

Mikhail Gorbachev's report to the 28th Congress of the CPSU

There follows the full text of the political report of Central Committee of the CPSU to the 28th Party Congress and the Party's tasks delivered by Mikhail Gorbachev, General Secretary of the CPSU Central Committee on July 2:

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To Advance Further Along the Road of Perestroika

COMRADES, in five years we have made a revolutionary stride in all spheres of life, and this has enabled us to reach the main watershed. The issue today is this: either Soviet society will go forward along the path of the profound changes begun – and then, I am convinced, a worthy future is in store for our great multi-national state, or else forces opposed to perestroika will gain the upper hand – and then, let us face the facts squarely, dismal times are in store for the country and the people.

This will, therefore, be a time of blunt speaking. Assessments and conclusions cannot be put off. We have to, as they say, "dot our i's" on all the cardinal issues of the present stage of perestroika, which were at the core of the pre-Congress discussion.

Was the turn begun in April 1985 warranted?

What do we today imply by the term "socialism", and what are the principles we intend to be guided by in domestic and foreign policy?

How are the crisis phenomena, which are affecting the people's life and causing justified dissatisfaction, to be overcome?

What is the destiny of our homeland, and how are we going to build up a union of sovereign states?

What is the role of the Party in the new conditions? What is it to be like politically, ideologically, and organisationally?

What do we have to do to revive the CPSU as a revolutionary organisation of the working people, enjoying the nation's trust?

On the Current Situation

The situation in which our society finds itself today is a topic of heated debates, disquiet and even mutually exclusive evaluations. It is in the current situation, if you like, that all our apprehensions and concerns are rooted. It is here that the answer lies to the question of what we have to do and how we must shape our further lives.

The distinctive features of the current situation can be understood correctly only through an analysis of the scale and diversity of the changes that have taken place in society in five years. Revolutionary changes have indeed occurred in the country, and we must see the whole picture of the transformations.

The Stalinist model of socialism is being replaced by a civil society of free men and women.

The political system is being radically transformed, genuine democracy is being established, with free elections, multi-party system, and human rights, and real government by the people is being revived.

Production relations that caused the alienation of the working people from property and from the results of their work are being dismantled, and the conditions are being created for the free competition of socialist producers.

The process has been initiated to convert our over centralised state to a genuine union based on the self-determination and voluntary association of peoples.

The atmosphere of ideological domineering has been replaced by freedom of thought and glasnost, by an openness of society to information.

New political thinking has helped us to see anew and realistically assess the world around us, it has rid us of a confrontational approach in foreign policy. The USSR has become a country open to the world and to co-operation, generating not fear, but respect and solidarity.

After April 1985 we told people the truth, swept aside false arrogance, and admitted that we had been unable to assure them a worthy life in practical terms. We firmly condemned the crimes of the authoritarian bureaucratic system. We restored the good names of many thousands of people who had been the victims of illegal repressive measures.

All this has produced a real revolution in people's thinking. Life has become fuller, richer in content, more interesting. But it has become neither simpler nor easier.

Differing political trends have arisen, interacting, and opposing one another. The interests of the most diverse groups and sections of the population have been set in motion and come into conflict.

Perestroika has enabled people to regain a sense of dignity, but it has also made them more exacting towards living standards, and has given rise to great expectations of speedy changes for the better. The Soviet citizen of today no longer accepts what he meekly tolerated in the past. He reacts with understandable alarm and anger to the negative phenomena that, like foam on the surface, accompany the turbulent and basically healthy process of perestroika.

Hence the confusion in people's minds, the agitation, the spontaneous strident forms of discussion, the flood of accusations and claims. There have been plenty of them lately, at the Congress of the RSFSR Communist Party included.

We, comrades, will not move forward in analysing the situation if we ignore a substantial contradiction inherent in it. On the one hand, what we are doing is fundamentally changing society and will determine its shape in the coming years and decades. On the other hand, we face a mass of unsolved problems, which impose a burden on the everyday life of the people.

It is important to understand the dialectics behind this. We cannot evade the question why has the process of perestroika, which began successfully and which – in historical terms – has already given society so much, failed to cure many of its diseases? In some respects, the situation has even worsened. First and foremost, this applies to the consumer market, but also to the economy as a whole, public order, and inter-ethnic relations.

A clear and well-founded answer to the question why this has happened is important for formulating conclusions as to what and how should be done next. It is also essential in order to fortify people's faith in perestroika. After all, voices can now be heard – even more – this is now something like an attitude – claiming that perestroika is to blame for all our present troubles.

Excuse me for my being blunt, but that is simply nonsense. And this talk is prompted by an unwillingness or inability to face up to the facts, which are there for all to see. Or may be they say so to obtain certain objectives.

It was an extremely grim legacy that we inherited. Let us jointly recall and consider the facts.

Take the neglect in the countryside, in farming, and in the processing industry. Did it arise yesterday, after 1985? Yet it affects the food situation to this day as well as farmers' life and position.

Or the sorry state of our forests and rivers, the millions of hectares of fertile land flooded as a result of the former policy in power generation. Are these deeds of the past few years?

The grim ecological situation – over 100 cities in a disaster zone, with over 1,000 industrial establishments brought to a standstill as a result; the drama of Lake Baikal, the Aral Sea, Lake Ladoga, and the Sea of Azov; Chernobyl and other accidents, the disasters involving railways and gas pipelines. Are not all these the consequences of a policy pursued for decades?

Did not the structure of the economy, in which a mere one-seventh of the industrial assets serves to produce consumer goods, arise back in

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the 1930s to survive ever since?

Or take the problems of the Kuznetsk Basin, the Donets Basin, Tyumen, Vorkuta. The plight of the social sphere there took shape over decades!

Or consider everything that has erupted today in inter-ethnic relations. Is it not rooted in the past?

Not to speak of the militarisation of the economy, which swallowed colossal material and intellectual resources, moreover the best that there were. Or the irreparable human losses due to the war in Afghanistan.

Let us be impartial and let us stick to principle. In matters of high politics it is wrong to succumb to petty passions. That is why it is impossible to agree when it is said that the past has been blamed enough when all problems are attributed to perestroika. Yes, it is our job to set things right, change them for the better, improve the life of Soviet people. Yet, it is wrong to assert that all these are consequences of perestroika.

By blundering in our assessments, we might also blunder in our actions, in our practical work.

In speaking of all this, comrades, I certainly do not want to mitigate assessments or conclusions concerning the activities of the Central Committee, the Political Bureau or the communists working in Party, government and economic bodies in the republics or locally.

There are many things we could have foreseen and there are negative processes, above all, in the economic and social sphere, in inter-ethnic relations, in the sphere of culture and ideology, whose development we could have prevented.

The Political Bureau does not deny its responsibility for these errors.

In the course of this report, I intend to speak of this in greater detail when dealing with specific matters. In the agenda we have provided for reports by members of the Political Bureau, alternate members of the Political Bureau, and Central Committee secretaries. Delegates will thus have a chance to obtain requisite information about the work of the governing bodies of the Party.

But, as I see it, the Congress has gathered not to pass hasty judgement. We need to continue analysing the reasons, and correctly evaluate the situation in which the country found itself when the need for revolutionary changes arose before us.

Moreover, the changes were pressing because the country was gathering speed in lapsing into a second-rate state. By the early 1980s it had become clear that our apparent well-being rested on a savage, wasteful use of natural and human resources. Indeed, it may be said candidly that we would very soon have been in dire straits with unpredictable consequences.

We must also look thoroughly into the work we have done in the five years after the 27th Congress of the Party.

For a correct understanding of the current situation it is above all essential to bear in mind the incompleteness of perestroika itself. We are in a transitional period, in which the dismantling of the old system – and still less the building of the new one – has not been completed.

We must therefore act more resolutely, because any delay is sure to aggravate the situation in the country.

One of the serious reasons for the difficulties we are encountering in many fields is the resistance to change put up by the bureaucratic stratum in the managerial structures and by the social forces associated with it.

When we were embarking upon perestroika we of course realised that it would inevitably affect the interests of those who held the actual power and who administered society's wealth in the name of the people.

This applies to some extent to the present posture of some of the leading cadres who prefer the old and are in substance quite incapable of integrating in the reform processes, and who,

moreover, refuse to accept them either politically or psychologically.

But at this point we must agree that unless the posture of these people is not rectified – and they exist, as I have already said, in the administrative structures at all levels – the reform processes are sure to run into difficulties.

The attitude of the CPSU is of fundamental significance. It stands to reason that we must not simplify our assessments or conclusions, and much less persecute any of the cadres. There always were and are skilled specialists among them, who have done plenty of useful things for the country. They are now too devoting their intellect and talent to the cause of perestroika, and many of them have achieved outstanding results – I speak here not of dozens, not of hundreds, but of thousands of people.

But now I am referring to those who stubbornly cling to the past, who are holding back the renovation of society and obstruct the changes taking place in society. More, they try to justify their conservative posture under the pretext of promoting the people's interests, the purity of ideological principles.

Accomplishment of the tasks of perestroika is seriously impeded by the increased activity of nationalist and all sorts of destructive forces which are trying to use the energy of the people for their own selfish ends and which do not even shrink from destabilising the situation for this purpose. This is why conflicts emerge here and there.

Nor should one turn a blind eye to the emergence of forces in society, that are pushing us towards a bourgeois system and are linking the solution of current problems with the country's transition to the capitalist tracks.

At present, when we are entering the decisive phase of change in all spheres of society, we cannot fail to call attention to yet another phenomenon – the interaction of the most extreme of currents, of various destructive, extremist forces. They are even uniting in order to confuse the people and push us from the main direction of perestroika.

But that, too, should be understood by us because, as we come to the stage of decisive transformations, the Party thereby assumes the strategic initiative of reform and again acts as society's consolidating force offering far-reaching solutions in the interests of the people.

In general, comrades, as we assess the current situation and try to understand the reasons for the critical developments, we should be aware of the fact that there is a junction, as it were, between the past and the present, and of the contradiction of the transitional period and the intricate interlacing of interests, political designs, and of objective and subjective factors.

I should only like to stress that there is an appreciation both within the Party and within society of our having to unite all sound forces and emerging as quickly as possible from this difficult period of development. I think that our perestroika may fail only if someone succeeds in splitting the democratic forces that are firmly committed to its principles.

What we need is an interconnected complex of practical and effective economic measures in the context of the ongoing economic reform. We need urgent measures to stabilise the political and social situation in the country, and to tighten legality and ensure law and order.

We must now, without delaying a single day, draft a new treaty of union that will become the basis for deep-going transformations of our multi-national state.

We must give top priority to resolving the food problem and improving supplies of manufactured goods for the people.

It is on these vital tasks that all Party branches must concentrate their efforts.

We must do everything to enable perestroika to develop as a peaceful revolution, elevating the country within the socialist choice to a new status without upheavals, whose chief victims are always the people. We have to create all the

democratic conditions necessary for government to be exercised by genuinely talented people, committed to perestroika, expressing the spirit of the time, mass sentiments and capable of getting the job done.

What we need more than ever before is the highest possible degree of harmony in society. This is no time for ultimatums and conflicts, or for ill-considered actions that divide people and only aggravate the situation. There is now a growing feeling in favour of joining efforts.

In this context I would like to appeal from this rostrum to the collectives of miners to support this mood in society on the understanding that the work of solving the problems they have rightly raised will be seen through to the end.

