Co-operation between the USSR and India, the 15th anniversary of which will be marked in August this year. They spoke in

favour of the further expansion of many-sided contacts between the two countries and their broader co-operation on the world scene.

The attention of the Indian Minister was drawn to the broad Soviet foreign policy initiatives, the implementation of which could bring about a veritable breakthrough in international developments, the delivery of mankind from the burden of nuclear and other weapons of mass destruction and the development of a comprehensive international security system. These goals are also promoted by a programme for cuts in the armed forces and conventional arms in Europe, approved recently by a meeting of the Political Consultative Committee of the Warsaw Treaty countries in Budapest. The Indian side spoke highly of the Soviet peace initiatives.

V P Shiv Shankar stressed specifically the importance, meaningfulness and fruitful character of his conversation with Mikhail Gorbachyov, General Secretary of the CPSU Central Committee.

Eduard Shevardnadze noted the positive contribution of India and the other members of the 'New Delhi Six', and also the Non-Aligned Movement, to the common efforts for stronger peace and security in the world.

V P Shiv Shankar stated India's firm commitment to the cause of peace and progress, the independence of the peoples, equal co-operation among states and struggle for disarmament and the prevention of nuclear catastrophe.

India's Chargé d'Affaires in the USSR, Ch. V Ranganathan, took part in the conversation, which passed in a warm and friendly atmosphere.

On the same day Eduard Shevardnadze gave a luncheon in honour of V P Shiv Shankar. □

STATEMENT
by Mikhail Gorbachyov,
General Secretary of CPSU
Central Committee
January 15, 1986.

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(Continued from Page 280)

The theory and the policy, the ideas and the strength of the organisation, millions of communists in production and management, in science, technology and culture—such is the mighty potential of the Party.

The activeness of millions of working people, the scope and depth of people's creative endeavour—the decisive factor of acceleration—in many respects depend on how Party organisations operate. Only by placing the human being at the centre of Party work, shall we be able to solve the tasks set by the Congress. The principal meaning of the radical restructuring of Party work is precisely in turning to people, to real work.

What has been shown by the months that have passed since the Congress? The ideas of restructuring have been appreciated by a majority of Party cadres and are beginning to manifest themselves in practical activities. A new atmosphere of relationships between local and central Party, government and economic bodies has developed. Many practical matters are tackled more quickly, with a greater understanding. We have mounted another step in matters concerning frankness and punchiness in the way problems are put and in the level of criticism and self-criticism.

Moscow, Leningrad, Kiev, Minsk, Donetsk, Chelyabinsk, Sumy and Tatar Party organisations engage in the intensification of production profoundly and on a large scale. Matters aimed at developing the economy and social sphere are being tackled energetically and purposefully by the communists of Brest, Volgograd, Ulyanovsk, Kharkov, Irkutsk, Lipetsk, Rostov, and many other regions, territories and republics.

Important steps are being made by all Party organisations. The very quest for new forms and methods of work which would accord with the present time is proceeding in a no easy manner. One has to encounter such notions that the guidelines voiced at the Congress apply to the sphere of big politics and that practical work should proceed along its own course, keeping to the beaten track. One should say that such sentiments are still obtaining in the Party circle.

Take, for example, the Kursk Regional Party organisation. The spirit of creative attitude to work, of criticism and self-criticism has penetrated by no means all districts there. The domineering style of work proved exceptionally tenacious. For example, in the Oktyabrsky District Committee of the Party, Comrade V A Anpilov, First Secretary, and some other Party workers, held a negative view of criticism, sheltered 'convenient' people and tried to conceal failures and, in order to colour the real state of affairs, quite often induced economic managers to resort to report-padding, and had little concern for the development of the initiative of the Party organisations, for the labour and social activity of people. Comrade M S Shevelev, secretary of the Party organisation of the *Krasnoye Znamya* collective farm, wrote about all this to a central newspaper.

The fallacious methods of work could not be unknown to the regional committee of the Party. But, obviously, the bureau and the first secretary of the regional committee, Comrade A F Gudkov, did not rise to the occasion. The regional committee did not stint the most flattering references about Comrade Anpilov, referring to him almost as an example to others. When the Central Committee instructed the staff to look into the state of affairs over there, it turned out that what Comrade Shevelev had written was the truth pure and simple, and the opinion of the leaders of the Party's regional committee turned out to be untenable.

In the end, the story was rounded off by the members of the district committee who brought in a vote of no-confidence in Comrade Anpilov and decided to relieve him of the secretaryship. Why did the regional committee fail to notice in

time and duly assess the unfit style of the work of the secretary of the district committee, the situation which had developed in the district Party organisation? Apparently, the secretaries of the Party's regional committee themselves and the committee's bureau are not in a hurry to reorganise their work, and still adhere to the obsolete style when the initiative of working people does not get a proper support.

After the Congress, Soviet people show increasing interest in what the Party does and in the processes taking place in society. They want to find their place in the countrywide striving for the realisation of the ideas advanced at the Congress and want to make their contribution to the restructuring. This is illustrated by numerous letters that come in to the Central Committee and to the editorial offices of newspapers. Part of the letters you are holding in your hands. It would seem that the task of the Party committees is utterly clear: it is essential to support the social and labour activity of people in every way. But in many places everything remains as it used to be: initiative encounters a wall of indifference and, at times, overt resistance.

At the Irbit chemical and pharmaceutical plant of Sverdlovsk Region, the Party bureau together with the management and with the backing of the Party's city committee in fact dealt with a shop superintendent who advocated the introduction of advanced forms of the organisation and remuneration of labour. The initiative of a communist, a resourceful person, encountered red tape. We deemed it necessary to discuss this fact, in view of its exceptional importance, at the CPSU Central Committee. You know what decision the Secretariat of the Central Committee took on this matter. I think that not only Sverdlovsk residents should draw lessons from this instance.

The Congress directed the Party committees to mastering political methods of guidance. However, the striving of Party bodies to assume managerial functions continues unabated. Just listen to what some Party leaders say. They readily and with expertise speak of the current economic campaign, of milk yields and weight gains, tons, and so on, but are quite often at a loss when the conversation turns to a political analysis of social phenomena, of socio-economic tasks, scientific and engineering problems, and of resources inherent in the human factor.

Frankly speaking, we should reorganise and get rid of the elements of administration by *fiat* at all levels—from primary organisations to the Central Committee staff. Only all-round political, organisational and ideological activities at all levels of Party leadership will ensure the accomplishment of the tasks set by the Congress.

An increase in the action capacity of primary Party organisations is acquiring particular importance in this connection. We have more than once become convinced of their inexhaustible resources. I would say that we should begin restructuring work precisely with developing independence, self-action, vigour of primary organisations, initiative and activity of communists. This is the main element which should be tackled in real earnest.

