

Expert Opinion

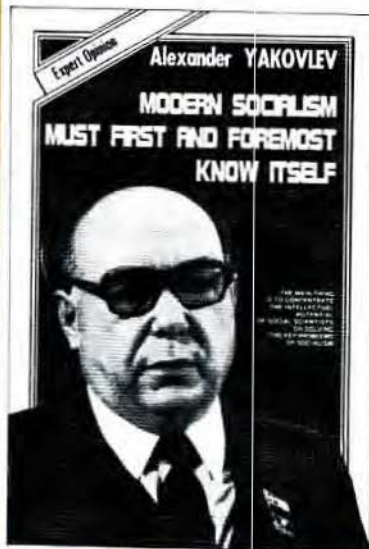
Yegor LIGACHEV

We must
in every way
support and
encourage
people
to achieve
high work
results

**Activating
the Human
Factor—the Main
Source of
Acceleration**

Expert Opinion

The Novosti Press Agency is putting out this series for readers who are eager to obtain reliable and exhaustive first-hand information on the USSR's accelerated social and economic development.



The following issues have been published:
Alexander YAKOVLEV, Member of the Politbureau, Secretary of the CPSU Central Committee: "Modern Socialism Must First and Foremost Know Itself".

Guri MARCHUK, Academician and President of the USSR Academy of Sciences: "Science Will Help Speed Production".

Konstantin FROLOV, Academician, Vice President of the USSR Academy of Sciences: "We Count on Machine Building".

Ivan GLADKY, Chairman of the USSR State Committee for Labour and Social Questions: "Social Programmes Benefit from Economic Restructuring".

Vsevolod MURAKHOVSKY, Vice Chairman of the USSR Council of Ministers, Chairman of the USSR State Agro-Industrial Committee: "The Whole Agro-Industrial Complex Will Undergo Changes".

Natalia GELLERT, Chairperson of the Standing Commission on Women's Living and Working Conditions and Mother-and-Child Care of the Soviet of Nationalities of the USSR Supreme Soviet: "We All Can Make the Most of Ourselves".

Valentin KOPTYUG, Academician, Vice President of the USSR Academy of Sciences and Chairman of the Presidium of its Siberian Section: "Siberia Is the Most Dynamically Developing Region of the Country".

Tatyana ZASLAVSKAYA, Academician, President of the Soviet Sociological Association: "Restructuring Begins with Everyone of Us".

Gennadi YAGODIN, USSR Minister of Higher and Specialized Secondary Education: "Education Must Mould the Personality".

Dmitri LIKHACHEV, Academician, Chairman of the Board of the Soviet Culture Fund: "The 21st Century Must Be an Age of Humanism".

Valeri LEGASOV, Academician, First Deputy Director of the Kurchatov Institute of Atomic Energy: "The Lessons of Chernobyl Are Important for All".

Kirill LAVROV, People's Artiste of the USSR, Chairman of the Board of the USSR Union of Theatrical Workers: "Speaking to the Audience in the Language of Truth".

Yegor
LIGACHEV,
Politbureau
Member,
Secretary of the
CPSU Central
Committee:

The Human Factor, Cost-Accounting and Restructuring

We are confident of the strength of our social system, we see the sources of its vitality in the Soviet man, in his organization within the system of collectivist relations.

Man's organization is above all the organization of labour, including its equipment, its standards and incentives.

Man's organization implies provision of economic and social conditions everywhere in which his abilities can unfold to the full and the totality of conditions for labour to gradually develop from life's necessity into a foremost vital need.

The Party dealt with this problem earlier, but now we have reached a stage where all these factors will be considered. This is especially important now, when the Party's political course for reconstruction after the January 1987 Plenary Meeting of the Central Committee has finally and irreversibly passed onto the plane of practical deeds. As stressed at the Plenary Meeting, we Communists must by thousands and thousands of facts of everyday life prove the correctness of our policy and the viability of the reconstruction.

Within a short period, less than two years, at the April 1985 Plenary Meeting of the CPSU Central Committee and then at the 27th Party Congress and the January 1987 Plenary Meeting, the Party elaborated and substantiated its strategy and tactics for the contemporary stage of advanced socialism and put forward the concept of acceleration of the country's socio-economic progress, and of society's restructuring and renovation.

The Party not only proclaimed the idea of acceleration but also launched the work of organizing and educating the working masses and of mobilizing all means and resources for implementing the Party Programme and the decisions of the Congress and the Central Committees' Plenary Meetings. The labour of the people has secured an indubitable turn for the better which, notwithstanding serious persisting drawbacks and problems, is evident in the economic results of 1986. For the first time after a long period of retardation, the growth rates of virtually all basic indicators of social production increased: national income and the productivity of social labour, and industrial and agricultural output. A record amount of new housing was supplied. The material base of the entire socio-cultural sphere developed at accelerated rates.

The Plenary Meeting of the CPSU Central Committee held in January, 1987 occupies a special place in the implementation of the strategic course of the Party Congress towards restructuring all aspects of social life and using socialism's creative potential more fully. That was a Plenary Meeting full of profound thought and stern and courageous assessments, constructive conclusions and practical measures. The theory and policy of reconstruction were set forth at the Congress. Its decisions are filled with

the spirit of renovation and concern for the present and future of the Party and the Land of Soviets.

The 27th Party Congress presented a characterization of what took place in the economy and policy in the 1970s and 1980s and outlined ways of overcoming stagnant and other phenomena alien to socialism. The January Plenary Meeting extended this analysis and elaborated measures for accelerating our advance, and defined guarantees against such mistakes. The idea was voiced loud and clear at the Plenary Meeting that the reorganization cannot be accomplished without promoting openness and democratization of Party, state and social life, without improving the systems of socialist self-government and election, and without extending democracy in the sphere of production, the decisive sphere of human activity. Democracy, openness are both the requisite and the outcome of the restructuring. Only by widely democratizing social life and drawing the masses into this process can we fully bring out the advantages of the socialist system.