This, comrades, is a brief exposition of the current state of affairs in the country.

The Policy of Perestroika: Experience and Prospects

Comrades, one of the fundamental principles of the strategy formulated by the 27th Party Congress was the requirement for a social reorientation of the economy, for it to face the human being.

What has been accomplished in this respect? First of all, structural policy has been amended. This has had the result that in the current five-year period the growth rates in the industries producing consumer goods have become much higher than in the industries turning out means of production.

To use our commonly accepted terminology, group **b** is for the first time ever developing more dynamically than group **a**. Investments have begun to be rechannelled into the sphere that directly concerns the human being, into industries that work for the human being. This trend is extremely important to our enormous economy, and we must do everything not just to consolidate it but to give it a further impetus.

In the work to carry out the five-year plan additional steps were already taken to overcome the principle of using leftover funding for the social sphere.

In four years 34 billion roubles were allocated in excess of the five-year plan targets for investments in non-productive construction. All in all, over 246 billion roubles were used for this purpose, and the average annual growth rate of non-productive investment nearly doubled: from 4.7 per cent in the 11th five-year period to 8.8 per cent in the current five-year period.

This is a rather substantial move. It will make it possible, over a five-year period, to complete 100 million square metres of housing more than in the previous five years. It is the first time we have attained such a scale of home building. The completion of other social and cultural amenities has likewise increased. The completion of schools in the country every year has on average, been 38 per cent higher than in the previous five-year period; pre-school facilities, 10 per cent; hospitals, 15 per cent; polyclinics, 38 per cent; clubs and community centres, 51 per cent; and shops, 7 per cent higher.

Let me single out the problem of providing the population with goods. The situation here is extremely difficult. I would subscribe here to everything that is said and will probably be said in these days on this subject and express solidarity with the most scathing criticism. But just fanning emotions won't increase the amount of goods. What is needed are sober assessments, well considered conclusions, and practical steps. That is what Soviet people expect of us.

What is happening here in reality? If we take the statistics – moreover making comparisons in physical rather than cost indices – we will see a definite favourable trend in many foodstuffs and other consumer goods.

For example, the mean annual grain production has been 26.6 million tonnes greater than in the previous five-year period. This is a substantial increment. Similarly, the production of meat in slaughter weight rose by 2.5 million tonnes,

and the production of milk, sugarbeet, and sunflower likewise increased, but indices are much lower here. So did the production of fabrics, knitwear, colour TV sets, tape recorders, refrigerators, washing machines, and other household appliances.

The conversion of the defence industries to civilian production is already beginning to yield its first results: in January through May this year the production of consumer goods in these industries registered an increase of 22 per cent.

While in the past the trade turnover increased on the average by 10-12 billion roubles a year, in the current five-year period it has been growing by 20 billion and last year the increase was 38 billion. There has been an increase in the consumption per head of the population.

All this is so. Yet at the same time the situation on the consumer market, far from becoming less strained, has in many cases grown more acute and become intolerable. I would say that this is a critical point in the socio-economic situation of the country. This has happened above all because cash incomes have been growing much faster than the production of goods. What are the reasons for this?

In the first place, when enterprises were granted more managerial rights and autonomy, rigid control over the relationship between the growth of labour productivity and earnings was removed. At many enterprises earnings substantially outstripped the growth of production.

Secondly, far from sufficient thought was given to all aspects of the expansion of the co-operative movement. Parallel with the useful things the co-operatives have been doing, there has arisen a channel for converting funds into cash. Moreover, we are talking here of billions of roubles.

Thirdly, the decisions on changing the situation and restoring order in capital construction were not fulfilled. The practice of dragging out construction continues, which pins down material resources instead of switching them to the market.

Add to this was the wages paid to construction workers employed on the unfinished projects. All this, too, totals billions of roubles.

Growth of cash incomes was naturally affected by the implementation of decisions for raising the salaries of school teachers, medical doctors, and other brackets, and also pensions and stipends.

As a result of all these measures, the cash incomes of the population just last year rose by 64 billion roubles as against the usual increase of 12-15 billion roubles. The same situation persists this year.

People naturally ask: could the mistakes have been avoided, and the negative economic tendencies prevented?

In any case – and this should be admitted – the consequences could have been far less painful if the government had approached the economic reform comprehensively, and had managed to stand up to the pressure of various industries and the old managerial structures that sought to keep their position and maintain the command methods of administration.

That was where the government should have had the help of the Political Bureau, where higher demands should have been set for it, and where it should have received support in its work. One should say that such signals came from society and from economic services, specifically, from the Central Committee's economic department. But, unfortunately, this was not done. Although discussions were held more than once, not all of what should have been done was done. That is why we bear direct responsibility for the aggravation of the situation on the consumer market, which complicated the entire situation in the country.

This is a serious lesson for our work. It is this that dictates the imperative need to accelerate and radicalise the economic reform. We can no longer tolerate the managerial system that rejects scientific and technological progress, new

technologies, that is committed to cost-ineffectiveness, and generates squandering and waste.

As before, the country is expending 100-150 per cent more material resources and 50 per cent more fuel and energy than the developed countries. A tremendous number of enterprises is in the red, and government subsidies add up to 23 billion roubles.

To say nothing of the colossal losses of grain, cement, metal, oil, mineral fertilizer, lumber, and many other resources. With a system of management such as this, the country cannot be rich and the people cannot prosper.

All this has to be resolutely changed, so as to achieve a considerable improvement of the people's living standard not in the distant but in the immediate future.

Thus, the very logic of perestroika and the dramatic social and economic situation in the country bring us face to face with the need for fundamental changes in the economic system.

What we are talking about is establishing a basically new model of the economy; a multi-sectoral model, with diverse forms of ownership and management, and with a modern market infrastructure.

This will clear the road to people's business activity and initiative, and create new and powerful motivations for fruitful work, for greater economic efficiency.

We had set this objective in the opening stage of perestroika. But it is only now that we can tackle the passage to a market economy, for we now have certain experience in working with new forms of management, have taken major steps as concerns political reform, and have enacted a number of crucial laws, notably on property, land, lease holding, and the like.

Certainly, much still has to be done to begin the passage to a market economy. And work is now under way to that effect.

It involves urgent measures to normalise the consumer market, freeze the surpluses of money, improve the state budget, and much else.

We are now facing the practical task of successfully completing the current economic year. Marshalling initiative and enterprise, all work collectives must do everything in their power for this year's economic results to exercise a positive influence on the country's social and economic situation.

What worries people when they discuss the problem of how to achieve the transition to a market economy is whether this might not depress living standards, cause social differentiation, and whether social justice and people's security will be assured.

These questions are asked by communists, they agitate everyone: those who work and those who have retired on pension, men and women, veterans and young people.

It was because they had not been properly dealt when the government programme was being framed that the programme evoked a very critical attitude in society. There has to be complete clarity in this.

First of all, concerning the market itself. It has gone through a thousand-year-long evolution from spontaneous barter to a highly organised mechanism. We have to reject voluntaristic approaches, learn to regulate economic processes on the basis of the law of value, and thereby create powerful new incentives for business activity.

Market conditions open up the possibility of realistically assessing needs and finding ways of satisfying them effectively, balancing supply and demand, and creating a normal environment for the development of production.

In general, we regard the market not as a goal in itself, but as a means of making the economy more effective and improving the standard of living. The market must facilitate a speedy solution of the problem of giving our economy a greater social orientation and gearing it to people's interests.

The market, in its contemporary

interpretation, rejects the monopoly of one form of ownership and requires a diversity of such forms, vested with equal economic and political rights.

State-owned enterprises, the collective ownership of a co-operative or joint-stock association, the work-earned property of the farmer, artisan, or family all serve to strengthen the democratic pillars of society, since the working people become genuine masters of the means of production and the results of their work, and have a personal stake in efficient performance and high ultimate results. Here there is no basis for exploitation.

This means that by moving towards a market we are not swerving from the road to socialism, but are advancing towards a fuller realisation of society's potential. It is this that underpins the conception of perestroika.

Needless to say, we cannot leave it to the market to implement major long-term scientific and technical projects, advance basic science, culture or national social and ecological programmes.

Nor should they be driven by crude administrative pressure; they should be regulated by taxation, interest rates, discounts and sanctions and customs tariffs. If the economic policy of the state is to be effective it must master the whole range of instruments of economic management.

The problems of introducing market relations have to be solved with maximum circumspection. What we need are legal acts protecting people's right to work and to a real choice of employment. The state must support those who want to work but are temporarily unable to find a suitable job.

Another important question is the differentiation of society by property. The socialist principle allows for property distinctions if they derive from the nature and amount of labour, from the talent, initiative, and creativity of the individual. But we are firmly opposed to any stratification that derives from unearned incomes or unlawful privileges.

Prices are a special question. After discussion at the Supreme Soviet of the USSR, the government is now revising its proposals in the light of the critical remarks addressed in the first place to the price-setting reform. Hopefully, an optimum solution will be found as a result.

I would like to stress, however, that revision of retail prices cannot begin without thoroughly considered mechanisms of social protection and, to be sure, the transition to a market economy cannot start with price hikes. This is absurd.

I think that criticism at the grassroots level and in the Supreme Soviet – I purposefully sharpen this issue because it was treated as a sharp one in society – demonstrated that the logic, tactics, priorities and sequence of steps towards a market have not been thought out well enough. As a result, the question of prices turned out all but the main one, as it seemed that this was almost the only measure with which to start the transition to a market.

This is the centerpiece of the package of market-oriented measures. We should do everything for the people to be confident that during this difficult stage in the transition to new forms of economic management and to new forms of economic life, the people will be socially protected and their interests guaranteed.

When going over to a market economy we must single out the measures that come first. Even today nothing prevents us from beginning to turn state enterprises into joint stock companies, from granting real freedom of enterprise, from leasing small enterprises and shops, and putting up housing, stocks, shares and other equities, as well as part of the means of production, for purchase and sale.

We must accelerate the formation of commodity and stock exchanges, and the banking reform, launch an interest rate policy, provide conditions for the emergence of competing enterprises and associations, and small- and

medium-sized enterprises, especially those that produce consumer goods.

As for the structures of management, they must be reshaped to suit the requirements of a market economy. Strategically, we must set out to eliminate industrial ministries, and reduce their number in the immediate future.

The economic activity of enterprises must be maximally separated from administrative control and departmental diktat.

Filling the sovereignty of republics and of local self-administration with a tangible economic content is of special importance for shaping society's new economic model.

Of late, tendencies of economic segregation have gained ground in the setting of mounting critical phenomena. Inter-regional economic ties are being broken, exchanges in kind are developing. These negative processes feed upon separatist ideas and are exploited by nationalist elements.

We would like to see in the new treaty of union a clear definition of the economic rights of the republics, and the principles governing their mutual relations within a single economic complex. The economic freedom of enterprises, however, must not be restricted.

Diktat of union ministries and departments must not give place to republican diktat, which is already the case. The economy must be based on direct ties between independent enterprises, those associations that enterprises and work collectives themselves want to establish.

The integrity of our economy is an imperative condition for the forming of a full-blooded union-wide market. Its strengthening and relief from monopolism is a task of paramount importance. The economic stake that the republics and regions have in integration is a constantly operating and promising factor.

I want to dwell on the environmental problem. The situation here is dramatic, and simply critical in a number of regions. Regrettably, the measures taken so far have not been very effective and have not halted the deterioration of the ecological situation in the country.