This must be done by the Party's district and city committees which are closest of all to work collectives, and know the energies and resources of primary Party organisations. We have got quite a number of Party organisations at district and city level which in the new situation give greater scope to the initiative of the cadres and shift the centre of gravity to control of their work by the grass roots, by the public and the press.

At the same time, there is still gravitation to customary methods of management, and even of control, rather. All that, comrades, was practised at one time because there was need for it and by way of compensation for flaws in the economic machinery. At present, such practice is not only unnecessary but it is harmful, too. One should more boldly renounce a controller's functions.

The work collectives and people are the main sphere of the activities of the secretary and of members of the district committee of the Party.

Lately I have had a good deal of meetings and conversations with the directors of enterprises, workers, engineers, the secretaries of Party committees, and they all agree that possibilities for resourceful work get broadened slowly. Red tape—which is wedded to administrative *fiat* and which is a determined opponent of broad participation of masses of people in managerial affairs—makes itself felt.

Take, for example, managerial bodies. When one gets directly acquainted with their activities, one can see that ministers, directors of central boards and enterprises, have altogether lost the habit of speaking to one another, and of establishing direct business contacts, and that everything is limited to correspondence. Or is this that comrades are unable to ring up one another and to speak over the telephone, to meet and to solve matters or is that an attempt to shield oneself from responsibility by means of document?

This applies, to a certain extent, to Party bodies. For example, the Tashkent City Party Committee and district committees of the city within a space of four months thus sent 50-100 per cent more decrees to primary Party organisations than over the corresponding period last year. One can come across such excessive reliance on correspondence in other places as well.

Unnecessary paperwork is far from being a technical question but is a political one. Just see what any inspection is limited to: to the study of information, tables, the minutes, and plans of activities, and to finding out whether the matter was discussed and whether an appropriate decision was taken upon it. To put it in a nutshell, there is the habit of working with paper, and not with people, and to take a view of people through the medium of paperwork. But how people work, live, what they think of, what are their problems and attitudes of mind—all that remains as if overboard. But the essence of Party work lies in knowing all that.

There will be no restructuring if an atmosphere of intolerance to drawbacks, to stagnancy in work, to ostentation and idle talk is not established within the Party and in all its organisations. This is why we must enhance criticism in the spirit of the Congress. What we need is a principled criticism, which is directed to an exact address, and which reveals the causes of shortcomings and omissions, and ways to remove them, criticism which upholds the spirit of concern, and of sound dissatisfaction with what has been achieved.

Comrades.

The concept of acceleration is inseparable from an energetic cadre policy. The plans for the five-year period envision fundamental measures in the field of personnel training and the development of a system of continuous education. All of them are directed at providing professionally competent workers for every area of material production and cultural and intellectual life.

This task is being tackled not only in educational establishments, where we have initiated deep-going reforms. Our time demands that everyone continuously update his or her knowledge, improve his or her skills and broaden his or her ideological, political, scientific, technological and economic horizons. Otherwise one cannot efficiently use advanced technology or be a knowledgeable manager and a skilful administrator.

Special importance is attached today to work with senior managers and officials, called upon to organise restructuring in the areas entrusted to them. By the April 1985 plenary meeting, as you know, we had quite a few unresolved cadre questions piled up. That situation drew criticism from communists and non-Party people. The

Central Committee made proper conclusions. Many well-trained and mature communists, who had shown their mettle in practical grassroots work and who well understood the current situation, were advanced in the election campaign. The placement of cadres should continue to be improved.

Speaking in Togliatti, I noted that now that work is being unfolded to accelerate scientific and technological progress, people with an innovative spirit should be particularly valued, all the more so since we are urging everyone to act rather than to sit back waiting. One cannot help seeing that a man with initiative often comes into conflict with outdated regulations, which do not meet new tasks. Everything possible should be done to ensure that questing, creative people do not find themselves in a difficult situation and suffer defeat. This is not an abstract discourse.

I would like to illustrate what I have just said with one outrageous example. There is in Cherkassy a plant of the Ministry of the Electrical Engineering Industry and a research institute working in the same field. The institute, which was headed by Comrade A I Chabanov, developed machine-tools of a new type and control systems for them. The machine-tools won praise at international exhibitions and orders began to come in for them from our plants and from abroad.

Meanwhile, the plant, which should have been the first to put to use those achievements, stubbornly ignored new technology. And when last July Comrade Chabanov had been appointed a temporary acting manager of the plant, he, without waiting for approval of specifications for new products, decided to go ahead with their production. Advanced technology was launched and the finances of the plant were improved. But there came forth people who began to complain that the new manager had breached the regulations and padded his reports. So what did the ministry and the Party Regional Committee do?

One cannot say they acted in the spirit of innovation. The manager was relieved of his duties and the case was turned over to the investigating bodies. The CPSU Central Committee and the Procurator-General had to interfere to sort things out. No violations, the more so crimes, were found. The matter seemed to be clear. But even after the truth had been restored, the Party bureau expelled Comrade Chabanov from the Party. Moreover, when the communists took his side and sent a letter to the Congress, it never reached Moscow because the local authorities intercepted it at the post office.

Here is, comrades, the sort of facts that one comes across. We turned the case over to the Party Control Committee. Justice has now triumphed. But the question to ask is where the Regional Party Committee was. Could it not have promptly grasped the essence of that case and prevented a breach of Soviet laws and the victimisation of a communist?

We should state with all principledness at our plenary meeting that the Party committees are called upon to protect the honour of the Party rather than the honour of rank. Everything is important in Party work, not the least the way a person is met at the Party Committee, the way he is talked to, the way the questions that trouble him are settled and finally, the role the Party Committee plays in his fate.

What still happens is like this. A communist voices his personal opinion in a city or district Party committee or shares his doubts, but instead of giving him a substantive answer they say: "Don't forget the place you are in." And what is that place? It is his home. Where else should he take his problems and concerns if not to his Party Committee? And he has every right to count on sensitivity and attention rather than on a high-handed reception because Party comradeship is a Bolshevik standard of relationships among com-

munists regardless of rank or title.

The spirit of comradeship should pervade our entire Party life. Making stricter demands on one's performance of one's duties, it is necessary always to draw a clear distinction between Party principledness and dressing-down that denigrates human dignity. Deviation from this rule—and we know of such cases—crush the human soul, sow uncertainty in the body of workers and depress public interest and activity. We cannot reconcile ourselves of such things.

We should continue to work perseveringly to ensure that a healthy atmosphere in our society gains ground and puts down deep roots. I would say in this context that war on drunkenness and alcoholism remains among the most urgent tasks. We should take guidance in this war from the opinion of our people rather than from those who are addicted to alcohol. We have assumed the commitment to our entire people to wage a resolute battle on drunkenness and it is our Party duty to fulfil this mandate from the Soviet people.