The Plenary Meeting sharply posed questions of improving personnel policy, of tightening control over the work of leading personnel from "above" and, especially, from "below" and of consistently fulfilling Lenin's demand that leaders' work be open to all and in full view of the people. Hence the Plenary Meeting's guidelines for electivity of leaders of work collectives and regular reports to the work collectives and the population by elected or appointed persons.

The decisions of the Plenary Meeting have the unanimous support of Communists and the entire Soviet people. The Plenary Meeting immensely heightened interest abroad in all that is taking place in our country. Our friends have assessed the ideas of the Plenary Meeting as fresh confirmation of socialism's inexhaustible moral-political and social potential and its capacity for continuous self-improvement, as a new manifestation of the determination of the CPSU and Soviet society to steadily pursue the chosen course. As to our enemies in the capitalist world, they are trying in every way to speculate on the mistakes and drawbacks exposed by the January Plenary Meeting of the Central Committee and are secretly nursing the hope that the critical approach taken by the CPSU to assessments of the actual state of affairs and its

course for deepening democratic principles in social life will eventually erode the economic, political and ideological foundations of the USSR. But this hope is futile. The deep-going restructuring does not mean a dismantling of our political system. On the contrary, it is bound to strengthen and develop our system. The bold and open discussion of vital questions of society's life at the plenary meetings of the Central Committee is graphic evidence of the might and confidence of our country in its strength.

An all-important factor in the current restructuring is the extensive introduction of economic methods. This, naturally, applies to the country's agro-industrial complex (AIC) and its main component—agriculture. The fulfilment of the aims of further advancing the Soviet people's well-being, set by the 27th CPSU Congress, depends on the successes or failures of precisely this economic sector. AIC output makes up over 70 per cent of retail trade turnover and all economic equilibrium crucially depends on its growth.

If we take as the starting point the May 1982 Plenary Meeting of the CPSU Central Committee which initiated the formation of the AIC as an object of management in its own right, then there is every reason to say that encouraging tendencies are now evident in the agricultural sector.

First, the growth of livestock output has now become steady. The four years since the May Plenary Meeting have seen a 12 per cent increase of meat production, an 8 per cent increase of milk yields and a 12 per cent increase of egg production. Procurement plans for the principal livestock products were fulfilled every year. During that period 7.2 million tons more meat was produced than in the previous four years, the increase for milk was 30 million tons and eggs, 32 billion. The year 1986 gave the largest increment.

In 1983-1986 gross agricultural output exceeded the preceding four-year plan period by 11 per cent.

Second, scientific and technological progress has made it possible to employ intensive technologies in crop and livestock farming. That 210 million tons of grain was harvested last year as against the annual average of 180 million tons in the past five-year plan period was in large part due to this factor. In 1986, the collective and state farms in 24 regions, territories and autonomous republics received 3,000 and more kilograms of milk from every cow. In 1982, there were only eight such regions.

5 **Third** the state and collective farms are growing stronger economically due to substantial changes in production. The average annual number of farms operating at a loss fell by more than two-thirds. The collective and state farms' net

incomes yearly increased from an average of 1.4 to 5.7 billion roubles (without increments and higher procurement prices). Last year, labour productivity growth significantly outstripped pay growth rates—for the first time in the last few years.

Fourth, rural investment policy has been modified with more emphasis being given to the social sphere. During the four years prior to the May Plenary Meeting, 28 billion roubles were channelled into the non-productive sphere, or 17 per cent of all the capital investments made in agriculture. After the Plenary Meeting the respective figures were more than 41 billion roubles or about 23 per cent.

Finally the changes in production and in the social sphere could not but affect the forms of production relations, and the organizational structure for the management of the agro-industrial complex. Its improvement, unlike in the past, is now combined with the introduction of a new economic mechanism with the socialist cost-accounting system as its major component. Here genuine and full cost-accounting relations can serve as a good example for other sectors of the national economy to emulate.

However, the positive tendencies have just emerged. The task is to consolidate them, develop further and make irreversible. We must more than double agricultural growth rates, ensure the safe keeping of farm products, improve processing and on this basis substantially raise per capita consumption of staple foods. We should bear in mind that the shortages of meat and dairy products, of fruits and vegetables are still felt. The range of other food products is limited and their quality is not always high. The slow growth of food production sharpens the contradictions between supply and the population's effective demand.

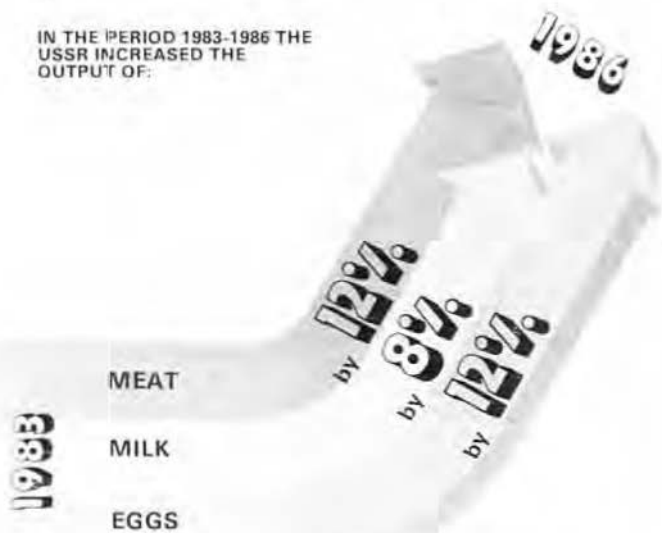
The Party Central Committee gives unremitting attention to the agro-industrial complex and to the formation of the country's food stocks. Recently the Central Committee has examined the Party organizations' work of ensuring the accelerated and steady development of crop and livestock farming in the Ukraine, Kazakhstan and Voronezh Region. Incidentally, the reports of the Central Committees of the

Communist Parties of the Ukraine and Kazakhstan were discussed at the CPSU Central Committee for the first time in over twenty years. This means that the directive of the 27th Congress that in the Party there must be no organizations outside of control or beyond criticism is being unswervingly implemented.

