ROSPECT OF ECONOMIC DEVELOPMENT IN THE SOVIET UNION

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PROSPECTS OF ECONOMIC DEVELOPMENT IN THE SOVIET
UNION
/Lecture/

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UNION OF SOVIET SOCIETIES FOR FRIENDSHIP AND CULTURAL RELATIONS WITH FOREIGN COUNTRIES

SOCIAL SCIENCES SECTION

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PROSPECTS OF ECONOMIC DEVELOPMENT IN THE SOVIET UNION /Lecture/

The purpose of this lecture is to give an account of the new 20-year programme for the further economic development of the U.S.S.R. For three months this programme was discussed by the entire nation, and in October I96I it was examined and adopted by the Twenty-Second Congress of the Communist Party of the Soviet Union.

This programme is a new stage in the development of our country, a new and higher phase of the development of society. Its essence is set forth in the second part of this lecture.

This new stage of development is founded entirely on the achievements that have been scored by our country in the 45 years of its existence, after the overthrow of tsarism in 1917.

In order to appreciate our successes, the heritage that we received must be recalled and an idea be formed of the state economy was in during tsarist times. For this it would be very useful to recall the impressions of the American writer John Reed and the famous British writer of science fiction H.G.Wells, who visited our country soon after the Revolution. These writers as well as the journalists who visited us could see that the economy of tsarist Russia had been completely undermined by four years of the world war and four years of civil war

Our heritage consisted of general ruin, abandoned factories and mills, poverty, epidemics and famine. That is from what we had to begin with.

The history of our country, like that of other lands, covers many milleniums, and 45 years is only a tiny portion of this history. And yet in these 45 years we have transformed an economically backward country into a leading state with a powerful industry, advanced science and a social system that ensures the entire population with work, rest and leisure and the possibility of studying, a country where the aim of society is not to increase the profits of capitalists but to promote the culture and material wellfare of the people.

Our successes and achievements are seen by the tens of thousands of tourists who annually come from different countries. Though the foreign press does not always report our achievements, you can learn of some of them from it.

I would not like to bore you with figures, but you must agree that it is impossible to do without them, because they are the language of the economist. Allow me to give a few figures that demonstrate our achievements. To make them clear these figures are given in a table.

Before analysing the table, I must make three reservations:

I. For a comparison of the level of development with tsarist Russia, I am using figures not for I9I7 but for the prewar year of I9I3, when tsarist Russia was at the height of her development.

I would like to draw your attention to this because in the West we are frequently accused of embellishing our successes for the sake of propaganda. If we thought of propaganda and not of the true state of affairs, we would have compared our achievements with 1917. We have every right to do so because that was the year when tsarism was overthrown. A comparison with 1917 would

make our successes even more imposing, because as I have already said I9I7 was a year of ruin. But we consciously play down our indices by comparing them with I9I3, the year when the economy of tsarist Russia reached its highest level of development.

2. In evaluating our achievements, the tremendous loss that was inflicted upon us by the sudden attack during the Second World War must be taken into consideration. The Nazi invaders destroyed 32,000 big industrial enterprises, half the towns and half the railways. The total loss from the destruction of material values is estimated at 679,000 million rubles or 750,000 million dollars /the new ruble is equal to 1 dollar, or, exactly, to 1 dollar and 10 cents/.

Five years were required to restore what was destroyed, although Western economists prophesied that it would take us at least 20 or 25 years. In evaluating our achievements, account must be taken of the fact that of the 45 years of Soviet rule, IO years were spent on war /1917-22 and 1941-46/ and about I2 years /1922-28 and 1945-50/ to rehabilitate the destruction caused by war. Thus, there have only been 20-25 years of peaceful construction.

3. In analysing our successes and plans we shall frequently draw a comparison with the United States of America, which is the most developed capitalist country. It has about the same number of people but its territory was not affected by war for nearly a hundred years. Another reason why a comparison with the U.S.A. will be more indicative and convincing is that we are engaged in a peaceful economic competition with it and our task is to surpass the level of development of the U.S.A. in all basic spheres.

Now let us examine the table.

I. Output of Key Industrial Products in the U.S.S.R. and Other Countries

| | 1913 | | 19 | 960 | | |
|---------------------------------------|--------------------|-------------|--------------|--------------------|------------|--------------|
| | Rus- sia | USSR | Bri- tain | France | FRG | USA |
| Iron ore, million tons | 9 | 106 | 17 | 67 | I 3 | 89 |
| Pig iron, - " - | 4 | 47 | 16 | I4 | 26 | 6I |
| Steel, - " - | 4 | 65 | 25 | 17 | 34 | 90 |
| Coal, - " - | 29 | 513 | I97 | 58 | 238 | 3 9 I |
| Petroleum - " - | 9 | I4 8 | _ | _ | - | 348 |
| Cement - " - | I | 46 | 13 | I4 | 26 | 53 |
| Electric power, thous. million kwh | 2 | 292 | I30 | 72 | II2 | 843 |
| Gas, thous million cubic metres | _ | 47 | 14 | 8 | 4 | 36I |
| Woolen fabrics, million metres | 103 | 342 | 235 | II6 | IZI | 259 |
| Cotton fabrics, million square metres | s 2 _e 5 | 5.2 | 1.2 | 2 I _• 4 | I.4 | 8.6 |
| Granulated sugar, million tons | I.3 | 6.4 | 0.8 | 3 2.0 | I.7 | 3.4 |

2. Ratio of the volume of industrial output of the USSR and USA during Soviet years /in 5% of the U.S. level/

| 1917 - 4.0 | 1947 - 19 _• 0 |
|-------------|---------------------------------|
| 1921 - 2.I | 1953 - 36 _• 0 |
| 1940 - 30.0 | I960 - over 60.0 |

What conclusion does one draw from this table and other figures showing the development of industrial cutput?