We should also fulfil the mandate on stepping up war on unearned incomes. The recent major resolutions on this matter were welcomed by society with satisfaction. They should be implemented in practice so that, while rooting out this phenomenon, which is alien to socialism, they contribute to improvements in the living conditions of the working people.

To sum it all up, comrades, we should strictly respect our main socialist principle, that is, support and encourage in every way honest and conscientious work and wage uncompromising struggle against all parasitic elements, those who would like to live at the expense of others, at the expense of society.

We should proceed from the fact that as tasks in the social, economic, cultural and intellectual fields grow more complex, the demands on ideological work will also grow. I would like to note today the great contribution that is being made by the press, television, radio and the other mass media to the process of restructuring. They are doing a good deal to broaden publicity, to translate the democratism of our society into practice, and to raise serious, socially meaningful problems. It is especially important today for our press sensitively to detect the shoots of everything new and advanced generated by restructuring in every area of life and to help put them within the reach of society as a whole. Objectivity, high exactingness and responsibility of the mass media are inviolable principles of the Party press, which guarantee its authority.

The newspaper is the face of the Party committee, it reflects the style and methods of its work, its standards of leadership and its attitude to every outstanding problem. If the Party committee restructures itself, the press follows suit. I would like to draw attention to the fact that the degree of publicity and effectiveness in many local newspapers is still far below that in the centrally-published press. As an analysis of this matter shows, this depends directly on the position of the Party committees. Hence the need for correct self-critical conclusions both in the party committees and in the editorial offices. I am certain that they will be made.

In short, we count on the further activation of the ideological front, on the organising strength of truthful ideas, which rally together millions in pursuit of a common cause.

IV. On the Results of the Budapest Meeting of the Political Consultative Committee

Comrades,

Allow me now to move on to the second item on the plenary meeting's agenda.

The documents of the recent regular meeting of the Political Consultative Committee (PCC) of

the Warsaw Treaty member-countries have been published. What would one like to say about the importance of the PCC meeting? First of all, it must be pointed out that the meeting was held immediately after a number of congresses of fraternal parties. So, the foreign-policy guidelines of the supreme Party forums became, naturally, the focus of collective discussion. That gave a larger-scale character to the meeting and pre-determined the emphasis on matters of strategic, global nature.

It was particularly emphasised that the course taken by our Party and by other fraternal parties aroused a broad international response and will be having an increasing effect, as it is implemented, on the entire course of world social development. It was pointed out that this is precisely what worries our class adversary most of all.

There was an exchange of views on the course of events in Europe and in the international arena over the period of time that had passed since the Sofia PCC meeting and the Soviet-US summit meeting in Geneva. All comrades were unanimous that the situation remained complex and that there were no grounds so far to speak of relaxation of tension.

You know about the steps which we took to secure that the positive line originated in Geneva should not disappear or get dissolved in the whirlpool of international life. They include a concrete plan for the elimination of nuclear weapons by the turn of the century, a moratorium on nuclear explosions, and proposals on the destruction of chemical weapons. Our initiatives have worked and will continue to work for an improvement of the international climate.

But it is precisely the prospect for relaxation of tension that is being viewed in the West, and first of all by the reactionary ruling upper crust in the United States, as a threat to their interests. The most recent months and weeks have seen a series of rejections of Soviet proposals on cardinal matters of present-day development: the refusal to end nuclear tests; the renunciation of the existing agreements on strategic arms; and the refusal to keep outer space weapon-free. Added to that should be unwillingness to conduct negotiations in good faith in Geneva and Vienna.

Presumptuous disregard for the interests of all countries of Europe, and not only of Europe, manifested itself in Washington's actions in Berne where, as a result of them, the reaching of important accords on human rights was frustrated.

It is only by historical blindness and total non-acceptance of present-day realities that one can explain the banking of the US leaders on brute force, on the nuclear fist, on terrorist piracy profusely blended with ideological intolerance and hatred. They continue to assess the present-day world situation in terms of 'Star Wars' and nuclear warheads, the arms race and militarist blackmail, thus undermining ever more the security of the entire world and of their own country.

It is becoming ever more apparent that the true threat to US security emanates not from external forces. The threat, and a substantial one at that, is being posed by that country's military-political elite, its adventurist behaviour in the world arena.

The 27th CPSU Congress proposed sensible ways of resolving the problems facing mankind. Our objectives are clear in the extreme. They are: acceleration of the country's social and economic development, broad international co-operation that benefits all, disarmament and elimination of nuclear weapons, and peace for mankind. Hence our political course both inside the country and in the international arena. The more people on Earth know the truth about the Soviet Union's policy, the more supporters of this course emerge.

This is precisely what is worrying the ruling circles of imperialism. They regard the Soviet

initiatives as a formidable obstacle in the way of the implementation of their imperial designs aimed at world domination and social revenge. Unable to offer the peoples a peaceful historical alternative that would meet the interests of all, they are whipping up militarist psychosis which they think can freeze historical progress and help them preserve economic and political power. Moreover, they pin hopes on the possibility, however illusory, of hindering the implementation of our plans, impede the development of the socialist countries, push us off from the course of the 27th CPSU Congress and keep us in the constraints of the arms race.

It stands to reason, comrades, that the prime aim of our foreign policy should be the frustration of these dangerous plans. The Soviet Union will further persistently implement its initiatives that accord with the cherished hopes of our people, all peoples in the world. But we will never allow a nuclear-missile superiority of the United States. And here our Leninist foreign policy course, our defence might rest on the reliable basis of the strategy of accelerating socio-economic development that was worked out by the Party and got its detailed reflection in the draft 12th five-year-plan that we are discussing.

The destiny of peace must not be handed over to imperialism, we must not allow the imperialist reaction to succeed in imposing a deepening of the military-political confrontation on mankind. This would signify only one thing—sliding down to nuclear war.

The following question has now arisen: should we continue marking time at the Geneva talks aliterating with the Americans, something that fully suits them, or search for new approaches making it possible to clear the road to a reduction of nuclear arms? Having decided firmly to adhere to the course of searching in practice for a mutually acceptable agreement in Geneva we offered the Americans the following intermediate variant:

a) Agreement is reached on non-withdrawal from the ABM Treaty at least in the course of 15 years and work in the field of the SDI is limited to the level of laboratory research, that is the threshold which the United States has already actually approached;

b) The strategic offensive arms (ICBMs, SLBMs and heavy bombers) are limited by equal ceilings. In this case the question of medium-range weapons reaching the territory of the other side, including long-range land-based cruise missiles, is solved separately.

This variant demonstrates once again the Soviet Union's striving for mutually acceptable accord. Although, of course, we would have preferred to attain agreement at once on a radical, 50 per cent reduction of strategic offensive arms capable of reaching each other's territory.

We have also submitted a draft agreement on medium-range missiles in Europe. We agreed that in the event of a zero ratio between the Soviet Union and the United States in this type of arms, the British and French nuclear missiles should remain in the European zone in their present number. We have also stated that we would not increase the number of medium-range missiles in Asia.