It has been noted that the Central Committees of the Communist Party of the Ukraine and the Council of Ministers of the Ukrainian SSR are impermissibly slow in reorganizing the management of the agro-industrial complex. Matters have gone so far that the Ukraine has for the past few years been getting part of grain from state stocks. Grain production has fallen in Voroshilovgrad, Zaporozhye, Dnepropetrovsk and Nikolayev Regions.

Animal husbandry in Kazakhstan is in a sorry state. It is still run on extensive principles. Major failures and reverses have taken place. The productivity of the dairy herd in 1985 was no higher than the 1970 level.

IN THE PERIOD 1983-1986 THE
USSR INCREASED THE
OUTPUT OF:



In order to steadily supply the country with food, obviate the need for grain imports and build up reliable reserves, we must increase the effectiveness of the available agro-industrial potential. Long gone is the time when the agro-industrial complex was done out of its rightful share of capital investment and material resources. For several five-year plan periods now its share in the total volume of investment in the national economy has been maintained at a high level. It is now high time to strictly assess how the invested funds are used and what they yield.

Selection of the proper directions in planning and developing the structure and organization of the agro-industrial complex plays a big role in raising returns on the money society has invested. No less important is to consistently follow this course, without dashing in one direction or another when the first difficulties and setbacks are encountered.

While on this point it would be useful to recall the decisions on specialization of agriculture. Other things being equal, it gives full scope to cost-accounting methods, to the introduction of the collective contract system and to higher labour productivity. In other words, it enables the human factor to be manifested to the utmost. The first initiatives by front-rank farms in this field date to the 1960s. A detailed decision of the CPSU Central Committee on this score was adopted in 1976. Since then large zones for the concentrated production of grain, potatoes, vegetables, grapes, tea-leaf and citrus fruit have been established. A network of specialized collective and state farms has been set up. More than seven thousand inter-farm enterprises (minus building organizations) are now in operation, almost twice their number prior to the Central Committee's decision.

The experience gained attests to the high efficiency of specialized farms, inter-farm enterprises and livestock complexes. Here production costs are lower and profitability is higher than elsewhere. Labour productivity is rising steeply. Thus, on meat and milk producing, pig breeding and vegetable growing state farms it is double that on the ordinary multi-sectoral farms and on poultry raising farms it

is four times higher. Foreign experience also bears out the advantages of large specialized farms.

Nevertheless, in the past few years the Party, government and economic bodies of many regions have relaxed attention to this area of their work. For example, in the Kazakh SSR almost all inter-farm livestock breeding enterprises were gradually liquidated. The same picture can be seen in Georgia, Kirghizia, and a number of regions in Russia and the Ukraine. The mistakes earlier made in this matter, undue haste and the policy of deciding everything by administrative methods have had their effect. The establishment of specialized livestock breeding complexes was all too often oriented not on the local fodder base but on obtaining animal feed from state stocks.

The CPSU Central Committee, formulating the Party's agricultural policy, emphasizes that the specialization and concentration of agricultural production, inter-farm cooperation and agro-industrial integration and its changeover to the modern industrial basis have been and remain the main line of socialist agriculture's further development. It is espe-

IN 1983-1986, THE COUNTRY'S
GROSS AGRICULTURAL OUTPUT
EXCEEDED THAT OF THE PRECEDING
FOUR-YEAR PERIOD BY 11 PER
CENT.

1983-
1986

11%

1979-
1982

9

cially important to realize this today, in the period of the deep-going organizational and economic restructuring of the agro-industrial complex, accelerated development of its productive forces and the wide introduction of scientific and technological achievements into production.

Under these conditions, all types and forms of specialization and concentration of agricultural production—zonal, sectoral, intra-sectoral, intra-farm, inter-farm and agro-industrial should attain their full-scale development. It should be stressed specifically that this process should be regulated, above all and mainly, by economic methods. We should return to the measures worked out earlier concerning specialization on collective farms, in districts and regions, and introduce corrections with due consideration for more recent experience and new possibilities, and move steadily in this direction.

This year, the agro-industrial complex, along with some other economic sectors, began to function under the new economic mechanism. The guidelines for its development are defined in the materials of the 27th CPSU Congress and in Mikhail Gorbachev's speeches. In tackling these matters the Central Committee is guided by the example of great Lenin who substantiated, elaborated and accomplished an exceedingly bold turn to new methods of economic management such as the tax in kind and the New Economic Policy.

The expediency of creating a new integral economic mechanism is also dictated by social changes, particularly by the rising educational standards of our people and their striving to more actively participate in running production.

Today, far from ensuring progress, injunction may cause regress. We cannot overlook the fact that in the country's AIC immense and diverse material resources are concentrated, and that the organizational, technological and economic links between its sectors have become very complex. All this calls for the further improvement of production relations to match the level of the productive forces.