We should have a new approach to the problem. To begin with, the responsibility of the enterprises as such should be heightened, the rights and powers of the union republics and local self-administration should be set in motion to the full, and there should be the strictest governmental and public control over the observance of environmental protection legislation.

At the same time, coordinated action is required to protect nature. This, too, must be reflected in the treaty of union. The other objective is to marshal intellectual and material resources, and this also at international level, in a drive to salvage the Earth ecologically. All this should become an organic part of the national ecological programme being worked out.

Improvement of the Soviet economy depends to no small extent on how it integrates in the system of the international division of labour. It should be pointed out that tremendous activity was displayed in this sphere, and the more freedom is given to enterprises, regions and republics (we believe this is a correct way) the higher the activity, and the more new ideas are expressed. But let us analyse this process with much attention because it is not a simple one. Improvisations have already led to great losses. A lot must be done to modernise our economy, to develop new technologies, to heighten the productivity of labour, and to produce competitive goods.

But the main thing, I should say, is to work for the convertibility of the rouble. Until lately, we referred this to a distant future. Yet, the matter should not be put off.

We must have powerful export stimuli, and barriers for ineffective import and growth of the foreign debt. There must be mutually beneficial conditions for attracting foreign capital.

The passage to a market economy and establishment of ties with the world economy set high demands on our economic activity abroad.

We have dealt extensively with these issues of late, have defined the right political principles, and made substantial changes in this sphere through the government. But there have been many serious deficiencies of late in the work of foreign economic agencies, enterprises and associations to whom the rights were given.

Certainly, the overall situation has been affected by the sharp decline of world prices for raw materials, notably oil. This has nearly halved our foreign exchange revenue. The situation calls for a large-scale manoeuvre as concerned exports and imports.

However, this situation had its consequences, and we all felt it. So far as the modernisation of machine-building is concerned, we had to cancel agreements to purchase many types of equipment. This also affected the situation on the consumer market, because in the past we spent a considerable part of our hard currency on replenishing our market with consumer goods.

At present, the government is drawing up proposals for the entire set of problems related to economic activity abroad.

This applies to expanding ties with capitalist countries, and going over to world prices and settlements in hard currency within the framework of the council for mutual economic assistance. This also concerns revision and introduction of certain correctives in our co-operation with Third World countries.

All this is so, and the situation will change. But joining the world market and switching the Soviet Union into the world economy, calls for radical change in the thinking and the approaches of our executives, and for much knowledge, greater scope, and the skill of doing business is a new way.

However, the only thing our enterprises and institutions have done so far is to ask for three, five, ten per cent of our currency resources, so that they can sell them on the market and purchase what they need. At first sight, this looks simple and natural. One can do it during the initial stage, and we also did something of this kind. But if we think that this is the essence of the restructuring of foreign economic activities, then we understand nothing. We need to retrain specialists, change their way of thinking and become able to do business in a new way.

So far, we are obviously devoting too little attention to this aspect, which is holding up the reform of our country's economic activity abroad, and often leading to direct losses, as I have already said.

And one more thing: if our enterprises continue to mistreat everything we import to modernise our economy, if everything we acquire for hard currency with so much difficulty, lies around for years, spoils, and grows old instead of working for the market, we can hardly expect a turn for the better or the advantages that international co-operation can yield in the economic field.

In sum, swift, undelayed and resolute measures are called for here.

Comrades, The 27th Congress report and the March Central Committee plenary meeting posed the agrarian problem more sharply than ever before. It was dealt within the context of the destiny of the countryside and the peasantry. Those, indeed, are the keys to the food problem.

Specific measures of a technical or technological type have not been able to solve it. Today, this is quite obvious.

The fact that the Party has adopted the fundamentally new positions is the result of an uncompromising analysis of the history of the peasant question and agrarian relations, starting with the collectivisation and up to our time.

This had led to the conclusion that there must be changes not only in the agrarian sphere as such, but also in the approach to the peasant, to the countryside as a whole, and the mutual relations between the working class and peasantry, between town and country.

In substance, we have gone back to the basic

Leninist understanding of the agrarian question, which enabled us to work out new approaches to the social development of the village, to appreciate the need for equivalent exchange between the main sectors of the economy, and for radical change in property relations in the countryside.

Today, comrades, as we objectively assess the situation, we must admit that these fundamental decisions were not followed up with appropriate practical activity either at governmental or at republican and local levels.

I am aware why the mood of the agricultural workers today is so critical, so sharp and categorical. The countryside really needs far-reaching improvements both as concerns social well-being and material and technical facilities.

It is essential for the Congress to work out its stand on this score. We must acknowledge the need for powerful financial and material backing of the countryside, of the agrarian sector, as declared by the peasants at various public forums.

How to do this? Our usual approach would be to redistribute and allocate from the budget. This distributive method of administration is no longer acceptable.

The problem of reviving the countryside must be tackled by economic means – establishing equivalent exchange between town and country, giving economic and social priorities to the countryside and the agro-industrial complex as a whole, demonopolising industries that make agricultural machinery, and producing a system of machines that would meet the needs of the diverse forms of farming.

Requisite legislation and governmental decisions must be enacted to secure a substantial transfer of capital into the development of the countryside.

I suggest putting this issue before the Supreme Soviet of the USSR as a legislative initiative. Society must come to the aid of the village.

I should also like to stress that no other branch probably needs economic freedom and a true market economy as keenly as our countryside, our agrarian sector. And we should do our utmost to provide for this freedom.

The March Central Committee plenary meeting has defined radical remodelling of production relations in the countryside as a key task, without which there can be no economic freedom.

Today, we must declare again and again that no investments will help if economic relations do not change, if new stimuli of peasant labour are not introduced, if the peasant's situation is not altered and he does not become true master of the land. At this congress we must reaffirm our fidelity to the course mapped out at the March plenary meeting.

A few words here about a question that is the focus not simply of discussion, but of real speculation. I am referring to the collective and state farms. People go to the length of saying that the new agrarian policy puts in doubt their very existence. But its purpose is to give equal opportunities to all forms of farming.

Let each of them prove its viability and effectiveness. That is our position of principle. And we certainly reject the demand for "blanket de-collectivisation".

I am convinced that the collective and state farms which go about their business skilfully, which advance on the social plane and provide peasants with worthy living conditions, deserve every support. They will naturally remain an organic part of the renovated Soviet countryside.

Those collective and state farms, however, that have not put their hearts into their work for decades, that are in the red and live off subsidies, and whose management is obstructing the reform of property relations and the introduction of new forms of farming – those must undergo cardinal transformations.

And one more topical issue – that of the land reform. Let's be frank: the Land Act has not been working so far.

And not only due to the prevailing administrative structure, the posture of the managerial apparatus, but also to the old psychology, the petrified stereotypes which resulted from the peasant's depersonalisation, the working man's detachment from the land and the means of production, in a setting of guaranteed remuneration regardless of the end results.

Resolute measures are highly necessary. Certainly, no one is suggesting "blanket leaseholding" on the model of "blanket collectivisation". I hope it has not come to anybody's mind to set special tasks on the creation of lease-holding collectives. It would be the repetition of the tremendous foolishness that resulted in great losses and suffering which we still cannot overcome. The main thing is to create a mechanism that would make the land act work. People in agriculture, first of all the leaseholders, many of the managers and specialists, have raised this question most emphatically.

All hindrances should be put out of the way for those who wish to apply themselves to free farming. The land act must be abided by most strictly, and, I think, the new powers of the soviets should be used here above all. That is their immediate duty.

I want to announce that the progress of the land reform is to be examined at one of the next few sittings of the Presidential Council.

Comrades,

Inter-ethnic relations have deteriorated in the period under review, and especially in the recent past. We did not grasp the meaning of this promptly enough, and failed to see its dangers in good time. You may recall that the 27th Congress of the CPSU examined the matter as though it was long since settled and things were generally normal.

But, as they say, we were taught a severe lesson. We were not prepared for what happened when the serious problems that had long been accumulating behind a screen of apparent well-being, burst to the surface.

A lot of things have intertwined, and I would certainly avoid simplifying things. Perestroika and glasnost provided favourable conditions for the rebirth of the national identity. This is a positive process that can only be welcomed.

At the same time, however, it denuded problems and contradictions that derived from past mistakes in locating productive forces, in national cultural policy, in developing national languages and resolving social issues in some of the regions of the country, in their uneven development, and their demographic and ecological changes.

There were also historical and religious reasons. And, of course, we are now having to pay for the crimes committed in the past against entire nations.

Let's admit it that initially central and local authorities had treated these problems without due attention. All kinds of destructive forces – separatists, ranting nationalists, and corrupt elements – made the most of this.

The nationalities question and inter-ethnic relations reached extreme forms in a number of cases. There has been bloodshed and considerable loss of life on ethnic grounds. Refugees have appeared, with thousands of people being compelled to abandon their homes, to wander about the country, and suffering privation. All this is intolerable and rouses immense concern among people all over the country.

Justified demands are addressed to the authorities, calling for action to restore peace and accord in our multi-national state.

I am sorry to say that not all have stood the test of internationalism in these conditions. No few communists succumbed to pressure and failed to present arguments that would have convinced their people, the working people, on the danger of following the call of separatists and instigators of national strife. Yet there are more than enough such arguments.

And I believe that Party bodies have been legitimately criticised for faults in their political

work and for not being able to conduct it in the setting of deteriorating inter-ethnic relations. We have lost here much.

The requisite conclusions were drawn, and a platform for the Party's nationalities policy was worked out, publicly discussed, and thereupon approved by the September 1989 plenary meeting. The main thing is that it recognised the need for directing the processes of national revival along constructive lines in the interests of every nation and the country as a whole.

The nationalities question cannot be settled without continuing and deepening perestroika, which, for its part, can not count on success unless relations between the nations of our country are harmonised.

It seems to me that today we appreciate the substance of Lenin's views concerning the character and look of the union as a voluntary association of peoples with the same economic and political interests, united by history, better than at any other time.

What we lived through and reflected upon in recent times, has caused us to realise that the updating of the union cannot be confined to mere, even though highly considerable, extension of the rights of the republics and autonomies. What we need is a real union of sovereign states.

What I am referring to, in substance, is a national-state arrangement in our country that would enable us to unite the knots of conflict, to raise co-operation among our peoples to a new level, and multiply the aggregate political power of the union and its economic and spiritual potential in the interests of all those who have joined hands in our great union of states.

This will dependably ensure the country's security and enhance its international prestige.

For all this, human rights will retain priority over the interests of national sovereignty and autonomy. This must be entrenched in the constitutional fabric of the union and each of the republics.

Nor must we depart even an inch from this principle, which guides us on the international plane as well.

Work on a new treaty of union, which will encompass the entire set of questions related to a fundamental transformation of our multinational state, is already under way in the framework of a special commission set up by the Soviet of the Federation.

But if this is so and we are, in effect, acting in the right direction, and if we hope to secure a radical change for the better very soon, then it is probably right to appeal to all the peoples of the country now on behalf of our Congress that they should realise the folly of any further exacerbation of feelings in inter-ethnic relations, that they should halt the hand and repulse the instigators, whatever garb of honour and dignity they may have donned. To my mind, the people expect from us precisely this stand on the matter.