In other words, the Soviet Union has made new steps facilitating the search for mutually acceptable accords at the Geneva talks. Time will show the attitude of the United States to this. In any case it should be clear: if the American side ignores our initiatives this time again, it will become obvious that the present United States Administration is engaged in an unseemly game in a most serious matter on which the future of mankind depends.

The problem of ending nuclear tests has acquired a special acuteness now. To a certain extent this is also a result of the accident at the Chernobyl nuclear power plant. This accident showed that even a small ejection of radioactive

substances brings misfortune and alarm to thousands of people.

As they expressed their sincere sympathy and offered their unselfish assistance to us, all honest people saw in this accident a much more serious danger.

They ask themselves and others: what will happen if the military atom is allowed to break out of control—accidentally or with evil intent? An explosion even of one nuclear bomb would become a far more terrible tragedy for the peoples of many countries. This is what people on Earth ponder ever more profoundly.

The United States of America is assuming the gravest responsibility to mankind by refusing to end nuclear testing and join the Soviet moratorium. The world is alarmed by the American behaviour, but the seriousness of the situation also calls for doubling and trebling the effort in favour of ending all nuclear tests and eliminating nuclear weapons.

The misfortune of Chernobyl is our misfortune. We will be able to overcome it. We thank all for sympathy and assistance in connection with the incident—our thanks are sincere and profound. But let Chernobyl, as well as other instances when the atom stopped obeying man, serve as a stern warning to those who do not as yet realise fully the nuclear menace looming over the world, who still regard nuclear weapons as a means of politics.

I would like to dwell separately on the new Soviet-American summit meeting. We are in favour of dialogue with Washington. But how is the US Administration acting? It is sabotaging the disarmament talks and has declared its intention not to comply with the SALT-2 Treaty, saying it was "dead"! Actions still further aggravating the international situation are being undertaken throughout the world.

We are not slamming the door shut: a new meeting with the US President is possible. But, clearly, it requires an atmosphere that would open up prospects for reaching real agreements. We have said this to President Reagan and to the entire world. This position evokes understanding among friends.

The legitimate question arises: do they in Washington want a new meeting? Or is the talk about it merely an attempt to delude world public opinion?

The PCC meetings' significance is largely determined, as is known, by the new initiatives they advance. Central to the Budapest meeting was the jointly-elaborated detailed proposal for reducing conventional armaments and armed forces in all of Europe—from the Atlantic to the Urals. Its content is known to you—the point at issue is the 25 per cent reduction of the armed forces of both sides in the coming years. It discards the speculative reasoning that nuclear disarmament in Europe, while preserving at the current level the conventional armed forces, would be to the disadvantage of the Western European states. Indicatively, the West has not found it possible to dismiss the proposal off-hand.

Several other important initiatives were agreed upon in Budapest. The idea was approved for pooling the efforts of all countries for the peaceful use of outer space and creating a special international organisation for these purposes, set out before the meeting during the speech in Csepel. This idea has already found its expression in the proposal sent to the UN Secretary-General. Questions of the continued advancement of the concept of establishing a comprehensive system of international security were discussed.

Special mention should be made of the constructive atmosphere of the Budapest meeting.

All comrades—and these are the signs of the time—viewed the concrete issues in the light of the common foreign policy strategy of the allied

socialist states. In brief, Budapest revealed unity and creative co-operation which is enriching socialism's international policy and is lending greater weight to its actions in the world arena.

All participants in the conference noted with satisfaction that the work of the supreme body of the Warsaw Treaty had become more dynamic and prompt lately. The decisions adopted in Budapest are a major contribution of the socialist countries to the struggle for improving the international situation.

In general, comrades, we have and will continue to apply maximum efforts to preserve and consolidate peace. In this noble undertaking, we experience active support for our position from friends, all peace-loving forces on Earth.

Comrades,

Such are the main lessons and conclusions of our post-Congress development, which we are to absorb in full measure in order to advance with success. Such are the home and international conditions in which we have started implementing the decisions of the 27th CPSU Congress.

The political task of the five-year period is to restructure our economy, create a modern material and technical base to ensure the faster development of Soviet society, solution of major social tasks and reliable defence of the country. Time will not be waiting for us. Everything that we have planned must be done in time, for the point at issue is the might and prosperity of our country, the positions of socialism in the international arena and the consolidation of peace throughout the world.

We are approaching a memorable date—the 70th anniversary of the Great October Socialist Revolution. Our common patriotic and internationalist duty is to mark the remarkable holiday by making rapid economic and socio-political advance by achievements and successes worthy of the land of the October Revolution.

I think that it is necessary on behalf of the plenary meeting to call on all working people to widely develop nation-wide socialist emulation for the successful attainment of the planned targets of the twelfth five-year period, and to transform the bold plans into the energy of practical actions. The Central Committee is calling on each Soviet worker to take part in the emulation, to be an active front-ranker of the five-year plan period, and to make a tangible personal contribution to the common cause at his or her workplace.

The attention of the Party committees and of all Party organisations should be focussed on how to tackle the tasks set by the Congress and how to conduct political, economic, organisational and educational work to attain the planned targets of the five-year period and to exceed them. Herein is the highlight of the moment. Therefore there must be more analysis, more actions, efficiency, and less talk in general terms and less allusions to objective circumstances.

From each leader and each communist the Party awaits real deeds leading us ahead along the projected road, and not vows and assurances. The Central Committee will support the initiative and innovatory quest of Party organisations, work collectives, ministries and departments aimed at achieving the best results. To act with initiative, persistently, energetically and with a high sense of responsibility is what life today requires of each and all of us. I am confident that the appeal of the plenary meeting will find understanding and response among the working class, peasantry and intelligentsia, and will be embodied in the heroism of everyday, routine work of millions of people. This decides everything, comrades! □

Nikolai Ryzhkov's message to United Nations Secretary-General

MOSCOW, June 12, TASS: Here follows the full text of the message of Nikolai Ryzhkov, Chairman of the Council of Ministers of the USSR, to United Nations Secretary-General Javier Perez de Cuellar:

THE Soviet Union welcomes the United Nations' appeal to the member-states to submit their considerations on the development of international co-operation in averting an arms race in space and in its peaceful exploration as an unambiguous manifestation of the will of the international community.

What it amounts to is two aspects of the single global task of stopping 'Star Wars' preparations, leading to nuclear suicide, and countering them with the alternative of a 'Star Peace', the exploration of outer space by the joint efforts of all countries for peaceful purposes.

The Soviet Union, in accordance with the course laid down by the 27th CPSU Congress for establishing a comprehensive system of international security, is consistently working for the total exclusion of outer space from the sphere of military preparations and its use exclusively for peaceful purposes.