The new economic mechanism in the AIC promotes fuller mobilization of the socio-psychological and organizational-economic reserves for better utilization of the production potential, higher effectiveness of the moral and material incentives of work, and greater concern and responsibility for its results. In other words, it is largely orientated on enhancing the role of the human factor in fulfilling the USSR Food Programme.

The need to activate the human factor is due, above all, to the decisive part it plays in the development of production, second, to certain underestimation of its role in the past few years and, third, to the substantive change in the socio-economic situation in rural areas.

It should be noted that both in theory and practice an absolute was made of the material-physical factors of production, a kind of technological determinism, which was quite justifiable when the country was building the material and technical foundations using mainly extensive methods of economic management. The prevailing view that our relations of production were in full conformity with the productive forces took attention away from and sometimes even fostered disregard for the social aspect. Scientists and economic executives tended to forget that man is the prime mover and real architect of social relations.

Indeed, in agricultural development emphasis was for a long time on mechanization and "saturation" with machinery and equipment. The material and technical capabilities of the agricultural sector increased sharply and the labour conditions changed. Whereas in 1965 the collective and state farms had 2,400 roubles' worth of agricultural fixed production assets per workman on average, in 1985 the figure was 12,600. Thus, the assets per worker increased more than five times. And not only did they increase but their quality also improved. As for labour productivity in agriculture, it only doubled over those twenty years.

This significant difference in the dynamics of the two indicators is naturally the resultant of a whole number of factors. At the same time, it is clear that this gap shows, above all, insufficient activity of the human factor. This graphically confirms K. Marx's idea that living labour alone turns the most perfect means of production from mere possible into real and effective use values. Its more important characteristics—the personnel's skill, specialization and production cooperation, and labour organization—exert a strong impact on the degree of utilization of the material and technological capabilities. They are either multiplied or on the contrary diminished by the workman's attitude to

whatever he does and his interest in the results of his labour. Here not everything is simple and easy. Especially today, when the material well-being of rural dwellers has considerably improved and when they enjoy a broad spectrum of social guarantees. All these factors must certainly be taken into account in improving the economic mechanism.

One of the principal lines in the work of the Party and agro-industrial committees concerning the activation of the human factor is fostering in the countryside working people an awareness that they are the real masters of a field, a farm, a collective or a state farm. This calls for an adjustment of the economic mechanism, administration, and labour organization, remuneration and incentives, so as to harmonize the personal, collective and social interests and establish visible interrelationship between what is "mine" or "ours" and "all-people's". The fostering of such an atmosphere depends on a totality of economic and social relations, especially in the work collective and every enterprise. That

IN 1983-1986, CAPITAL INVESTMENT IN THE NON-PRODUCTIVE SPHERE EXCEEDED THAT OF THE PRECEDING FOUR-YEAR PERIOD BY 6 PER CENT, A MONETARY INCREASE OF OVER 13 BILLION ROUBLES.

1979-
1982

6%
over 13 billion roubles

1983-
1986

is precisely where the individual becomes keenly aware of what he actually is—an active personality or an uninspired drudge, an executor of somebody else's will.

If a person is respected, if he sees that his attitude to work has an effect on the end results of the farm's performance and that these results tell on his personal well-being, then he is an active and efficient worker in his team and farm, a real master of the land. That is the assessment given at the Party Congress. As M. S. Gorbachev underlined in the Political Report to the 27th CPSU Congress, "You cannot be a master of your country if you are not a real master in your factory or collective farm, in your shop or livestock farm."

Today, as practice shows, the collective contract system based on socialist cost-accounting principles is an important factor fostering in farmers such an attitude to work and life.

After the adoption of the CPSU Central Committee's decision on this question and the conference in Belgorod quite a lot has been done in all regions of the country to introduce the collective contract system. It assumes many forms: teams and farms operating on collective contract principles, numerically small intensive-labour groups, the family contract, etc.

Although the forms differ, the content, the essence, of this kind of labour and production organization is the same. This is a real "fusion" of the worker with the means of production, first of all, with the land. This is a blend of machinery, organization and economics. This is a collective form of labour remuneration with due account being taken of each person's concrete contribution towards the overall final result. Under the collective contract system the activation of the human factor finds embodiment in the seemingly customary and habitual categories: responsibility, interest, order and discipline.

There are quite a few convincing examples illustrating this. Thus, last January E. A. Yakovlev was put in charge of "The Road to Communism", a poorly performing collective farm in Torzhok district, Kalinin Region. The new chairman organized the work of all divisions of the farm on collective contract principles. As a result, collective farmers' attitude to social production markedly changed for the better. For

the first time in many years the farm did not use outside labour and even helped others. It got the highest yields of grain, potatoes and flax in its history, almost double the average annual yields for the last 15 years. Within a year the productivity of the dairy herd went up by more than 900 kg to reach 2,500 kg. Profitability increased from 1.5 per cent in 1985 to 25 per cent in 1986. The collective farmers' labour productivity increased by almost 30 per cent, a real breakthrough!

Managers and specialists, farm machine operators and livestock farmers directly associate this progress with activation of the human factor, the establishment of proper order, the improvement of discipline, the enhancement of people's interest and responsibility—with everything the collective contract has given them.

The experience of the front-rank farms advancing along this path for many years now also warrants the conclusion that the collective contract, cost-accounting on the farm as a whole and between its divisions, are not only tried and tested factors steeply raising labour productivity and not requiring additional capital investment and resources, but also an excellent school of efficient management and economic education for the personnel of all levels.

It would not be an exaggeration to say that the effect of these forms of economic management is not limited to purely economic categories: labour productivity, production cost, profitability and profit. Their socio-political aspect is no less important. The ideals of collective labour, fair pay according to work done, thrift and economy, a socialist attitude to social property and an active stand in life are striking firm root in the work and everyday life of workers in such economic units.