At present, as we embark on a succession of deep-going changes in our multinational state, we need tranquility, peace and co-operation in the interests of all nations. I hope that this appeal of our Congress will be heard in all parts of our great multinational country.

Comrades,

Much effort of fundamental importance has gone into the political reform. We realised the need for it as the processes of perestroika unfolded, when ongoing economic change ground to a halt because it came into collision with the old political system.

The Central Committee treated this in all earnest and started a substantial study of the entire set of problems. Here I would like to note the tremendous importance of the January 1987 Central Committee CPSU plenary meeting. It produced the first faithful analysis of our political regime, and of the place in it of the Party and the soviets.

That was when we spoke loud and clear about the need for implementing Lenin's conception of

people's rule.

It should be admitted, however, that the ideas of the January plenary meeting were variously received in the Party and in society, and that they were not duly elaborated upon and deepened. Most important of all, they were not followed up by any practical steps.

Now it is quite clear why this happened. The question of the responsibility of individual cadres was posed so acutely for perhaps the first time. This put a certain part of them on their guard, and affected their attitude towards the decisions of the plenary meeting. In these conditions, the Political Bureau was not always consistent and principled enough.

Life had again compelled us to raise the whole set of these questions, but this time under the pressure of the ongoing democratisation in the country. That was when the idea of holding the 19th Party Conference arose. The main item on its agenda was that of an all-embracing political reform.

By virtue of the principles worked out at the conference, we now have new institutions of authority from top to bottom, formed as a result of democratic elections. This may be described as one of the chief gains of perestroika, a most important advance in renovating society, without which we could scarcely have reached the new stage in society's revolutionary transformation.

Reforming the political system is a complicated process. The role and functions of Party, government and soviet bodies, and non-governmental organisations, is changing. Putting it bluntly, this is causing pain because it is affecting the interests of various social strata and groups, of the millions of people employed in government. And that is understandable.

Comrades,

Let me stress, however, that if we had not taken this road, the increasing politicisation of society might have become chaotic in character and fraught with explosive social consequences.

In the present conditions, when society is worked up and alarmed, our Congress will carry out its mission only if it acts responsibly, if it defines the immediate aims and tasks, a programme of actions that will consolidate society as well as the Party. This is no time for quarrelling but for advancing perestroika.

Now that the second stage of the political reform has been completed, we see the Party's task in facilitating the consolidation of the newly-created bodies of people's power.

Revolutionary changes are taking place at power, which are now gaining jurisdiction over much of what was previously handled by the centre. This gives them new opportunities, raises their responsibility for affairs, for the solution of socio-economic and other questions affecting every-day life of the people.

The status of the local soviets, too, is changing cardinally under the local soviets and self-administration act. They will now have large material resources at their disposal, which must be rationally used in the interests of districts and towns.

If we add that soviets now have a new legislative basis, new organisational forms, and that the structure and status of the apparatus of the soviets are changing radically, we will see that there truly are many vitally important problems.

We are all vitally interested in the establishment of new bodies of authority and the Party committees must in every way promote the processes of democratisation and assimilation by the soviets of their new powers.

The question of tightening law and order and legality is now in the forefront. People most categorically address the Party and the newly-elected bodies of Soviet power at various forums to halt the mounting crime wave, the anti-social acts, and to resolutely enforce the law.

The law must work everywhere, and we must not confine ourselves to merely stating this at our Congress. We have said so many times, but

so far matters are changing for the better too slowly. Hence, we must make an in-depth study of the prevailing complicated situation and express our judgement and proposals.

To begin with, I should like to call your attention to the following. We should clearly see the immediate and direct connection between law and order and the level of political and social stability in the country. Since this is so, the newly created bodies of power in the country must first of all direct their activity precisely to consolidating stability.

Nor must they await instructions from above on this score or any new law. There are enough political and legal instruments today to decisively rectify the situation. The thing to do is to act, to act with resolve. It is very good that many soviets have realised this and have already started handling the problems. But there are also such soviets that are still engaged in "street-style rallies".

Second, it appears that much may be traced to a sort of uncertainty complex on the part of the procurator's office employees, the Ministry of Internal Affairs, and even the courts, which took shape under pressure of meetings, demonstrations, and various ultimatums or under the influence of elective organs which have on one pretext or another obstructed the procurator's office, the militia and the courts in enforcing the law.

We should not reconcile with it, comrades. That will take us too far. Hence, the organisations of the Party must address all our public with a statement that we oppose any and all pressure on the law-enforcement agencies. And I am sure that the public throughout the country is of the same opinion.

Third, we are in favour of strengthening the law-enforcement bodies, equipping them with everything they need, and improving the material condition of their personnel. To be sure, the first step to this effect has already been taken. Soviet people back up this approach. Many soviets have even decided to find resources on their territories to give a real support to militia and law-enforcement bodies. But while doing all this our people expect more effective action by the administrative bodies to tighten legality and protect the rights and freedoms of every person.

And, comrades, one more thing. An atmosphere of intolerance must be built up in the country against breaches of the law. Here much can and must be done by the mass media. Comrades.

When we started perestroika we were clearly aware that no political, social and economic reform would be possible without a revolution in people's thinking, without spiritual rebirth and ideological renovation in the broadest sense of the word.

I think we all remember the ideological grip on society before perestroika, the dogmas and outdated notions that held sway over the mass consciousness. The first thing to do, therefore, was to grant freedom of thought, to liberate the mind. This was a crucial aspect of perestroika strategy.

Absurd bans in our spiritual life were lifted on the Party's initiative. The blinkers of Stalin's and Zhdanov's conceptions were removed. Time and again, the Central Committee held counsel with scientists, writers, artists and other intellectuals. There were many effective and meaningful meetings and discussions. As early as June 1985, an important conference was held on scientific and technical progress.

Steps were taken to close the abyss that had shaped over the decades between Party organisations and the intelligentsia. Party bodies renounced all patronage that was hemming in creative activity. The good names of many wronged or simply discredited eminent scientists and cultural personalities were restored. Soviet people were given back access to outstanding works of culture.

The shaping of the Party's new relationship

with the intellectuals is not just one of the gains of the reform process but an important prerequisite for its continued advance. Without the contribution of the intelligentsia we could not have reached the new frontiers in the understanding of the society we live in and of the prospects ahead for its renovation.

The new role of the mass media is proof of the mental uplift in this country during the years of perestroika. The press has revolutionised society and helped bring millions upon millions of working people back into public life. And that is its tremendous contribution to the reform movement, whatever the side-effects.

We have the right to expect that the communists and non-party people, all journalists, now that we have reached the stage of deep-going change will be working with a still greater sense of responsibility, rallying together all the sound forces of society for resolving new major tasks. Comrades,

We had to make out our own history, too, in order to delineate correctly the prospect ahead for our development. That, perhaps, has been one of the most difficult, painful, and at the same time indispensable revitalising processes. In this respect, too, the Party has taken the initiative. The documents concerned with the 70th anniversary of the October Revolution were a turning point in this context.

The revision of the cases of all the victims of the lawlessness of the times of Stalin's repression has proved to be the most essential element in giving the people the truth of history. The deliberations of the relevant commission of the Politburo of the CPSU Central Committee have resulted in posthumously rehabilitating the Party and civic honour of thousands upon thousands of communists, big-calibre Party and government leaders, workers, peasants, and intellectuals.

The Central Committee has stated its basic assessments of the policy of compulsory collectivisation and that of the depopulation or depeasantisation of the countryside with the tragic consequences that entailed for the nation as a whole. But I consider that we have not yet finished the job. It must be carried on.

The draft policy statement for the Congress as well as many other documents and pronouncements of the period of perestroika make fairly clear what part of our record we emphatically reject and do not want to take along with us into the future.

But we are against the out-of-hand rejection of all that our people have done since the October Revolution and we give their due to each generation of Soviet people who have been inspired by the socialist idea.

They wanted to make this country rich, culturally advanced and prosperous and spared neither their effort nor their health for it. They defended it in the most horrible of wars. They have a clean conscience before history.

By decision of the Central Committee, a group of authors is now at work writing the "Essays on the History of the CPSU", which will reproduce a truthful picture of our Party's life and struggle with, I hope, scientific honesty and impartiality, on the basis of authentic documentary evidence.

One objective set at the 27th Congress was to do away with the principle of left-over funding in the area of cultural activity in general, science and education in particular. There has been an attempt to reform the system of secondary and higher education. Decisions have been taken to promote basic research and to stimulate scientific and technological progress.

But we must say, without beating about the bush, that little headway has so far been made in this respect, and the reason behind it is the failure to fulfil the decisions taken on these important issues.

Evidently, comrades, we have not yet fully realised that unless we treat science and education as a matter of top priority, we will have no really dynamic reform, for it will invariably get

stuck because of the inadequacy of the intellectual potential. You can see that, incidentally, from the record of the last few decades of our own history. That we have fallen behind advanced nations in many areas, particularly, in the field of high technology, is because our country has been lagging behind in the development of science and education.

At the same time, a number of countries, which have literally spurred ahead in their social and economic development just in the last few years, started this breakthrough with a major revision of their attitude to education and science.

Having said all that, I would not want us to limit ourselves once more to self-criticism on these matters. It is necessary for the conclusions made to be translated into a full-scale national policy. And the Congress, as I see it, must take up a clear stand on this important matter. A few words about the attitude to social sciences: the Party is decidedly in favour of their free development. We badly need the objective evidence and findings of science and we must treat the studies and recommendations of scientists with greater confidence and use the fruits of their effort in politics to the good of the people.

One more point, comrades. An intelligent state always treasures its intellectual and artistic assets. And we have to take measures without any delay towards removing the causes behind the flow of brains and talents out of this country.

But, above all, the Congress must reflect the Party's position – it is in favour of the free development of culture, literature and the arts, using the whole wealth of world and national values.

Cost-accounting and self-financing are possible to a sensible extent in the sphere of culture. But it is impermissible to surrender art to the rule of the market where the artist will be exposed to the danger of losing his freedom again and becoming dependent anew, while society will have to sustain moral damage.

Along with acknowledging the artist's freedom of creativity, the Party declares at the same time that we are against that kind of art which destroys and humiliates man. We are against censorship in art but we are for the artist's moral responsibility to the people.

In a message to the Congress, published yesterday, workers of Soviet culture and arts call upon the Party to use all its clout, all its moral and material potential to assert new approaches to the solution of all these vital problems facing society.

It is our sacred duty to respond to this appeal, which is permeated with anxiety and concern about people's spiritual life. I am convinced that all delegates will speak in favour of making culture and arts, the ecology of the soul, so to say, one of our top priority objectives.

Comrades,

In drawing up the programme of reform, we understood that it could not be carried out unless the external conditions of this country's life changed radically. But to achieve that, we had to change our modes of approach and to offer a new type of international policy to the world.

There have been sweeping changes – social, national, economic, political, technological, scientific, ecological, and demographic – since World War II. They had transformed the image of the world by the mid-1970s and altered the very foundations of the existence of humanity. A new kind of civilisation is emerging. It is emerging either to perish if it fails to cope with the enormity of the global threats, or to work out entirely new rules of community living and an entirely new type of world politics.

Basing ourselves on an analysis of the present-day international situation, setting course for disarmament and storing up a certain body of experience in the conduct of the new type of foreign policy, we are convinced that we are right in our understanding of three key premises of international relations.