I

Space exploration demands from all the states new, truly global political thinking and the renunciation of the categories of strength and military superiority. It is perfectly clear that the spread of the arms race into outer space can by no means strengthen anyone's security or make nuclear weapons "impotent and obsolete". Today's realities leave no state any hope of defending itself exclusively by military technology. The development of space strike weapons would dramatically escalate the risk of nuclear war, a threat to all the states and peoples.

In the nuclear space age security can be achieved only for all and only through blocking the spread of weapons into outer space and through nuclear disarmament. This is the goal of the plan put forward by Mikhail Gorbachyov, General Secretary of the CPSU Central Committee, in his statement on January 15, 1986, for the complete elimination of nuclear weapons in the whole world by the year 2000. It envisions that agreement on a ban on space strike weapons be achieved already at the first stage between the USSR and the USA and at the second stage on a multilateral basis, with the compulsory participation in it of the leading industrial powers.

The process of nuclear disarmament would be harmoniously combined with the development of co-operation among states in peaceful space exploration. A considerable part of the resources released as the nuclear arms arsenals are dismantled and those resources which could be absorbed by the 'Star Wars' programme could be used to promote that cause, common to the whole of humanity.

The 'Star Wars' preparations cannot be allowed to become irreversible, spurring on the arms race and piling up obstacles on the way to disarmament, security, economic development and peaceful co-operation in space exploration. The Soviet Union stands for a strict ban on the development, testing and deployment of space strike weapons with effective control, including the establishment of laboratories to serve that purpose. It is also prepared for partial steps towards that ultimate goal.

One of such steps could be an international agreement on the immunity of artificial Earth satellites, on the prohibition of the development, testing and deployment of new anti-satellite

systems and on the elimination of the existing ones.

The priority measure in preventing an arms race in space and its termination on Earth is to halt all nuclear explosions on a mutual basis. Nuclear tests for 'Star Wars' are incompatible with the spirit of the treaty banning nuclear weapons tests in the three media, including outer space.

The treaty between the USSR and the USA on the limitation of ABM systems, the cornerstone of strategic stability, should also be strictly observed today, tomorrow and in the future. A state embarking on the path of its violation or assisting in this would incur grave responsibility.

It is our conviction that to avert an arms race in space, it is necessary to enhance as much as possible the productivity of the existing mechanism of negotiations, both bilateral and multilateral, and to use efficiently the opportunities offered by the United Nations.

It is necessary first and foremost to speed up the Geneva talks between the USSR and the USA, the purpose of which is to work out efficient agreements to prevent an arms race in space and terminate it on Earth, to limit and reduce nuclear arms and to strengthen strategic stability. The proposals tabled by the Soviet side at those talks have created an essential basis for achieving prompt and effective agreements on deep cuts in nuclear weapons and on preventing an arms race in space.

We simultaneously propose that business-like talks be started at the Conference on Disarmament to block the emergence of weapons in outer space.

II

Space exploration today is being oriented more and more to Earth, to practical business on our planet. It is time to set about tackling major space exploration projects by the joint efforts of mankind in the interests of world progress and security.

It is unreasonable to scatter and duplicate the efforts of states in space exploration. Their rational use through coordination and through the pooling of efforts would yield a cumulative effect and make realistic what one, even most advanced country, cannot accomplish single-handed.

Co-operation among states in outer space could become a bridge for stronger trust and mutual understanding among them on Earth as well. The USSR is prepared to develop it with all states both on a bilateral and on a multilateral basis. We stand for co-operation, open and attainable to all, without any discrimination, for co-operation yielding tangible benefits to the peoples. We stand for co-operation among scientists and engineers of all the countries of the world in the accomplishment of peaceful space projects to make outer space a veritable world laboratory.

The Soviet Union submits for the consideration of the international community of states the following stage-by-stage programme of joint practical actions in peaceful exploration of outer space. The three-stage programme has the aim to lay before the year 2000 solid material, political, legal and organisational 'Star Peace' foundations.

First Stage (organisational). The study of the requirements of the peoples of the world in using

space technology shall be done over a period of five years, taking due account of the present-day possibilities of and prospects for the development of space systems. To consider the problem of outer space in its entirety and to agree upon the basic areas of comprehensive projects, and also principles of qualitatively new, broad-scale international co-operation in its peaceful exploration, it is proposed to hold not later than 1990 an international conference or a special UN General Assembly session on questions of outer space or to consider these questions at some other relevant forum. The forum would approve the programme of actions for the 1990s and for the next 10-15 years. It would institute a World Space Organisation (WSO) and under its aegis specialised programmes for the realisation of concrete projects of co-operation. The UN Committee for the Peaceful Uses of Outer Space could undertake to bring about the first-stage measures, including preparations for the conference.

In the Soviet Union's opinion, efforts should be concentrated on developing big projects for using space technology for solution of such tasks of socio-economic development common to all countries, such as:

—communication, navigation, rescue of people on Earth, in the atmosphere and outer space;

—remote probing of the Earth in the interests of agriculture, development of the natural resources of the land and the world ocean;

—the study and preservation of the biosphere of the Earth, establishment of a global weather forecasting service and notification of natural calamities;

—the use of new sources of energy, creation of new materials and technologies, including those for medicine and biology, establishment of a number of productions with the use of deep vacuum and weightlessness.

In addition to this, considering the accumulated experience, specifically the recent success in the exploration of Halley's Comet, it is expedient to develop exploration of outer space and celestial bodies by geophysical methods and by means of automatic interplanetary stations...

Proposing such projects, the Soviet Union believes that these projects should incarnate the best accomplishments of the world's engineering thought, should be the result of equitable and really mutually beneficial co-operation of all states, and should bring them real benefits with special regard for the requirements of developing states.

In our opinion, it would be realistic and fair that the major means for the implementation of such international projects should be earmarked by the space powers and other economically developed countries; developing states could participate in these projects on easy terms, and the least developed could receive scientific and technological results of the work as aid for the aims of their development. The Soviet Union declares its readiness to exchange its accomplishments in outer space, to launch peaceful space vehicles of other countries and international organisations with Soviet carrier rockets on mutually acceptable terms.

Second Stage (material preparations). This would embrace the first half of the 1990s. It will deal with designing and creating space systems under agreed-upon projects. The transition to

(Continued on Page 289)

Nikolai Ryzhkov's greetings to conference on sanctions against South Africa

MOSCOW, June 15, TASS:

"GUIDED by the principles of democracy and humaneness recorded in the UN Charter, the international community has set as one of its first priority goals to eliminate the racist regime in South Africa based on the policy of apartheid. The incompatibility of apartheid with the norms of human ethics and international law is obvious.