- I. During Soviet years the U.S.S.R. has sharply increased its industrial output, stepping up the output of key products tens and hundreds of times /the output of electric power has grown I50 times, the output of the machine-building and metal-working industries has increased 300 times/.
- 2. In the smaller than in Britain, France or Germany. Today the volume of industrial output in the U.S.S.R. is bigger than in these three countries combined.
- 3. In 1913 industrial output in Russia was eight times smaller than in the U.S.A. In 1921 the Soviet Union could only show 2.4 per cent of the U.S. level of industrial output, and in 1947 only 19 per cent. Today this percentage has risen to more than 60. The table shows that we are overtaking the U.S.A. in the output of pig iron, steel and cement, and that we are ahead in the output of iron ore, coal, woolen fabrics, and sugar. More cover, we have surpassed the U.S.A. and emerged into first place in the world for the output of fish, coke, prefabricated reinforced concrete, diesel and electric locomotives and a number of other items.
- 4. The Soviet Union is ahead of the U.S.A. and other countries for the rate of growth and for the absolute increase of output. This must be mentioned because we are accused of frequently referring to growth in percentages even though, as everybody knows percentages differ and are not always indicative.

Indeed, we frequently speak of industrial growth in percentages, i.e., we give a relative estimation. But sometimes this provides very indicative comparisons.

For example, our industrial output shows an annual rate of increase of IO per cent, while in the U.S.A., Britain and France it is only 2-3 per cent. True enough, in each of these countries an increase of one per cent connotes a different figure in each case, but is not the difference in the rates of growth indicative?

We know that in 43 years the volume of industrial output in the U.S.S.R. increased 45 times, in the U.S.A. 5.2 times, in France 2.6 times and in Great Britain only 2 times. Naturally, the volume of output is different in each of these countries, but can anyone say that these figures are not indicative?

You say you want absolute figures. All right, Let us examine figures showing the absolute growth of output in the past few years.

In the five-year period I955-60, the output of steel in the U.S.S.R. increased from 45 to 60 million tons, i.e., there was an absolute increase of 20 million tons. In the same period, the steel output increased by 5 million tons in Britain and France, and by I3 million tons in the Federal Republic of Germany, while in the United States of America it dropped by I7 million tons.

During the same five-year period the output of oil increased by 77 million tons in the U. S.S.R. and only by I6 million in the U.S.A. Our rates of increase are also higher in the output of gas, cement, shoes, textiles and other items.

Thus, from whatever angle Soviet achievements are examined, in relative or absolute figures, it will be found that the Soviet economy is developing at a much faster rate than the economy of the capitalist countries. We have surpassed all the leading European powers in relative and absolute indices and are steadily approaching the economic level of the U.S.A.

Whether the Western countries like it or not, that is a fact. Besides, there are now fewer and fewer arguments on this score. More and more Western economists and statesmen are now occupied in calculating when the $U_*S_*S_*R_*$ will overtake and surpass the $U_*S_*A_*$

Let us examine the figures on housing construction and agriculture given in Table 2.

Table 2

I. Investments in the National Economy

1929 - 800 million rubles
 1940 - 4,700 million rubles
 1950 - 9,600 million rubles
 1960 - 30,800 million rubles

2. Housing Construction in 1960

| Number of apartments built, thous. | Number of apart- ments per I,000 inhabitants |
|------------------------------------|--|
| 2,912 | I3.6 |
| I,180 | 6.5 |
| 314 | 6.9 |
| 307 | 5.5 |
| 268 | 5.4 |
| | 2,912 1,180 314 307 |

3. Commodity Output of Agriculture

| Year | Grain, '000,000 tons | Meat, 1000,000 tons | Milk, '000,000 tons | Wool, 1000 tons |
|------|----------------------------|---------------------|---------------------------|-----------------|
| 1913 | · 16 | 2 | 6.8 | 77 |
| I953 | 20_8 | 3.6 | 10.8 | 197 |
| 1960 | 46.4 | 7.9 | 26,3 | 357 |

An examination of Table 2 brings us to the following conclusions:

I. In the past ten years capital investments have trebled, reaching 30 billion rubles /or 33 million dollars/a year. In the capitalist countries there have hardly been any change. We are building on a big scale. People who have visited the U.S.S.R. have seen that the country is dotted with building cranes and building states. Three or four big factories and mills are placed into operation every day /in the past few years I,000-I,100 factories and mills have been placed in operation annually/.