Considering the immense socio-economic significance of these methods of economic management, the CPSU Central Committee, upon generalizing the experience gained by a number of work collectives operating under the collective contract system, adopted last December a resolution, "On Urgent Measures for Raising Labour Productivity in Agriculture Through Efficient Labour Organization and Cost-Accounting".

Notwithstanding the obvious advantages of the collective contract and cost-accounting they are still being adopted slowly by many economic units and sometimes do not yield the expected results. The question arises: what is wrong? In broad terms, the following reasons could be singled out.

First, in a number of places the collective contract is understood as an end in itself. Since local authorities are held responsible for it, it is necessary to organize collective contract work teams and other divisions. And they are organized perfunctorily, with emphasis on sheer numbers. Since 1982 the number of AIC teams working under the collective contract has exceeded 400,000, a sevenfold increase. Labour productivity in agriculture has gone up by a mere 18 per cent during the period. Obviously, there cannot be a complete correspondence between these figures. However, it is quite clear that in many places the new form has simply covered up the old content. This is sheer bureaucracy. We must combat this tendency. It must be opposed by the will of the Party organizations, work collectives, by the entire arsenal of political and organizational means, by proper planning, incentives and cost-accounting, by well organized labour in work units.

Second, there is the reluctance of many farm managers and specialists to go over to collective forms of labour organization or to remunerate their own workforce on this basis proceeding from the end work results. To issue administrative directives and recommendations and not to be held materially accountable for their effectiveness is much easier than to work under the collective contract. Meanwhile, events have proved that economic levers begin operating to the full only when managers and farm specialists also come within the scope of cost-accounting relations.

The collective contract is organically linked to the cost-accounting system. The purpose is to accomplish the dual task of increasing output and of sparingly utilizing resources. In reality, however, on most farms the collective contract has only one aim—to increase output. Thus, in 1985, 98 per cent of bonuses paid to collective farmers and state farm personnel, engaged in crop and livestock farming, were for the fulfilment and overfulfilment of the pro-

duction plans and the other 2 per cent—for the saving of direct production costs.

The effectiveness of the collective contract and intra-farm cost-accounting system markedly increases with the introduction of an expenditure check book and with a change-over to the labour remuneration depending on gross income. This indicator, as is known, takes into account both output and the reduction of material inputs. More can be said: without an expenditure check book, genuine cost-accounting is simply inconceivable. This is obvious.

A process of self-control and self-education is under way in collectives working under the collective contract with an expenditure check book as a form of control. This precisely fosters in people an awareness of being collective masters. I had a chance to see that myself during my visit to the "Lenin's Behests" collective farm in Moscow Region. There, after adopting the collective contract with the use of an expenditure check book the personnel totally changed their attitude to the preservation of social wealth. "Redundant" workers on the workteams or on the farms are transferred to other work sections, unneeded machinery and equipment are removed and every kilogram of fodder is used economically.

Thus, the introduction of relations based on cost-accounting and the enhanced activism of personnel on this basis are linked with the solution of many problems: organizational, technological, educational, and social which should be solved comprehensively.

Cost-accounting relations must encompass not only the activity of production links but also their relationships with managerial bodies. Unless this is assured, the collective and state farms will work in the new way while the management bodies will continue running things the old way. Such work will, of course, bring little benefit.

Practice shows that such fears are quite justified. By thrusting upon collective and state farms, say, targets for areas sown to crops and the sizes of cattle herds, the higher supervision bodies orient them, as a rule, on the extensive way of production development and thereby drag them back into the past. For example, for two years now, the Kalinin regional agro-industrial association has been prescribing for the Mednovsky local state farm enlargement of

the areas under vegetables by 30 per cent annually, even though the farm has been fulfilling the state order thanks to higher yields. The Fyodorovka district agro-industrial association, in Saratov Region, punishes the managers and farm specialists of some farms for failure to fulfil the plan for cattle deliveries.

The question naturally arises: why, despite all the measures being taken, is this bureaucratic practice being allowed to continue to fetter men of initiative? Well, first of all, because the personnel of the supervision bodies are not materially responsible for their thoughtless and economically unfounded decisions. The transfer to the cost-accounting system of not only the lower economic units under the district agro-industrial associations, but also of the agro-industrial associations themselves, both in the districts and in the regions, is on target.

It is no less important to have the cost-accounting system also, so to speak, operating horizontally, i.e. in the mutual relationships between the collective and state farms, on the one hand, and the produce processing enterprises and service organizations, on the other. Here we have made very little headway. Even under the present-day AIC management structure, departmental interests often prevail over state interests. A tendency which F. Engels pointed to in his time is making itself felt. He wrote: "Where there are no common interests, there can be no unity of purpose, much less of action." Therefore, one task of the bodies of the State Agro-Industrial Committee is to seek out the forms of economic relationships that would ensure the unity of interests of all partners.

Here, we have a measure of experience. On the one hand, large agro-industrial complexes are integrated with industrial enterprises for processing raw materials and producing foodstuffs, and on the other, agro-industrial enterprises spring up near large cities. Production, the processing of raw materials and the sales of output to consumers have been integrated into a single whole. And all this is based on cost-accounting relations.

Interesting experiments having to do with the integration of production, the processing and marketing of produce are now being conducted in the Baltic Republics.

Cost-accounting relations are necessary not only be-

tween the organizations constituting the agro-industrial complex but also within its divisions. Let us take rural construction organizations. The adoption of the new economic management methods in construction, determined by the known decisions of the CPSU Central Committee and the USSR Council of Ministers, is being delayed. A cardinal change in this area can only be achieved through the extensive introduction of the collective contract based on cost-accounting.