"But despite the mounting indignation of all upright people, apartheid continues to exist. Moreover, the number of victims of terror and repressions, by which the Pretoria racists try to suppress the mass actions of South Africa's population who strive for elementary human rights, is growing"

SOVIET GOVERNMENT STATEMENT

ON June 5 this year, unarmed merchant ships of the Soviet Union and Cuba unloading in the port of Namibia in Angola were the targets of a pirate attack. According to a report from the Angolan authorities, the Soviet ships were damaged and the Cuban vessel sunk. The trail of that act of sabotage leads back to the Republic of South Africa. The racist South African regime has undertaken an act of terrorism which may have far-reaching and dangerous consequences.

This sortie, which followed the recent raid on the capitals of Botswana, Zambia and Zimbabwe, signals an escalation in Pretoria's aggressive actions. Acts of international terrorism directly aimed against human life cannot be tolerated by the international community. Those who embark on the path of terrorism, of flouting the generally accepted norms of international law, including freedom of navigation, should realise where this may lead.

One cannot help seeing that the aggressive policy pursued by the Republic of South Africa vis-a-vis the neighbouring African states and other members of the international community heightens international tensions as a whole. Responsibility for this is also shared by those who patronise the Republic of South Africa, above all the United States.

A good opportunity presents itself to the United States, which vociferously advocates eradication of international terrorism, to show its worth in action, to contribute to putting an end to the terror and violence perpetrated by the Republic of South Africa. It is absolutely obvious that Pretoria has taken as direct encouragement to continue this policy the veto by the USA and Britain on the draft resolution proposed by the African states to the UN Security Council, in connection with the recent act of South African aggression against the three "frontline" states.

The Soviet Union most categorically condemns the actions of the Republic of South Africa, which create a threat to the cause of peace and international security, and demands that an end be put to them immediately. Responsibility for the act of terrorism in the port of Namibia in Angola is borne by the Republic of South Africa. Actions of this kind cannot be left unpunished.

(Pravda, June 9. In full.)

This is stated in a message of greetings sent by Nikolai Ryzhkov, Chairman of the Council of Ministers of the USSR, to the participants in a world conference on sanctions against racist-ruled South Africa. The conference is being convened by a decision of the UN General Assembly and will be held in Paris on June 16-20.

"The South African regime defies the whole world by refusing to grant independence to Namibia which is illegally occupied by it and by resorting to direct aggression and subversive actions against Angola, Mozambique and other independent African countries," the message emphasises. "The recent raids on Zambia, Zimbabwe and Botswana by the South African military confirmed once again that the regime poses a serious threat to universal peace and security."

"The raids again showed something else: the US Administration, while in words condemning the actions of South Africa, in actual fact takes it under its direct patronage, hinders the application of effective international sanctions and virtually encourages Pretoria to stepping up violence inside the country and to escalating the policy of state terrorism. The double standard which has become characteristic of the US foreign-policy course is manifest."

"The Soviet Union holds that the explosive situation which has developed in the south of Africa calls for an urgent political settlement," the message points out. "The line towards intensifying a collective search for ways to

unblock the conflict situation in the south of Africa is the course outlined by the 27th Congress of the Communist Party of the Soviet Union (CPSU). We are ready for such intensification. But the Pretoria authorities should abandon the policy which they pursue and at last grant independence to the Namibian people. The application of all-embracing and mandatory sanctions against the racist regime of the Republic of South Africa in accordance with the provisions of chapter 7 of the UN Charter would be an effective step on the way to eliminating the abominable system of apartheid, and would promote the establishment of peace and stability in the interests of all peoples of the region, including the white population of South Africa," the message says.

"Mankind is living through an exceptionally important period in the history of its development. It should make the choice: whether the world will continue to follow the path of increased confrontation and continuation of the absurd and dangerous arms race, or whether reason will finally triumph, the back-breaking burden of the stockpiled arsenals of weapons of mass destruction be thrown off and animosity and suspicion between peoples be surmounted, and they are able to get rid for ever of such disgraces as colonialism and racism."

Nikolai Ryzhkov expressed the hope that the conference through its decisions would bring nearer the elimination of the racist regime in South Africa and would contribute to building a more humane, just and secure world. □

USSR Foreign Ministry press conference

MOSCOW, June 10, TASS:

"THE Pretoria rulers, in contempt of international law and norms of civilised conduct, do not stop at bandit attacks on neighbouring African countries, and commit acts of state terrorism," said Vladlen Vasev, a representative of the Ministry of Foreign Affairs of the USSR.

He was speaking at a press conference for Soviet and foreign newsmen in Moscow today.

"The crimes of the racists have been assessed in a series of recent statements by the Soviet Government. The Soviet Union strongly denounced the aggressor and demanded an end to terror with respect to independent African countries. The statements emphasised that full responsibility for such actions, if they are continued, would rest with the Pretoria rulers. They are strongly mistaken if they hope that with the help of incessant acts of aggression and violence they will attain their aims—scare the free countries of Africa, make them give up support for the just cause of the patriots of South Africa, and subordinate the people in those countries to their will."

In this connection, the representative of the Ministry of Foreign Affairs of the USSR said that the Soviet Union whole-heartedly supported the statement issued in Harare on May 20 by foreign ministers of the "front-line" states. "They have not wavered before the aggressor," Vasev said, "they have shown steadfastness and courage, and rallied their ranks even closer.

"Demanding the immediate termination of the

aggressive policy pursued by the racist regime of South Africa, the Soviet Union believes that it is in the best interest of the peaceful future of this planet to fulfil the demand of the international community on the introduction of comprehensive mandatory sanctions against the South African racist regime in compliance with the Charter of the United Nations. As is known, this matter will be discussed by the world conference that will soon open in Paris next July 16."

"We hope", Vasev said, "that the joint efforts of the countries participating in the conference can secure the adoption of effective decisions on the question of sanctions against the racist regime of South Africa.

"The Pretoria racists could not have possibly acted in such a challenging manner if they had not enjoyed the patronage of some Western countries, primarily the United States and Great Britain. By shielding the aggressor, including in the United Nations Security Council, they reveal their real image—that of accomplices of the apartheid state and enemies of free Africa."

"The Soviet Union is steering a constructive course in southern Africa," Vladlen Vasev continued. "It stands for improving the entire political situation in that region through ensuring the effective security of independent African countries from encroachments made by imperialist and racist forces. The Soviet Union favours an intensified collective search for ways to settle the conflict situation in southern Africa.

"The USSR is prepared to begin the drafting of relevant measures without delay, at one with all those who stand really, and not merely in words, for freedom, justice and peace in southern Africa," the Foreign Ministry representative stated. □

Meeting of the Political Bureau of the CPSU Central Committee

MOSCOW, June 13, TASS:

AT its meeting today the Political Bureau of the CPSU Central Committee discussed the main indices of the state plan of the country's economic and social development in 1986-1990, drafted in accordance with a decision of the 27th Party Congress. The drafting of the plan has been completed by the Council of Ministers of the USSR.