First, it is impossible to ensure one's own security at the expense of anybody else's, to uphold one's own interests at the expense of anybody else's and to pretend to know better how other peoples and nations should manage their affairs. The recognition of every people's freedom of choice is a fundamental precondition for building up a new type of world order.

Second, it is impossible to bring about a prosperous, free and democratic society by doing it alone and by setting one's option of societal development up against other options. What is imperative in our times is co-development, co-creativity and co-operation.

And, third, the incorporation of our national economy in the world economy is necessary not only for the modernisation of our own economy but also for the construction, together with others, of the material foundation of an irreversibly peaceful period of history and for the resolution of the global problems of humanity.

Incidentally, I must note that one of the promising areas of our integration is co-operation in the reconversion of defence production.

Contacts have already been established with the Americans, Italians, Germans and some other nations. This field may be a kind of leader of integration links. For we do already possess high technologies and advanced R and D studies which are of interest to our partners, naturally on a reciprocal basis.

This is one of the most effective channels for us in reconverting the scientifically and technically most up-to-date lines of production within short time limits.

And it is extremely important from the standpoint of international politics that this means reducing the intensity of what is one of the most active impulses of suspicion and mistrust which have fuelled the arms race.

Without going deep into the entire range of problems surrounding this sore issue, because a state programme for conversion is being drawn up, I will say that this is an affair of momentous state significance. It requires well-considered decisions. It is necessary to wisely handle the scientific, personnel and production potential. We must work thoroughly here in order to get rid of the mistakes we made during the initial stage.

The policy based on new approaches and the initiatives launched within the framework of new thinking have already gone far toward improving the international climate and removing the threat of world war. We have an opportunity opened up for us to reduce military spending and divert the means thus saved for peaceful ends.

In consequence of perestroika and the new thinking there has been a swing in relations between the USSR and the USA – from confrontation and competition in the arms race to mutual understanding and even to partnership – in a number of issues. This has changed the entire world situation for the better and started off a movement towards an unprecedented peaceful period in the life of humanity.

Relations with China have been normalised, which is a matter of tremendous importance for both great nations and the world as a whole.

A process of actual disarmament, including nuclear disarmament, has got under way for the first time in Europe, which has been the field for the fiercest cold war and armed confrontation. We have never had such good and well-meaning relations with most of the countries of Europe as we have now throughout the history of our state.

The European process has begun to produce an unprecedented form of international relationship of scores of nations and peoples.

One idea that has been put on the agenda for the first time here is that of creating an economic, cultural, ecological and information environment. All this has become possible due to our new international policy and co-operation.

Deep-going change is under way in Eastern Europe. When somebody says that this is the

"collapse of socialism", we counter it with the question: what "socialism"? That which had been, in point of fact, a variation of Stalin's authoritarian bureaucratic system which we have ourselves discarded? We are even reproached with "leaving the field without fighting". It comes out that we are advised to resort just to what we resorted before and what we have unequivocally broken with and emphatically denounce.

Of course, whether these countries will go in their social and economic development is an open question. But that is up to the peoples concerned. We, on the other hand, have acted and we will act in strict compliance with the principle of the freedom of choice, which has become an imperative for the progress and a condition for the survival of all modern civilisation.

How are we to build our relations with the East European countries today and tomorrow? As with good neighbours that not only geography but history as well have made us. There has been much that is really good and valuable in it, particularly after the war.

That the USSR has played the decisive role in delivering those countries from fascism and has afterwards sincerely aided them has remained in the memory of the peoples and cannot but have its effect on the continued development of our relations.

Besides – and that is the main thing – there are mutual economic and political interests. They bring us together in the joint pursuit of a peaceful Europe and its "common home".

They coincide in the desire for reforming the Warsaw Treaty Organisation, which we agreed upon at the Political Consultative Committee Conference in Moscow a month ago. The closest type of relationship is that which is built on the principles of voluntary association, mutual interests, respect and co-operation.

The Party and the people have highly appreciated our new foreign policy. It has been approved and reaffirmed in the documents of the 19th Party Conference and in the special resolution of the First Congress of People's Deputies of the USSR. Our new modes of approach and practical moves have brought a widespread response and support from all over the world.

And we unequivocally reject all the attempts at discrediting the foreign policy line worked out and pursued by the Party and the state.

I think that the 28th Congress of the CPSU, properly appreciating the obvious results achieved in international affairs during these years, will reaffirm yet again the immutability of the foreign policy line, based on the new mode of thinking, in front of the peoples of this country and the rest of the world.

What makes this line effective is, above all, the fact that it reflects the pressing concerns and expectations of humanity. At the same time – and that, too, is clear to all – what makes our policy effective is the power of our state, with the armed forces as its components. It has been a matter of tremendous importance that the new ideas and constructive initiatives have been proposed by one of the great powers. Moreover, it has not only declared its new ideas but has confirmed its commitment to them by its actual performance.

The most conclusive piece of evidence to this effect is our defence doctrine which we take as our starting point in moving towards a major military reform. I hope we shall have its principles enshrined in the policy statement of the Congress.

Nobody should be in any doubt that the Army will go on enjoying the Party's support. There must be special care for those who have devoted their lives to the service of the nation in the armed forces. The Army is millions of people doing a responsible and, in many cases, dangerous job for the benefit of the state.

Such are, in a nutshell, the basic results of the work done.

We have, indeed, got involved in a breathtaking, unprecedented enterprise for the benefit and for the sake of the future of our people. There have been some failures, mistakes and some loss of momentum. I have spoken about them and I believe you will have what to add.

Well, actual experience has proved to be far richer than we imagined it would be when we started our revolutionary change. Open speaking, promotion of greater democracy and the involvement of millions of people in the process of history-making have lent the development of society its own objective logic which has borne many unexpected things – positive and negative.

Without the experience and without the knowledge we have gained during these years, including the knowledge about our own society, we would not have come up to the most decisive phase of our reform effort now.

III

Party and Reform

Comrades, the major distinguishing feature of the 28th Congress is that we are meeting at a turning point in the process of reform and radical change of our society within the bounds of the socialist option.

Everybody is anxious to know what will the revolutionary change lead to, how far does it respond to the interests of working people and will it strengthen social justice, democracy and freedom? In this situation, there are, naturally, a host of viewpoints arising.

That has all been taken into account in drafting the policy statement which you have before you. In it, the Party, conscious of its responsibility to the people, offers a short-term programme and policy.

The Party's theoretical activity has been an object of close interest throughout the pre-Congress debate.

Some have even argued that the Party's leadership has involved the nation into a "global experiment" without having any theoretical formulation or a concept of reforms. This is repeated so often that it has become a kind of anti-reform stereotype.

Let us make it out. First of all, I must repeat what I have said more than once: the concept of reform is not an off-hand discovery by a particular group of individuals. The quest for it has been on in the Party and in the community ever since the 20th Congress of the CPSU. Unfortunately, it had received no support and was even suppressed in most cases.

In the years of stagnation, when attempts were made to whitewash Stalin's model of socialism, theory was cast in the role of apologetic service of official policy.

We have every reason to say that we have arrived at the reform programme by the sweat of the brow, indeed. And the concept underlying it has taken in the best of what has long been germinating in the womb of society, the Party, science and culture.

The April 1985 plenary meeting gave a powerful impetus to the theoretical quest and opened up an opportunity for an unhampered discussion of the eyesores of community life. It is a major point of principle to note that the Party and its General Committee have taken the lead in this creative effort of paramount importance to the nation and created the most favourable political conditions for it.

In its opening stages we realised that this society needed a thorough overhaul. That produced the basic concept of perestroika, which meant profoundly democratising and humanising society and making it free within the framework of the socialist option and creating the living conditions that would be worthy of the human being.

The process of bringing this concept to fruition involved elaborating the ideas of a radical economic reform, fundamental changes in the political system and in the federation, and of the

formation of a state governed by the rule of law.

It also involved working out the fundamentals of a new mode of political thinking predicated on the primacy of common human values. There could have been no theory of reform without having appreciated all those far-reaching changes which the world had arrived at by the closing decades of the 20th Century.

We have been crystallising, step by step, our understanding of the aims and methods of revolutionary change. In point of fact, that demanded, as Lenin put it, a revision of our entire view on socialism.

In consequence, we came to see our reform movement as a new revolution and a logical follow-up to the cause started off by the Great October Revolution.

I am far from intending to present the theory of our policy of reform as something consummate in every respect, as some finite system or the ultimate truth.

We have had enough of such claims and ambitions. Experience has taught us to be ready for self-critical assessments and for making the necessary corrections both in theory and in politics, to react to the actual processes in the nation and in the world.

So when we are challenged to produce a consummate new theory of socialism, we reply: it is only the actual course of life, only emancipated work, self-government and well-being of the people that can fill the concept of "socialism" with a new substance.

If that does not happen and if this concept does no more than migrate from report to report, from editorial to editorial, whose authors indulge in category modelling, the socialist idea will be devalued beyond repair.

You have to say first what you propose to do for your own country and for your own people, and then it will be clear what you really want and what you mean by socialism.

We say: socialism is a real movement, the product of the creative endeavour of the masses. And I am convinced that the CPSU has correctly defined the purpose of this movement – a humane and democratic socialism.

Our views on the subject are set out in the draft policy statement of the 28th Congress. How do they correlate with Marxism? That is a matter of principle for our Party.

Of course, the substance of the social theory produced by Marx, Engels and Lenin, had been formed on the basis of an analysis of the realities of the 19th Century, and, in Lenin's case, also of the opening decades of the 20th Century. The world has since changed beyond recognition, notably, under the impact of Marxist thought itself, the October Revolution and the international revolutionary and democratic movement.

We, however, tried for decades to find answers to all contingencies of life in quotations from classics, forgetting that they had themselves insisted on taking into account the historical circumstances behind any theory and mocked those who had sought to convert Marxism into a kind of scripture.

Actual experience has compelled us to recall that and properly appreciate the importance of the fundamental laws of Marxist dialectics, above all, the demand for a concrete analysis of a concrete situation, and to make conclusions for politics only on that basis.

The concept of reform, I repeat, is in a state of flux or self-development, and it must be enriched with new ideas and conclusions as we move onward.

The CPSU is emphatically against dogmatism and scholastic reasoning and in favour of a consistently creative approach to the theory and practice of socialism and to the comprehension of the historical experience of the 20th Century and of the heritage of Marx, Engels and Lenin and other eminent exponents of revolutionary and progressive thought.

The work of upgrading our concept of reform goes on. Therefore, it will be right, apparently,

on having adopted the policy statement, to find the present CPSU programme no longer valid and to move on towards a new Party programme. To this end, the Congress should set up an appropriate commission.

Comrades,

The communists and the rest of the community are waiting for the Congress to reply to the key issues about the Party itself.

The Party is now in a natural and, at the same time, difficult process of rethinking its own role in the community and of the principles of its structure and methods of activity, which have developed over the decades. The old ideas about the CPSU need a critical reappraisal and essential modification.

In recent times, the Party has come under a barrage of serious criticism, both fair and unfair. Neither do we spare ourselves, nor does anybody else. And here is what I would like to say at this point.

For decades the CPSU has been adapted to serving the authoritarian and bureaucratic system and that led to serious deformation of intra-Party relations, in selecting personnel, and to the actual removal of millions of communists from decision-making which created, as a matter of fact, a climate of indifference, apathy and passivity in Party branches.