Mosoblselstroi Trust No. 18 has initiated the collective contract in rural construction. There, labour remuneration for all personnel—from the worker to the trust director—has been made conditional on the end work results. The collective's material interest and responsibility for work results, collective self-government through elected economic councils have made it possible to raise significantly the productivity of labour (by 20 per cent within the very first year), reducing construction costs by 12 per cent and making the trust, which operated at a loss, into a going enterprise. The CPSU Central Committee approved the work of the collective headed by Hero of Socialist Labour N. I. Travkin, and authorized the Party organizations of the republics, territories and regions, as well as ministries and departments to widely disseminate the trust's valuable experience.

However, in some places the process of transfer to the cost-accounting system under the collective contract in rural construction is being artificially retarded. They take up this position: first, they say, we shall remove shortcomings in the organization of the whole work and then we shall start adopting the collective contract. This is a wrong approach. The collective contract is not a result but a method for improving work and stimulating people's initiative and responsibility. It is from this that one should start off.

It stands to reason that the new economic mechanism in the agro-industrial complex cannot lead to high end results by itself, automatically. It must be backed up with the organizational and political work of the Party organizations oriented on the individual and the development of his initiative.

The further democratization of management is a powerful means of stimulating people's labour and social activities to which the Party committees must devote their unremitting attention. Without this it is impossible to advance the socialist economy, particularly now that many rights and powers are relegated from the centre to the work collectives and local bodies. Speaking about the interaction of the economy and democracy, Lenin pointed out that "...in actual life democracy will never be 'taken separately'; it will be 'taken together' with other things, it will exert *its* influence on economic life as well, will stimulate its transformation; and in its turn it will be influenced by economic development, and so on. This is the dialectics of living history."

For us, it follows from the above that the present process of democratization of economic management will exert a direct influence on all facets of production and social life, while the restructuring of society influences the economy. The link here is both comprehensive and organic. On this plane, the Party committees must concentrate further on the activities of the elective production management bodies.

We cannot permit a situation where the apparatus of these bodies would run the whole show while the council of a district agro-industrial association or, say, the board of a collective farm would merely register the decisions adopted. Such practice cannot be described as anything but anti-democratic and bureaucratic. An elective management body must be the master. The Party committees must orient the work of the elective management bodies on the solution of fundamental questions of agro-industrial production, on the provision of organizational, economic, legal and social conditions most propitious to the organization of produc-

tion on collective and state farms and at other AIC enterprises run upon truly cost-accounting principles.

The USSR Law on the State Enterprise (Association), the draft of which has now been submitted to a nationwide discussion, will greatly contribute to the development of industrial democracy. It is aimed at tangibly enhancing the role of the work collectives in production management and giving them more say in planning and decision-making.

An important instrument of democratizing industrial life, the foundation of the entire democratic process, is the election of managers of enterprises, shop superintendents, team leaders and foremen. This step has been prompted by objective requirements and is, above all, associated with the wide introduction of cost-accounting relations. Under the cost-accounting system the worker's growing responsibility is simply inconceivable unless he is allowed to choose the best ways of accomplishing the tasks in hand, and elect those who can better and more effectively head a particular work collective. The idea of electing leaders is being supported by the working people.

19.7%

IN 1986 THE HOUSING STOCK
INCREASED OVER THE 1980
FIGURE BY:

1986

12.0%

in town
1980

in the countryside
1980

1986

The need for the further democratization of collective farm life also makes itself felt. Proposals are being made on introducing appropriate amendments to the Model Collective Farm Rules, raising the role of collective farmers' meetings, boards and auditing commissions of collective farms, and every collective farmer. The people also propose improving the procedure for the election of chairmen of farms and heads of their divisions, expanding the structure of collective-farm self-government bodies (the setting up of team councils, councils of specialists, women's councils, scientific and technical societies, etc.). Obviously, these proposals should be carefully examined and everything that will serve to further promote collective-farm democracy and the collective-farm movement adopted. The forthcoming All-Union Congress of Collective Farmers will offer plenty of opportunities for this.

The Party committees must constantly keep an eye on the social factors stimulating the people's labour and social activities. A profound shift towards the social reorganization of the village has already begun. Certain experience has been gained in the establishment of well-appointed population centres and in the provision of modern production facilities and amenities for the home. But we are only at the beginning of the path. In 1986, the countrywide increase in the housing stock over the 1980 figure was 19.7 per cent in towns and 12 per cent in rural areas. A total of 447 sq.m of floor space is provided yearly per 1,000 urban residents. The figure for rural dwellers is 375 sq.m. So a lot more building needs to be done in rural areas. It is important to see to it that the growing scale of construction is accompanied by simultaneous improvements in the quality of housing construction and of communal facilities and amenities. For today less than a third of the village public housing stock is complete with municipal engineering systems, not counting power lines.

It can no longer be tolerated that the work of the social reorganization of the village is not carried on integrally. Notably, today almost one in five central estates of state and collective farms lacks pre-school child care centres, and the plan for their provision in the countryside remains unfulfilled year after year. In 1986, the plan targets for the construction of clubs and Houses of Culture were not met.

In short, much is yet to be done to build a modern material base for the social sphere of the agrarian sector. The greater the number of socio-cultural projects commissioned in the countryside, the faster rural life-style will change, the greater will be the number of people settling down in the villages and the more efficient their work in agriculture.