As was noted at the meeting, the 12th five-year plan embodies the strategy of accelerating Soviet society's development worked out by the April 1985 plenary meeting of the CPSU Central Committee and approved by the 27th CPSU Congress.

The draft plan is oriented at raising the rates and efficiency of the economy's development, ensuring a further growth of the Soviet people's living standards and maintaining the country's defences at the proper level. With these aims in view it is intended to place the national economy resolutely on the intensive road of development on the basis of scientific and technological progress.

Having considered the report of the Soviet delegation which had participated in the latest regular meeting of the Political Consultative Committee of the Warsaw Treaty countries in Budapest on June 10-11, 1986, the Political Bureau noted the importance of the collective analysis of the emerging international situation by the top leaders of the allied countries.

The main cause of that tense situation is the dangerous foreign policy course and the imperial globalistic ambitions of the US Administration, which refuses to act in the spirit of the Geneva accords or respect the will of the peoples. In these difficult conditions, the fraternal countries stand for the preservation and expansion of political dialogue and consider it their duty to continue to look perseveringly for opportunities to limit armaments, to improve the international situation and to promote constructive co-operation among states. This principled line was laid down by the resolutions of the congresses of the ruling parties, which defined realistic ways for building a safe world.

The meeting backed the Soviet Union's programme for the total elimination of weapons of mass annihilation, the concrete steps towards

ending nuclear tests and the position of the Soviet delegation at the Soviet-American talks on nuclear and space armaments.

The programme for the large-scale reduction of the armed forces and conventional armaments in Europe, adopted by the Political Consultative Committee, has become a major new contribution to the struggle to end the arms race.

The meeting reaffirmed the importance of the further consolidation of the defensive military-political alliance of the socialist countries and the development of their co-operation in various spheres.

The importance was stressed of ever more vigorous interaction in international affairs, and in the elaboration and implementation of the coordinated foreign policy course directed at ensuring security, eliminating the threat of nuclear war and strengthening universal peace.

The Political Bureau considered and approved the results of the friendly visit of Mikhail Gorbachyov to the Hungarian People's Republic and his meeting with Janos Kadar, General Secretary of the Hungarian Socialist Workers' Party (HSWP), and with other Hungarian leaders. The Political Bureau noted with satisfaction the complete identity of views of the CPSU and HSWP on all present-day principled questions of the development of socialism and improvement of co-operation between the fraternal countries. The meetings and conversations in Budapest, which passed in an atmosphere of cordiality and friendship, in the spirit of an in-depth analysis and exchange of views on urgent questions of the domestic development and foreign policy of the two countries, give new impetus to the fruitful Soviet-Hungarian co-operation which is in line with the vital interests of the peoples of the Soviet Union and Hungary. Instructions were given to Soviet Party, state and economic bodies concerning the translation into life of the agreements arising from the results of the visit.

The meeting of the Political Bureau of the CPSU Central Committee discussed and passed decisions also on some other questions related to Party and state development and to the pursuit of Soviet foreign policy. □

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exploitation of these or other systems would be done as soon as they are ready. Certainly, the efforts and means could initially be concentrated on priority projects, considering specifically the possibilities of early ensuring their paying back and using the experience accumulated for the solution of the subsequent tasks.

The comprehensive use of space systems in the global study of the condition of the biosphere of the Earth, in order to elaborate and carry through concrete measures for its preservation, would be one of the main tasks. In other words, on the threshold of the third millennium the states would pool their space accomplishments to save the planet Earth.

Activities of the World Space Organisation would start broadening. It would get down to coordinating national space exploration plans, establishing exchange of results of space activities, rendering assistance to countries, particularly those making the first space exploration steps, in getting a place for their instruments and organising experiments at space objects of other countries, encouraging broad-scale joint space projects. The World Space Organisation would establish links and co-operation with other international organisations which carry out projects in peaceful uses of outer space. Coordination of activities of specialised international programmes in ensuring the utmost rationality and efficiency of all co-operation on a global scale would be one of the main functions of the World Space Organisation.

Third Stage (implementation). All areas of co-operation would be filled with materially tangible content by the year 2000. Launchings of appropriate spacecraft would be gradually implemented, the functioning of relevant ground systems organised and specialised programmes in various spheres of space technology application would start operating on the self-repayment principle, yielding practical returns.

This would promote creating the organisational and material infrastructure for a whole number of major projects on joint construction of spacecraft, including orbital stations and platforms for scientific and commercial undertakings, interplanetary manned spaceships for practical exploration and use of the moon even in

the first decades of the 21st century, which could also be used as a base for flights to other planets.

In other words, as a result of implementing the programme proposed by the USSR, near-Earth outer space would be used, by joint efforts, also in the interests of all the peoples on the Earth, and this would create real prerequisites for turning the terrestrial civilisation into an interplanetary one from the very beginning of the third millennium.

III

It is a logical and necessary step to set up a World Space Organisation (WSO) so as to coordinate efforts of states at a qualitatively new stage of co-operation in space exploration, including the implementation of major material projects.

The Soviet Union regards the WSO as a universal inter-state organisation with its own charter in the form of an international treaty, associated with the UN through an agreement on co-operation. It would coordinate the implementation of specialised programmes. The organisation would be financed primarily by countries possessing large space potentials and by other economically developed states.

The WSO's efforts would be directed towards peaceful exploration of outer space and control over observance of agreements on preventing the spread of the arms race to it, as they are concluded. To exercise such a control, it would initially use technical facilities granted by space powers, and later its own facilities.

The WSO would promote a possibility for all states to use in practice the achievements of space science and technology for the purposes and needs of their social and economic development, and would help developing countries become direct participants in the great process of space exploration.

* * *

This is the concrete 'Star Peace' programme proposed by the Soviet Union to the world community, which firmly believes that the terrestrial civilisation should enter the 21st century with this programme and not with the insane 'Star Wars' plans. □

Academician Velikhov's interview on Chernobyl

MOSCOW, June 13, TASS:

"WORK is under way at the site of the Chernobyl nuclear power plant to entomb the crippled No. 4 reactor," Academician Yevgeni Velikhov, Vice-President of the Academy of Sciences of the USSR, has stated in an interview with the Soviet national TV news programme *Vremya*.

Academician Velikhov, who returned from Chernobyl yesterday, said that the level of radiation in the zone of the nuclear power plant had dropped substantially.

The necessary precautions were taken in the area of the No. 4 unit—one more barrier was built under the crippled reactor.

"Specialists", Academician Yevgeni Velikhov said, "can already approach the reactor, naturally taking the necessary safety measures. A specialised organisation is about to complete its work on the design of a burial mound for the reactor. Efforts continue to deactivate the territory around the reactor." □

Open letter to US President Reagan from Patriarch Pimen of Moscow

Patriarch Pimen of Moscow and all Russia has sent the following open letter to President Reagan of the United States:

Your Excellency, Dear Mr President,

We the children of the Russian Orthodox Church and all Christians of the Soviet Union are particularly conscious of the great responsibility of religious people these days for the preservation of the sacred gift of life against nuclear disaster.