That is why, whatever criticism may be made of the deformation which has occurred in this country and for which the Party leadership is to blame, of course, does not all mean that millions of communists are to blame for it, one and all.

Hardly can anybody deny the truly heroic role of the communists in the Soviet people's feat of valour on the battlefronts of the Great Patriotic War. In fact, this country's entire working history is replete with examples of the vanguard role of communists.

We all know that very well. But that does not in any way spare us of the trouble of constantly and critically reviewing our performance so as to make the right political conclusions for the future.

The pre-Congress discussion has generated a wide range of opinions as to the principles to follow in Party-building and Party work in present-day conditions.

But there is a point of convergence. This is the realisation that the Party has neither the political nor the moral right to absolve itself from the responsibility for the destiny of the reform programme, to shirk its role and to retire to the wayside of the social process.

What can the updated CPSU look like?

— A party of the socialist option and communist perspective, a voluntary association of like-minded people, expressing through its policy the interests of the working class, the farming community, the intellectuals and professional people.

— A party committed to common human and humanistic ideals, sensitive to national traditions and aspirations and, at the same time, intolerant of chauvinism, jingoism and racism, and any manifestation of reactionary ideology and obscurantism.

— A party freed from its ideological blinkers and dogmatism, striving for a resourceful role in political and ideological processes, acting by the methods of persuasion and propagation of its policy, promoting a relationship of dialogue, discussion, co-operation and partnership with all of the nation's progressive social and political forces.

— A party that will have its members build their mutual relationship exclusively on the basis of party fellowship, respect for each other's opinion, recognition of the right of the minority to a stand of their own, full freedom of debate, and with all decisions adopted by the majority being binding on all.

— A party that will enforce the principles of self-management in its internal life, the freedom of action of party branches, the independence of the communist parties of the union republics, united by their common policy objectives and

statutory provisions.

— A party open to contact for interaction with the communists, social democrats and socialists of various complexions in various countries and with representatives of many other trends in modern political and scientific thought.

The pre-Congress discussion has brought out several key points now central in the confrontation of judgements. Since they are of key importance for understanding the reform of the CPSU, it is worth taking up a clear stand.

A vanguard or parliamentary party. By speaking up for amending Articles 6 and 7 of the Constitution of the USSR, the Party has officially dropped its claim to substitute itself for government bodies and to discharge administrative and managerial functions.

Various documents, including the draft policy statement of the 28th Congress, refer to the need to revert to Lenin's concept of the Party as the vanguard force of society.

But doesn't that mean – such questions are being asked – that we once more aspire to a kind of pre-eminence while only changing the term "leading role" to "vanguard role"?

We must make this point clear. We consider that the vanguard role cannot be imposed on the community, that it can only be won by an active struggle for the interests of the working people, by actual performance and by its entire political and moral image.

The Party will pursue its policy and work to retain the mandate of the ruling Party within the bounds of the democratic process, involving elections for legislative institutions at national and local level. In this sense it will operate as a parliamentary party.

The most difficult task before the Party today is to square its influence with the new political and organisational possibilities. We must proceed from the principle that the Party does not interfere in the functioning of the machinery of government.

And that means it will bear no responsibility for the decisions taken without consulting it and will reserve the right to criticise them in public.

Party branches do not think they can and in fact no longer have the right to control managements of enterprises and offices, of the staffs of ministries and departments and of government and economic bodies.

However, the Party branches cannot stay aloof to what is going on in the work collectives or in different regions. They have to learn to influence the solution of diverse tasks by restoring to new political and organisational methods through the communists and, primarily, Party leaders.

The new role of Party organisations is to work out collectively – at meetings, congresses, conferences and plenums – positions on major issues of the life of society, bring them home to corresponding state and economic bodies, explain these positions in public discussions and orient communists at upholding them in their practical deeds.

The scope of the CPSU's influence will be primarily determined by the strength of the ideas proclaimed by the Party, and by their attraction for the working people.

We also have to adopt a clear-cut stand with respect to our relations with other political parties and public movements.

I think our Congress will definitely come out in favour of broad co-operation with all progressive public movements and consolidation in the interests of perestroika and the people.

All problems of public concern can be discussed and ways towards mutual understanding and joint action can be sought within the framework of such co-operation.

I am convinced that the country would benefit immensely from the alliance in central and local government bodies of the democratic forces and all those who are sincerely interested in deep-going social reforms in the conditions of political stability and civic and ethnic peace.

On the attitude to mass organisations. Rela-

tions with the trade unions have always been of paramount importance to our Party.

After all it is in fact a matter of its social base, of having direct contact with, and feedback from, millions of factory and office workers and, in the past few years, of peasants as well in view of the emergence of trade union organisations in the countryside.

The organisations of the working people called upon above all to defend their economic interests and rights and to oppose, as Lenin put it, "administrative exaggerations" have always had an important place in the life of our society.

But, as it known, they performed primarily auxiliary functions and were placed in a subordinate position. This also accorded with the traditional image of the trade unions as "levers", "driving belts", "schools of communism" and so on.

Naturally, such an approach distorted to a certain extent the very purpose of the trade unions and is unacceptable when society is being transformed and democratised.

As a matter of fact, relations between the Party and the trade unions are already changing. Long gone are the times when they meekly followed the instructions of party bosses and at many enterprises were but appendages of sorts to the managers.

The trade unions were late to initiate their restructuring, but it is gathering momentum at present. Nevertheless, this procrastination and adherence to old methods and mechanisms in interacting with the mass of the rank-and-file members have sapped in some cases the workers' belief in the ability of trade union committees to defend their legitimate interests.

As a result the period of social tension saw the emergence of parallel structures – strike committees, which in turn stretched their functions in view of the helplessness of government bodies and trade unions.

In fact we are witnessing the rebirth of the working-class movement in the Soviet Union. It is a question of exceptional importance which has a direct bearing on the fate of the Party, and it has to be seriously dealt with.

Decades of the domination of the administrative-command system have alienated the working class from property and authority. Workers began to suspect that as before somebody wanted to manipulate them, merely changing tactics and the manner of dealing with them.

Hence one of the tasks of the renovation of the Party itself is to complete the dismantling of the old command mechanism in relations with the working class and to prove in deed that the Party is ready to defend its interests and just demands at all levels and to support its direct representatives in parliamentary struggle and political activity at the nationwide and local levels.

The touchstone for the Party's ability to defend the interests of the working people will be its success in ensuring that their living standards do not fall, especially those of the low-paid sections of the population, in the course of transition to the market economy.

What is needed here is constant effective contact with the mass of the people, competence and political skill in order to uphold the interests of this or that section of the working people and not to hamstring progress and the dynamics of perestroika.

The Party will build its relations with the trade unions and other working-class organisations on the basis of partnership and comradeship. Far from interfering in the trade union internal affairs, the Party committees should use their utmost influence to support their justified demands.

Among other mass organisations special mention should be made of the Young Communist League. This organisation is closest to the Party and, if you will, akin to it in ideological and political respect.

Our comrades in the Young Communist League are now going through a difficult period, as

could be seen during its recent Congress. It became the scene of heated debates on whether the Komsomol was to be or not to be and, if it were to be, what sort of an organisation it should be and whether it would be able to transform itself radically, retaining the best of its traditions.

The Young Communist League, just as the Party, has in fact to undergo similar self-purification and to break with all the negative trends it had in the past.

I am not sure whether Komsomol members will agree with me, but I am under the impression that they have not fully succeeded in doing that. Nevertheless, efforts have already been made to transform and restructure the Komsomol. And the main problem that the Komsomol has already resolved for itself is that it remains organically linked with the CPSU ideologically and politically. This is important to the Party as a matter of principle.

In today's circumstances we should, of course, drop the habit of seeing the Komsomol as the monopoly representative of the entire youth. Along with new parties, new youth organisations will apparently come into being.

Ideological and political struggle for the youth will flare up. We, naturally, should give all-out support to the Young Communist League organisations, though fully respecting their independence. To carry on as before would simply mean to lose the younger generation.

The problems of relations between the renovated CPSU and other mass organisations lead us to a broader topic of the modern social base of the Party.

It could be heard during the pre-Congress debate that the CPSU should make it clear whose party it was. Claims to express the interests of all the social strata were allegedly groundless in view of those interests far from coinciding and in many instances conflicting with each other.

This is a serious argument. Indeed we downright denied differentiation and divergent social interests in the past. The shibboleth of "the moral and political unity" of society, as it were, supplanted the need to see the actual diversity of social needs and aspirations.

Today we not only recognise this fact but also are building a political system within which various interests could be harmonised. At the same time, alongside professional, national, age-group and other specific interests, the Soviet people obviously have common interests which cement millions of personalities into a single whole.

We see the innermost meaning of perestroika in using democratisation to reveal the colossal potential of the country as a whole and on this basis to satisfy public interests at the level of developed modern states. We are a party of perestroika and therefore the CPSU acts today as the political organisation of the entire people.

I want to stress that it is by no means a matter of bringing back to life antiquated and inadmissible claims to monopoly camouflaged by new slogans. Reflecting the interests of the entire people, the CPSU, as a party opting for socialism, will continue relying on the working class, the peasantry and the intelligentsia.

The Party's attitude to women also requires radical rethinking. We have to admit that the women's question is among the most burning issues facing us. Despite all the slogans of which there have been more than enough, the working and living conditions of our women require considerable attention and radical improvement. This is one of the major questions. And what cannot be especially tolerated is the fact that women take in infinitesimal part in political life.

I think we should be ashamed of ourselves now that we see women take active part in big politics in many countries. Just take a look at this assembly – how many women are there among the delegates? Let us wait for the report by the Chairman of the Credentials Commission to clarify this question. And how many of them

are to be found in the government? We have neglected this matter to such an extent that the latest attempts have had next to no effect on the situation. Perhaps, we should take real steps at this very Congress to have women represented in the Central Committee, at the Politburo and the Central Committee Secretariat. We should, perhaps, set up a department for work among women when reorganising the CPSU Central Committee at the present stage. I believe women are in favour of this, they are applauding.

There is no doubt that the strengthening of women's organisations will be a new phenomenon caused by the democratisation of society. I believe we should in every way welcome and support this process. It is a matter of men's honour to do their utmost to ease the situation of women, though much can be done by the women themselves, if they manage to organise themselves.

Now about another important social pillar of the Party – the war veterans and the veteran workers. The CPSU maintains fairly firm positions among them. We have to cherish the support given to us by the veterans and to attract them to active participation in Party and political life in general. They are the people who have demonstrated their patriotism in the hardest of times and who, as a rule, hold firm civic positions.

On the communist parties of the union republics. I think the delegates to the Congress will agree that this is the most topical issue at the moment, not only from the organisational point of view, but because it has a bearing on the very nature of our Party as an internationalist organisation. It was founded by Lenin as such as has for many decades acted as a cementing force in our multinational state. It is therefore a matter of principle that the Party maintains precisely this nature, for otherwise the country, the state and the Party itself will suffer great, perhaps, irreparable damage.

There is, probably, no doubt about our approach of principle in trying to resolve the arising problems. We proceed from the fact that the integrity of the CPSU accords with the maximal independence of the communist parties of the union republics and autonomous units, in no way restricts their opportunities to take into account national, historical, local and other peculiarities and to decide their cadre, financial and other matters on their own.

But, as these problems are intertwined with the transformation of our union, different tendencies exist here up to turning the Party into a federal organisation or seceding from it altogether.