In order to make a major stride forward in accelerating the development of the agrarian sector, we must substantially raise the standards of Party guidance of agricultural production and the entire sphere of the agro-industrial complex. Today almost three million Communists are employed in agricultural production. Over 49,000 primary and 290,000 shop-floor Party organizations and groups function on the collective and state farms. This is an immense force. In order to overcome inertia, formalism and routine accumulating over the years, it is necessary to boldly and innovatively focus the efforts of the village Communists on the key problems facing the development of the agro-

**LIVING SPACE PROVIDED
ANNUALLY PER 1,000
RESIDENTS:**

447

sq. m in town

375

sq. m in the countryside

industrial complex and to steadily carry on the reorganization of Party work at every level, especially at district level.

A primary task is to weld together the organizational activity of the Party committees and the consistent efforts of the bodies of the agro-industrial complex to introduce progressive technologies and advanced forms of labour organization and remuneration. Figuratively speaking, the task is not to have everyone thresh his shock of wheat. The shock of wheat in this case is common, but everyone should work using his own habitual forms and methods, without wasteful duplication and without mixing up tasks and functions, towards the achievement of the overall national results.

Modern production in the countryside, the changeover to economic methods, the democratization of the management of the agro-industrial complex and the social reorganization of the rural communities—all this sets the trade union and YCL organizations new tasks. The Party places its hopes on the invigoration of the YCL in the village. This is understandable. For it is upon a broad involvement of the young in the work of this sector that the bold introduction of all that is new and progressive into agricultural production largely depends.

The main lever in the Party committees' effort to accelerate the socio-economic progress of the agro-industrial complex is the personnel. The personnel, their selection, placement and education, as a purely Party concern, require greater attention and greater efforts from the Party committees. Lenin never tired of repeating that no policy could be realized unless expressed in the appointment and transfer of personnel and in the proper distribution of Party forces.

The January Plenary Meeting of the Central Committee examined the questions of the present-day personnel policy of the CPSU in close connection with the problems of reorganization. The Plenary Meeting also issued important guidelines for work with personnel in the sphere of the agro-industrial complex. The Party committees must see to it that every AIC section of production and the social sphere be provided with professionally competent personnel capable of acting with initiative and enterprise. One should bear in mind that no economic measures will give the expected returns unless we secure a marked improvement

in the proficiency of the specialists and the leadership of the agro-industrial complex. This in equal measure applies to the people in so-called mass trades and occupations.

The task of looking for and finding able specialists, and preparing them for occupying positions of leadership is now assuming primary importance. In this regard, vast experience has been gained in Moscow and Ulyanovsk Regions and in Stavropol Territory. The Party committees there annually select groups from among senior specialists and other promising young workers. For five to six months these people undergo probation, including courses at an agricultural institute and work at the institute's farms. This practice makes it possible to thoroughly assess the merits of candidates for promotion. This experience must be boldly taken up in other regions of the country too.

It is very important to ensure the stability of personnel, especially those who are to introduce the economic methods of management. One has to admit that economists and accountants both at the enterprises and in the management bodies of the agro-industrial complex deserve more attention from the Party.

The body of farm managers and middle-level personnel also needs to be more stable. While raising their sense of responsibility for the work entrusted to them it is necessary, at the same time, to take good care of them, to encourage their initiative, gumption and enterprise. They need the support of Party and Soviet bodies and protection against bureaucrats.

Here is an example. Chairman V. P. Chushkin of the Pobeda collective farm in the Kimovsk district, Tula Region, proposed that the builders who were remaking the pigsty should change the floor design, for this, according to an earlier experience, produced good results and had been recommended in the press. It turned out to be cheaper, more convenient and more sturdy. But the representatives of the Building Bank who visited the farm viewed this well-done job merely as a deviation from the standard design and accused the chairman of deliberately overstating the volume of operations in favour of the contractor. They threatened to bring an action against him. The whole story ended with the chairman, who would not wait for legal

proceedings, voluntarily refunding 300 roubles to the farm, so as to avoid a public disgrace. Neither the City Party Committee nor the District Agro-Industrial Association were principled enough to defend the chairman. It is clear what effect this case had in the district: it discouraged the farm managers from displaying initiative.

We must relieve the secretaries of the rural Party organizations of the fetters of over-organization and develop their initiative. Just think how much they are required to do, what kind of information to give, both orally and in written form! All too often, they simply have no time to concentrate on their main concern. And the main concern of Party workers are, as is known, the people. Without a cardinal change in the practice that has evolved, it is hardly possible to significantly raise the effectiveness of the primary Party organizations in the rural areas. It is no secret that, so far, the trips taken by secretaries of regional and district Party committees to localities make it look as if they go there to get acquainted with the work of particular collective and state farms, and not the local Party organizations. The secretary of a regional or district Party committee can, at any moment, describe many farm managers but he won't be able to remember so well secretaries of the local Party organizations. This is not an isolated case, but an alarming development in the style and methods of Party committees' work in rural areas. It can no longer be tolerated.

It is necessary to strengthen in every way the authority of the primary Party organizations, both on collective and state farms and in the management bodies of the agro-industrial complex.

Today the Party is especially exacting in assessing the moral qualities of rural leaders—from a team leader and farm superintendent to a state-farm director or a collective-farm chairman. The country needs honest people devoted to the Party and to the cause of reorganization. Regrettably, dishonorable and unconscientious people are still to be found among the leading personnel. About 30 per cent of all managers replaced in the past five years have been deposed for immoral actions.

The existing practice of educating personnel must be changed. It is necessary to renounce the views (and they are current among Party leaders and economic executives) that, allegedly, the economic methods of management can, by themselves, accomplish the organizational and educational tasks confronting us. Today, in order to give a greater momentum to the reorganization, it is especially important to tie in, as tightly as possible, the economic methods of management with the wide-scale ideological and educational work, with the effort to persuade the people and develop their political consciousness. The Party committees must see to it that people in every village have the right idea of collectives working under the team contract. They must shape public opinion that would not tolerate idlers and drunkards, and that would resolutely support those who work hard and therefore earn much. We cannot permit them to be regarded as self-seekers and money-grabbers. But such views do arise in places.