Jesus Christ, having made peace through the blood of his cross, reconciled all things unto himself, whether they be things on Earth, or things in heaven (Col. 1.20), made in himself one new man, so making peace (Eph. 2.15). He told us Christians to fulfil God's calling—to arrange concord and peace on Earth (Matth. 5.9). Seeking this, we embrace in our hearts a sacred desire, about which we continuously pray, that the peace of Christ—an all-embracing peace, which expresses the fullness of peace among people—should more and more determine relations between nations, so that these relations should be built on principles of brotherhood and justice.

The holy writ tells us that man bears before God responsibility for the condition of what the creator entrusted to him for solicitous care: to dress it and to keep it (Gen. 2.15). Awareness of this is heightened today by the fact that recent decades have revealed how unpredictably destructive can be the forces which man seeks to control and which he uses at present.

Scientists of our two countries have convincingly shown that in the event of a nuclear conflict even a small number of nuclear explosions would so radically alter the climate and conditions of life on Earth that this would entail the death of people and all living things. This brings us to the idea of the special danger of such doctrines used in international relations as nuclear deterrence, nuclear containment and preventive nuclear strike, for they justify and lead to a multiplication and improvement of nuclear weapons, erode the moral foundations of international relations, and increase the likelihood of an accidental nuclear conflict. We are convinced that the striving for nuclear supremacy, underlying these doctrines, is not the way to guarantee security for the countries that adhere to this. Nuclear weapons can be likened to a boomerang which is sure to return to the one that sent it.

We also know that manufacture and even stockpiling of nuclear weapons constitute a great danger, for they may lead to unforeseen and tragic consequences.

Hence the universally widespread and quite justified conviction that life on our planet can be preserved only if all nuclear weapons are removed from the face of the Earth. From our religious point of view any step, any effort in this direction is blessed and accords with God's will.

For this reason we warmly welcome the efforts of those political leaders who persistently seek to cleanse the Earth of the filth of nuclear weapons, to keep intact the heavenly firmament, and to create a new moral atmosphere within nations and between states, in which, we are confident, it will be possible to find peaceful solutions to all international problems, to exercise truly brotherly co-operation between all peoples and to achieve the cherished goal of providing for all people a way of life worthy of man, the crown of creation.

We therefore greet the decision taken by the government of our country to establish a moratorium on all nuclear tests, a moratorium

which has been in effect for ten months and which, to our bitterness, still remains unilateral in spite of the fact that it is precisely nuclear blasts that are clearing the way to the development of ever more refined weapons, which even you Mr President consider among the most threatening to the human race.

We are struck by the fact that nuclear detonations on the Nevada range are the answer to the moratorium, which has been a brave step taken by the Soviet side. How can this be reconciled to your adherence to the teaching of our Lord and Saviour about love for God and for man, about seeking peace on Earth, something you never stop speaking about.

Neither do we understand the reason for your failing to give a positive answer to the proposal of the USSR that an international treaty be drafted and adopted, banning nuclear weapons tests and establishing proper mutually acceptable verification of compliance with it.

There is equally no explanation why you failed to give a positive answer to the proposal made by Soviet leader Mikhail Gorbachyov to meet you without delay in order to agree on this vital issue. "Seek peace and follow him," calls the prophet and psalm-singer David (33.15) and who but state leaders responsible for the destinies of nations should show resolve and consistency, boldness and goodwill in creating much-sought peace between nations, an expression of God's peace on Earth, about which the holy apostle Paul says that it "passeth all understanding, shall keep your hearts and minds through Christ Jesus" (Phil. 4.7).

We also wholeheartedly welcome the scientifically substantiated large-scale programme for the stage-by-stage reduction of nuclear weapons till their total abolition by the end of this century, likewise offered by our state.

This programme is "imbued with a high moral meaning, is designed to create a new moral climate in international relations, to accord with a new political thinking which comprises the keen awareness of responsible statesmen for the destinies of peace, for establishment and promotion of confidence in relations between nations and states, for overcoming the stereotypes of enmity and confrontation between countries belonging to different social systems" (a message of the Holy Synod of the Russian Orthodox Church on war and peace in the nuclear age, 2.37).

ANDREI GROMYKO MEETS DOBRI DJUROV

MOSCOW, June 12, TASS:

ANDREI GROMYKO, member of the Political Bureau of the CPSU Central Committee and President of the Presidium of the USSR Supreme Soviet, received in the Kremlin today General of the Army Dobri Djurov, member of the Political Bureau of the Central Committee of the Bulgarian Communist Party and Minister of People's Defence of the People's Republic of Bulgaria, who arrived in the USSR today on a friendly visit.

In the course of the conversation both sides spoke highly of the meeting of the Political Consultative Committee of Warsaw Treaty member-countries, which ended in Budapest yesterday. The documents adopted at the meeting confirm with new force the fact that the Warsaw Treaty member-countries are aware of their tremendous responsibility, both to their own peoples and to the whole of mankind for the

We deeply regret that this proposal too has not yet received a worthy assessment and support on your part, or been countered with a reasonable proposal of your own.

The latter circumstance is all the more depressing since it seems you cannot but agree that the solution of the nuclear disarmament problem will decide whether we shall see the 2,000 anniversary of the coming of the world of our Lord Jesus Christ on a flowering Earth, expressing God's glory, or in a scorched and lifeless desert.

The proposals concerned also include plans to eliminate barbarous chemical weapons of mass annihilation. This proposal has likewise failed so far to evoke your positive response. What is more, it is known that your country has sanctioned the manufacture of a variety of chemical weapons—binary weapons.

It will not be rhetoric if we exclaim: where, Mr President, is the limit to this thirst for armaments? What are the means that can arrest this insane movement towards the triumph of death? How has it happened that love has been lost for fellow creatures, for neighbours, when we Christians regard every human being as such, without which, as the apostle Paul said (1 Cor. 13), all other spiritual gifts are nothing?

We recall the summit meeting of November last. Christians in the US and the USSR accompanied it with a special prayer directly in Geneva. Many Christians, believers in other religions, all over the world prayed for its success. That summit raised hopes for a world without nuclear weapons, for a world which will satisfy the needs of hundreds of millions of people struggling to survive and yearning for justice.

We do not abandon this hope and call upon you to keep the spirit of Geneva and follow the accords reached there, on whose observance depends the future not only of our countries but of the whole of humankind.

May your guidance be truly conducive to the achievement of relations of friendship and peaceful coexistence between our two great powers, for the benefit of other peoples in the world.

Respectfully yours,
Pimen,
Patriarch of Moscow
and all Russia.

(Novosti Press Agency, June 16, 1986) □