You know the situation in the Baltic republics. Despite all the measures taken by the Central Committee, we have failed to prevent the split into the parties adhering to the CPSU platform and those which have seceded from the CPSU.

As a result the Communist Movement has weakened sharply in those republics and other political forces have come to power there.

If we not permit ourselves to be drawn into demarcations, splits and rifts, this will deal a serious blow to the communist movement, weaken it and throw open the way towards the consolidation of other political forces and their positions.

We all have to learn the lesson of these developments and to try and find new approaches to strengthening the international integrity of the Party, including communist parties of these republics.

The draft rules already envisage the setting up of some mechanisms to coordinate the interests of the republican communist parties with those of the Party as a whole. We should also think of the corresponding procedures in making political decisions of principle.

It is important to see to it that no Party places itself above any other nor has a chance to impose its will upon others.

Many delegates to our Congress have had a

chance to take part in and others to watch the work of the conference which proclaimed itself the founding Congress of the Communist Party of the RSFSR.

It riveted on the communists' concern about the fate of the country, the formidable problems faced by the republic and the desire to make use of the opportunities of the newly founded Party in the republic to promote the rebirth of Russia and her numerous nationalities and the strengthening of our multi-national state.

I deem it important to emphasise the will of the communists of the Russian Federation, which has been recorded in the Congress documents, to work towards strengthening the CPSU as an integral nationwide Party and to co-operate on an equal basis with the communist parties of other republics. I think we can welcome such a principled stand of Russian communists.

As for the interaction of the constituent parts of the CPSU, I think we will be able to cope with all the tasks, if we remember the main thing — united the communists form a powerful political force, but they will lose it, if they confine themselves to their national homes.

Territorial or production principle. The answer to the question as to whether production units should have their Party organisation is unequivocally positive. Historically, our Party acted on the basis of workers' collectives, and herein lie its roots and sources.

The production principle of the organisation of the CPSU is in keeping with the existing stable tradition, and we see no reason to renounce it.

Furthermore, the communists themselves have the right to determine the forms of their organisation. Needless to say, this fully applies to the members of other parties.

While advocating the production principle of the organisation of the CPSU, the Party branches should at the same time improve their work in places of residence.

It should be admitted that the territorial principle has been poorly used by the Party. This was borne out, among other things, by the elections of people's deputies. Whereas the focus of political work shifts precisely to the place of residence in the course of such major political campaigns.

At present many people sharply raise the problem of depoliticisation of the bodies of state administration, courts, the procurator's offices and other law enforcing bodies and also of the Army.

Our stand in this respect is determined by the fact that the right to association is among the inalienable political freedoms.

Nobody can forbid Party members to set up their branches at enterprises, offices and so on.

It is hard to imagine depoliticised state bodies, it is hard to find an army in the world where agencies were not active in supporting the morale, in educating troops.

We lay no claims to any exclusiveness in this respect either — this is the natural right of all the parties which are to be legally registered in this country. This is our approach.

On democratic centralism. In the past this Leninist principle was in fact replaced by bureaucratic centralism. An end has been put to this once and for all.

Rebuilding our Party, we create the conditions for the unrestrained development of inner-party democracy, self-government and the communists' control over the activity of the ruling bodies with the voluntary and reasonable observance of conscious discipline.

There are strong tendencies in the Party towards excluding this principle from the Party rules, as it has been discredited by entire preceding practice. But many are in favour of retaining it because they see in its renunciation the danger of turning the Party into a debating club. I believe that in the first case comrades are seeking to discard terminology associated with old-time practice. But none of true communists wants to turn our Party into a shapeless association,

where anything can be drowned in debates so as to make it unable to tackle major tasks it faces as a political party.

The Congress is to make the choice. Let us discuss the problem, going to the heart of the matter. There are proposals to that effect both in the programme statement and in the new Party rules.

The rules should formalise the principles which would guarantee democracy, the viability of the Party, and the mandatory nature of the resolutions adopted by the majority.

Another question of principle, that of factions, is connected with this. We have made a tremendous stride forward in developing democracy and inner Party glasnost and openness. All attempts to suppress different opinions have been denounced.

But there is a threshold to overstep which would mean to cripple the Party. And that is to form factions with their own special discipline.

Let me specify this point. When speaking about the inadmissibility of forming that kind of factions, we mean that the Party members who have their own point of view on certain issues differing from that of the majority can freely discuss and popularise their views, publicly expressing them up to addressing the Party congress. Let us make it clear that we have reached understanding on that score.

On the power of the Party rank and file. The Party reform essentially boils down to ensuring in deed the power of the Party rank and file and real influence of communists on Party policy. To ensure this we have to change radically the situation of the Party branches.

Practically everything which was suggested in this respect during pre-Congress debates has been taken into account in the draft of the new Party rules. It is being recorded that all the Party branches are free to organise their inner life on their own.

Their decisions that do not run counter to the aims of the CPSU programme or the Party rules cannot be cancelled by the higher bodies, with the exception of resolutions on personal cases. Any regulation of the activity of the Party branches is to be abolished. They are to be responsible for admittance to CPSU membership and are granted the right to the final judgement of the activity of any communist registered in his or her Party branches.

Finance problems are to be settled in a fundamentally new way. The Party branches can themselves settle the problems of their structure, programmes and forms of activity.

Draft Party resolutions on key problems should be brought to the consideration of the communists more frequently and Party discussion should be held regularly. The order of holding Party referendums both within the entire CPSU and within its branches should be evolved without delay so as to reveal quickly the will of the communists.

The democratic principles of the electoral system in the Party should be strengthened. We have the initial experience of direct election of the delegates to the CPSU Congress, the congresses of the communist parties of the union republics and the Party conferences.

Elections of Party secretaries directly at meetings, conferences and congresses have gained currency on the eve of our Congress. Alternative elections have become the norm. All that experience calls for scrupulous and calm analysis.

An important step has been taken in the democratic development of the Party. It would be wrong, however, to close our eyes to the fact that the spontaneous election campaign was rather hard on workers, peasants, women and young communists.

Obviously, we have to think seriously of the suggested direct representation of the primary and other Party organisations in the higher Party bodies. Let's discuss it.

The structure of the central Party bodies is a special matter. Proposals on this score, outlined

in the draft programme statement and Party rules, evoked no major objections, although there were some. It was said, for instance, that insufficient account was taken of the new elements in the Party build-up connected with the republican communist parties' independence and that the Central Committee Presidium does not look sharp enough in its actions. This problem was discussed in detail yesterday by the council of delegation representatives, and I am telling you on their behalf that comrades believe that most communists favour not the establishment of a presidium and the introduction of the posts of the Party chairman and his deputies, but the preservation of the Politburo and the post of general secretary, elected by the Congress and the election of a deputy general secretary of the Central Committee as the second person in the Party leadership.

I believe that I am reporting the view of the council of delegation representatives with accuracy. We need to discuss and decide these matters of importance to the Party.

The Party Central Committee in the period since the previous Congress. The CPSU Central Committee in its present composition had to cope with the tasks of perestroika in the conditions when the developments constantly made it look for new approaches and to revise what seemed to be already well thought out and clearcut.

Reading today the documents of the 27th Congress, we see that life has left far behind the most daring of the ideas we were capable of generating then.

In the past period the Party Central Committee worked intensely enough. It has held 21 plenary meetings, which is twice the amount prescribed by the rules for a five-year period which is not yet over.

Practically every plenary meeting, which I have already spoken about, was important in principle, important for every stage we passed through.

Not only the atmosphere but also the topics of the problems under discussion and the contents of debates at the plenary meetings have radically changed the nature of the Central Committee's activity in the years since the 27th Congress. All the latest plenary meetings have become the scene of open, straightforward and often impartial talk.

As different assessment has been given to the fact, I would like to stress that, for all the diversity of opinion, clashing stands and even differences, the plenary meetings adopted unanimous decisions on all the issues of principle and we unswervingly moved forward step by step.

This shows that the Central committee, however sharp the criticism, has done much to promote perestroika, the process of revolutionary transformations.

Taking into consideration the most complicated period in the development of our society, the novelty and scale of problems we had to tackle in that period and the certain drama of events, we can state with all the responsibility that the present Central Committee elected by the 27th Party Congress has in the main coped with the tasks it has been entrusted with.

Does this outweigh, comrades what has already been pointed out in the course of this report — that the Central Committee made mistakes, failed to respond to the call of life in each and every case and failed to find proper answers to the challenges put forth by our dynamic time? Of course not! This applies to the drawbacks in the work of the Party leadership, and also many Central Committee members, because their work in the localities also evoked sharp criticism on the part of communists.

The delegates may, of course, pass their own judgement of the work of the Central Committee as a whole and its individual members in the posts they held. Besides, as I have already said, you will have a chance to form your own opinion of the work of the Politburo members after you

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Eduard Shevardnadze gives interview to Bulgarian weekly

The Bulgarian weekly Pogled published in its latest issue Soviet Foreign Minister Eduard Shevardnadze's replies to questions from its correspondent. The following is the full text of the interview:

POGLED: Could you comment on the political situation in Europe taking shape in the process of German reunification?

SHEVARDNADZE: The process of German reunification has undoubtedly added fresh colours to the bright pallet of changes on the European continent.

As a result, we are witnessing a geopolitical picture of exceptional dynamism. Fortunately, the historic moment for implementing the aspirations of the German people for unity came in conditions when the psychology of confrontation is being surmounted in world politics.

The Helsinki Process has made its contribution, too, thus showing, once again, that its inherent potential is very valuable. The movement towards reunification of the two German states would have produced a different impression if disarmament had not been included, organically, into the fabric of international affairs. Here, I am referring primarily to the headway made in the Vienna talks on the reduction of conventional forces, to the very fact that the European states are firmly committed to an early and successful completion of the first phase of these talks and to the intention to get down, immediately after that, to accomplishing even more ambitious tasks of lessening the military burden.

On a more general plane, the environment for

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have heard their reports. I would only like to stress that the results of the political activity of both the Central Committee and the members of the CPSU leadership should be judged by the scale of perestroika and their contribution to revolutionary changes.

The present Central Committee proved capable of setting forth the policy of revolutionary transformations and of making a tremendous effort to carry them through. I repeat, this does not cancel the fact that much more could have been done to free society from many negative phenomena that have led to increased social tensions and now compel us to look for a way out.

A lot of criticism has been voiced with regard to many of us and more will be added to at the Congress.

After all criticism also embodies polemics and the clashing of positions, which reflect the state of the Party and society. Only reality itself can make everything finally clear in one debate or another.

We should maintain, as before, the healthy atmosphere at all Party levels, to preserve the spirit of debate, ensuring its fruitfulness, and what is most important, ensuring Party comradeship, Party ethics which we lacked all these years. We have to master political culture, for it is only on this condition that we can hope to discuss problems constructively and to arrive at the necessary joint decisions.

And generally speaking, at our fora, especially at a level like this, the lack of arguments or results of analysis should not be concealed or overshadowed by sharp words.

I am drawing my report to a close.

We comrades face most difficult problems, and the Party sees their solution and a way out of the crisis situation only in our march forward along the road of further democratisation and deepening perestroika. □

building German unity has proved pliable enough to cushion that impact.