It is necessary to support and encourage in every way the desire of collective farmers, workers and specialists to do intensive and highly effective work, substantially raise its productivity, and their readiness to take more upon themselves. True, some leaders feel uncomfortable about collective farmers' and state-farm workers' high earnings. But why? If a person has earned his money, he must be paid. It is no secret that sometimes big money is paid for the mere occupation of a workplace. For some reason, this does not surprise anyone. Whatever people earn by their honest labour must be given to them. This is a principle of socialism. Life has convinced us on many occasions how pernicious can be the consequences of the violation of this fundamental principle of our society.

At the same time, we cannot permit the rural workers to be guided exclusively by mercenary and money-seeking considerations. Here, I think, it would not be out of place to stress that genuine cost-accounting and commodity-money relations functioning on healthy socialist foundations have nothing in common with the encouragement of money-grabbing and self-seeking. The Party organizations are

duty-bound to use all educational means at their disposal to foster in the work collectives a thirst for things spiritual, for a morally and physically rewarding life, and to develop reasonable requirements.

One more important task of the Party bodies is to ensure the education of the personnel of the agro-industrial complex at every level and in every area on a regular basis. The time requires a continuous updating of knowledge, the raising of skills, the widening of people's ideological, political, scientific, technical, and economic horizons. Otherwise, as the CPSU Central Committee has stressed on many occasions, it is impossible to effectively use the latest technology, and to manage the economy and govern other affairs efficiently and ably.

Every one of us must regard this Central Committee guideline as binding. Education, constant self-improvement, is a direct duty of a leader and not just an amateur pursuit depending on his goodwill. In short, it is necessary to develop and introduce into everyday practice a compulsory system of this kind of education. This system could assume various organizational forms, such as advanced training institutes, seminars, courses for agronomists and livestock specialists, compulsory economic studies, the study of the advanced experience gained by the best farms, teams and other farm divisions, and individual front-rankers. The compulsory programmes compiled for every level and type of education, a binding certification, and a binding summation of the results of these studies by an authoritative qualification commission could impart a qualitatively new content to them. Political education should also be brought closer to these tasks.

In defining the areas of study for the personnel of the agro-industrial complex it is necessary to bear in mind that only the right combination of technological progress and the economic mechanism can considerably raise labour productivity. What is needed above all is to study the latest achievements of science and technology and advanced experience, and the ways of using, on a wide scale, intensive factors of the growth of production in every area. Of vital importance is also the study of the intensive and

industrial technologies of crop growing and livestock breeding.

The second crucial area in training agro-industrial personnel is the mastery of economic management methods. This would ensure the introduction of cost-accounting and the collective contract on the farm as a whole and its divisions. It is necessary to enable all leaders, specialists, and rank-and-file workers of the agro-industrial complex, without exception, to know the ins and outs of the new economic mechanism and to use it properly. To this end, the study programmes for all categories of personnel, and the organization of all this training, should be oriented on making economic management more efficient and successfully fulfilling the 1987 plans for the production, purchasing and processing of agricultural produce.

It is important to disseminate widely what is valuable in socialist practice. Some people understand openness in a lop-sided way, as the exposure of the shortcomings and their eradication. Openness is also popularization and affirmation of what is advanced and progressive. Now that the process of reorganization has begun, it is important to disseminate the grains of experience and encourage the sprouts of the new.

Speaking of the Party guidance in the economic field, one cannot fail to mention, even if briefly, the need for a more effective involvement of industrial and building organizations in the solution of rural problems. As is well known, this tradition goes back to Lenin. Now, the work of town for country assumes new forms. Everything shows that it is expedient to build relations between them on a contractual basis. It is necessary to conduct affairs in such a way that would make industrial and building organizations and their leaders proud of what they do in and for the countryside.

No one can disprove the conclusion, strategically important for Party policy, that the main wealth of developing socialism is the Soviet people, that our main acceleration reserve is the stimulation of the human factor. We shall achieve the goals we have set ourselves without fail, we

shall mark the 70th anniversary of the Great October Revolution with substantive achievements if we charge the working people with the energy of reorganization, if, in perfect agreement with Lenin, we stimulate their labour and political enthusiasm on the bedrock foundation of full cost-accounting and the broadest democracy and openness.

Designed by Vyacheslav GORELOV
Translated by Igor OKOV

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ГЛАВНЫЙ РЕЗЕРВ УСКОРЕНИЯ
АКТИВИЗАЦИЯ ЧЕЛОВЕЧЕСКОГО ФАКТОРА

Серия «Авторитетное мнение»
на английском языке

Цена 20 к.

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1871/05/27

1871

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Born in 1920. In 1943, graduated from the S. Ordzhonikidze Aviation Institute in Moscow and in 1951, finished the Higher Party School under the CPSU Central Committee (by correspondence). In 1943-44, an engineer, senior production engineer and then chief of a technical department group at a plant. In 1944-49, a YCL functionary. In 1949, work in Party bodies and in Soviets. In 1959-61, Secretary of the Novosibirsk Regional CPSU Committee. In 1961-1965, deputy department chief at the CPSU Central Committee. In 1965-83, First Secretary of the Tomsk Regional CPSU Committee. In 1983-1985, department chief at the CPSU Central Committee and since December 1983, Secretary of the CPSU Central Committee.

In 1966-76, alternate member of the CPSU Central Committee. Since 1976, member of the CPSU Central Committee. Deputy to the USSR Supreme Soviet of the 7th-11th convocations.

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