Moreover, these days the situation in Europe is such that German reunification, given the related questions are resolved correctly, can become a potent catalyst for positive trends. It is not fortuitous that the question of institutionalising the Conference on Security and Co-operation in Europe (CSCE) process, transforming the military-political alliances and radically changing relations between the Warsaw Treaty Organisation (WTO) and NATO, is being examined from the practical standpoint.

A united Germany with its ramified ties with Western and Eastern Europe can become one of the load-carrying structures for a common European home. All nations of Europe – and the Germans certainly won't be the last among them – will stand to gain from that.

I would describe Europe's intellectual readiness for qualitative change as one of the characteristic features of the present-day situation, a feature which gives rise to hope. Political figures in various countries have come up with many interesting ideas concerning the form of organising a new Europe. It is with due regard for these proposals that we formulated our own views on future European structures. I would like to share these views with you.

A Council of Greater Europe – a forum of the leaders of all states participating in the CSCE – could become, in our opinion, the nucleus of these structures. The body could meet, say, at least once in two years alternatively in the capitals of the participating states. It would examine major issues of European politics and work out the fundamental directives and specific decisions on the basis of consensus.

A Foreign Ministers' Committee, which would meet, as a rule, twice a year, could become the body responsible for implementing these decisions. Working systematically, that body could prepare major decisions for approval at summit meetings.

Other ministers, notably those responsible for economics, justice, culture ministers and so forth, could hold meetings of their own within this framework.

Three-person groups (comprising the former, current and future chairmen) could be formed at these two levels. They would have a mandate of sorts for holding urgent consultations, whenever necessary, with a view to taking collective action in various contingencies.

It is evidently essential to set up a small standing CSCE Secretariat which would ensure information exchanges, preparations for scheduled major events, and so forth. It would comprise a minimum number of necessary experts and administrative support staffers.

The capital which is chosen as a venue for the standing CSCE Secretariat, could also host a consultative mechanism comprising the ambassadors of 35 countries (or 36 countries, if Albania, as we hope, joins in the CSCE process).

Bodies called upon to ensure stability in the military-political sphere could become an important part of the new European structures. With due account of ideas expressed on this score, one could think of two such bodies. One could serve as a venue for exchanging information and notifications on troops movements and exercises, for registration, coordination of inspections and other types of verification activities. The other could examine ambiguous situations, work to prevent conflicts and help in their settlement on the principle of mediation or good offices. As we see it, the

limits of competence of these bodies would broaden with time, gradually moving us toward establishing a European Security Council of sorts.

The question of founding institutions that would efficiently promote the idea of creating in Europe so-called single entities, notably legal, ecological and humanitarian entities, merits a separate discussion and special attention.

There are proposals these days that certain bodies be set up to oversee the affirmation of democratic norms in the political systems of states. The case in point is free elections, a multi-party system, political pluralism, and human rights in their broad sense. We are of the opinion that such bodies are essential and we will support reasonable proposals on this score.

I think the practice of CSCE follow-up conferences (such as those already held in Belgrade, Madrid and Vienna) should be preserved, because it has proved to be useful.

Speaking about a possible positive role of German reunification in creating a new Europe, I made a reservation which you must have noticed: given the questions related to Germany reunification are resolved correctly. I was referring to so-called 'external aspects' of German unity which are being settled by the mechanism of the 'two plus four' talks. The matter at hand is that the results of the Second World War should be summed up in such a way as to prevent every nation from feeling that its interests have been infringed upon, or that its security has diminished compared with the past.

I believe that, although the tasks is quite difficult, the 'six' (the four allied powers and East and West Germany) can cope with it. I am satisfied with the results of the first two meetings – in Bonn and Berlin – as well as with the character of exchanges on that subject between myself and the foreign ministers, my partners in the 'six'.

I think my colleagues will not object if I say that we will do our best to be able to inform the people of Europe, the US and Canada, during the CSCE summit meeting at the end of this year, that we have succeeded in our efforts.

What is, in your opinion, in store for the Warsaw Treaty Organisation in the future?

The objectives of and prospects for the Warsaw Treaty are formulated in the text of the document. Its preamble and Article 11 say that, on the one hand, the member-countries want to establish a system of collective security in Europe and, on the other, are ready to disband the alliance if such a system is actually created on the contingent and recorded in appropriate legal documents. The question is, in principle, whether the Warsaw Treaty countries will be able to attain these aims, and how much time will be needed for that.

The sitting of the Political Consultative Committee in Moscow showed that the leaders of the allied countries are aware that the Warsaw Treaty is deeply involved in the current processes in Europe, primarily in the context of creating fundamentally new structures of European security and co-operation. During the current difficult period of transition to such structures it is, without doubt, one of the guarantors of positive developments on the continent.

One should note at the same time that all members of the alliance – the USSR, naturally, among them – have a common understanding: the Warsaw Treaty should change radically, keeping pace with the reforms in allied countries and the whole of Europe and steering a course

(Continued on next page)

CPSU Congress Statement

THE Politburo, the Central Committee and the Communist Party of the Soviet Union (CPSU) have fallen behind developments in the country, most notably in reforming the Party, often acting by trial and error, according to the draft of a major party statement published in Moscow on June 27.

The suggested policy-setting statement of the forthcoming 28th CPSU Congress, published in *Pravda*, stresses the vital importance of objectively viewing the present situation, working out the basic principles of Party policy at this juncture, and finding ways to overcome the crisis in both the Party and society at large. It is entitled "Towards a Humane, Democratic Socialism".

The draft notes the mushrooming of various political groups and movements in the country. It points to the conservative, dogmatic undercurrent perceiving renewal as an attack on socialist principles and preaching a return to the authoritarian system on one flank of the political spectrum. On the other is a groundswell movement rejecting socialism. It also notes the emergence of monarchic and even fascist-type extremists in the country.

In addition, ethnic-minded movements have gained ground in the Soviet republics, the statement says. Along with the democratic main-

stream, they include increasingly active chauvinist and nationalist forces setting different ethnic groups against one another by proclaiming separatist slogans. These forces, the statement said, often act as vehicles for projecting the interests of old or new local oligarchy groups thirsting for power.

In these conditions, the statement says, the Party has drawn up a programme of action stressing that it is a party of socialist choice and communist perspective.

The statement calls for emergency measures to pull the country out of the crisis, normalise the consumer market and achieve a financial and economic recovery.

It provides for implementing a large-scale social package and working out an early treaty on an alliance of allied states, based on unflinching voluntariness, mutual benefit, freedom of ethnic self-determination, and equal possibilities for sovereign development.

The statement, which pays much attention to foreign policy, says that the Party, seeking stronger general security, favours continuing the successfully started demilitarisation of international sufficient levels, completely excluding the use or threats of use of force from international life, lowering military confrontation and eventually abolishing it altogether.

The statement calls, among other foreign policy goals, for creating global and regional security systems to avert conflicts and international instability, which will be based on the balance of interests of all sides.

The CPSU, it says, is in favour of continuing to normalise Soviet-American relations and making them into a constructive partnership, taking an active part in the Helsinki Process, promoting new forms of political and economic co-operation with East European countries, maintaining a vigorous policy in Asia and the Pacific to turn the region into a zone of peace

and co-operation, and sharing in the political settlement of regional conflicts.

The Party favours repairing the historical rift in the socialist movement and developing co-operation with communist, workers', socialist, social democratic and national democratic parties and all organisations and movements striving for peace, democracy and social progress, the draft says.

It speaks in detail about perestroika in the Party, emphasising that the Party has decisively renounced its previous political monopoly and its role in substituting for economic management and state administration agencies.

The statement also says that the Party strongly rejects democratic centralism as existed under the administer-by-command system, denounces rigid centralisation and favours democratic principles – competitive elections, the ability to replace personnel in official positions, public openness, accountability, and the subordination of the minority to the majority along with the guaranteed rights of the former to uphold their views, including in the Party media.

While stressing the need to achieve greater inner-Party democracy, the draft says that the Party Congress does not think it right to deprive Party members serving in the Army, the KGB and the Interior Ministry of their right to remain in the Party and create Party organisations as well as to pursue other forms of political activity.

The Party seeks co-operation with socialist-orientated movements and organisations and dialogue and equal partnership with all progressive ideological and political associations, the statement says. It adds that Party is prepared to form alliances with these groups.

The draft says that the ideological principles and political objectives of the Party, as set forth in the statement, should serve as political guidelines for Party members pending the adoption of a new Party programme. □

(Continued from previous page)

toward politicising its structures and methods of co-operation. It is essential to establish genuinely democratic relations within the alliance and open the road for pluralism of opinion in such a way as to make it operate in a mode natural for an organisation of sovereign and equal states/partners – especially since we are united by a common striving to overcome Europe's division, ensure its security (creating guarantees that there will be no relapse into the cold war) and establish large-scale cooperation on all aspects of the CSCE process.

The Moscow session of the Political Consultative Committee decided to set up a commission of government-authorized officials who would be instructed to draft recommendations by the end of next October for reforming the Warsaw Treaty. I would choose not to touch specifically upon the proposals which the Soviet Union is going to submit to the commission. The explanation is simple: they are still in development. However, our approach to the Warsaw Treaty rests on the conviction that the alliance has not exhausted all of its potential. On the contrary, it is precisely now, in the new conditions, that it can play a constructive role with a view to ensuring a smooth and crisis-free transition to a new system of security and co-operation in Europe.

But does the Warsaw Treaty come in line with the national interests of all its members? Or – if we are to dot our 'i's' and cross our 't's' – how should we treat the pronouncements in some WTO countries about the possibility of withdrawal from the alliance? Of course, such a decision is the sovereign right of every Warsaw Treaty member-country. And still one should think that the withdrawal from the WTO would mean a substantial lessening of possibilities of a state which would opt for such a move, a lessening of its political weight. I am referring primarily to the possibility to have its say – and to be heard – in resolving such key problems as defining one's stand on arms reductions, the development of new relations between the Warsaw Treaty Organisation and NATO, and ways for surmounting the division of Europe. In my view, giving up the gains from the membership of the

Warsaw Treaty is all the more unjustified, since in present-day conditions it does not impose any limits on the foreign policy of the member-states.

In view of the decision of the Moscow session of the Political Consultative Committee to transform the Warsaw Treaty into predominantly a political organisation, a fundamentally new situation is taking shape on the continent compared with that existing one month ago, to say nothing of the earlier period. A realistic possibility presents itself to switch to constructive parallel and joint actions by both alliances with the aim of building a new European peaceful order.

What specific actions are to be taken to this end? The Warsaw Treaty had its say in Moscow, having reaffirmed its readiness to cooperate with the North Atlantic alliance, its members, as well as neutral and non-aligned states, with a view to promoting European stability and disarmament, building up trust and affirming the principle of sufficiency for defence.

Much is being said these days about NATO's intention to provide an adequate answer at its summit meeting in London. True, views are expressed that NATO will not be able to give up its old flexible reaction strategy or nuclear deterrence, and that reforms in the alliance, on the whole, will not be as deep-running as those expected from the Warsaw Treaty. Let me put it straight: there can be no half-and-half trust, just as there can be no half-and-half security. It is either hostility, suspicion and confrontation or co-operation, openness and partnership. If a transitional phase is needed, it should rest on mutual trust and predictability, not on the leftovers of confrontation.

My recent meeting in Berlin with the foreign

ministers of the US, Britain, France and the FRG indicates that there is a realisation in NATO that the alliance is faced with fundamentally important and responsible choices. I hope the right choices will be made. □

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