2. Housing construction is proceeding on a huge scale. We are building 3 million apartments a year. This is more than the U.S.A. and I7 West European countries are building.

Does this mean that we have solved the housing question? No. There is still a housing shortage. People from the West frequently point this out to us. But the housing shortage is not our fault. It is our misfortune. To appreciate the complexity of this question it must be re-

membered that I,7I0 towns and 70,000 villages were burnt or destroyed during the war. That is half the number of towns in the U.S.S.R. and a considerable portion of the villages.

Immediately after the war we were occupied with rehabilitating industry and transport, and only started on large-scale housing construction in the past five years. The important result is that we are now building more houses than any other country in the world, and that under the present rate of building we shall soon solve the housing problem. I shall speak of how we plan to do this when I get to our new programme.

Regrettably we cannot cite such rapid rates of development for agriculture as for industry.

In the table you can see that the commodity output of agriculture has only increased 3.5 times. To a certain extent agriculture satisfies the raw material requirements of industry and the food requirements of the population, but the growing demand makes it imperative to increase the output of agricultural products. You have probably heard that agricultural workers were recently severely criticised, and that at present attention is concentrated on the fulfilment and overfulfilment of the agricultural development plans.

Today the volume of agricultural output in the U.S.S.R. is 75-80 per cent of the volume of output in the U.S.A. For us that is inadequate because we have a bigger population than the U.S.A.: 220 million as against I85 million in the U.S.A. Therefore, in order to reach the U.S. level we have to increase our agricultural output by 50-I00 per cent. That is one of the tasks we have set ourselves and I shall speak of it later.

In the West many people are sceptical about this intention of ours. But those who really know the situa-

tion in our country have long ago come to the conclusion.
that this task will soon be carried out.

As an example allow me to cite C. Cowe, editor of the American "Facts for Farmers" bulletin, who visited the Soviet Union twice. Here is what he writes:

"As a whole the U.S. is ahead of the U.S.S.R. for the physical volume of output and for output per head of population. However, in I959 Soviet farmers have reported bigger harvests of some crops than in the U.S. and a higher output of some products. For example, in I959 the wheat output in the U.S.S.R. compared with the U.S.A. came to 223 per cent, potatoes 784 per cent, sugar-beet 284 per cent, milk IIO per cent, butter I28 per cent, and wool 238 per cent. There are more sheep and pigs in the U.S.S.R. than in the U.S.A., the corresponding figures being I33 million head /33 million in the U.S.A./ and 59 million head /55 million in the U.S.A./.

"In the past seven years /1954 to 1960/, the average annual increase in agricultural output in the U.S.S.R. was 6.2 per cent compared with 2.4 per cent in the U.S.A. Through this faster rate of growth, which the Soviet farmers are trying to accelerate, they hope that by 1965 they will outpace the U.S.A. for the total output of farm products and for output per head of population.

"On the basis of my short stay in the U.S.S.R.",
Cowe says in conclusion, "limited to two summer periods,
I cannot, like some Americans who have stayed there for
even shorter periods, claim to be an expert on Soviet agriculture. However, judging by what I have seen it seems
to me that their farmers live quite well, in fact much bet
ter than we can picture to ourselves for our distorted
press reports. Our /American/ agriculture, speaking generally, is more mechanised and more productive than theirs.

But if we take into consideration the backward feudal base from which they began in 1917, and also a number of other objective problems that have arisen such as the destruction caused during World War II, the Soviet farmers, in my opinion, have scored outstanding successes, which I would say are much greater than they themselves realise."

Such is the evaluation of the state of our agriculture by an American specialist. This is, indeed, a fair exposition of facts.

One should not forget what our starting point was. Many of you, I am sure, have read the Russian classical authors Turgenev, Tol-stoy and Chekhov. In their stories the Russian muzhiks are downtrodden, ignorant people, living on the fringe of starvation and dressed in bast shoes and home-spun clothes.

Visit our country and you will see how the countryside has changed. Although in our villages the houses are still made of wood because we have large forests and little stone, the people live differently. They are no longer illiterate and downtrodden muzhiks but people of education dressed in urban clothes and owning bicycles, motor-cycles, television sets and radio receivers.

Just think: 23 per cent of the rural population have either a secondary or higher education. That is what cultural revolution has done in the countryside. The peasant of today is a farm machine mechanic, and his work consists of driving tractors, harvester combines and other machines. This is what socialism gave him.

This is what socialism gave him.

now, having built socialism our country has embarked upon the building of the foundations of a communist society.

Through careful scientific estimates it has been proved that there is a real possibility of building the foundations of a communist society within the short period of twenty years.

What does building a communist society, generally speaking, mean?

It means that within the next 20 years:

- in the economic field -

the productive forces will rise to such a level of development as to allow creating an abundance of material wealth; to ensure the highest standard of life for the entire population, to create all the conditions for a transition in the future to distribution in accordance with requirements;

- in the social field -

the surviving distinction between classes will be erased, the classes will be merged into a classless society of toilers of communism, the essential difference first between town and country and then between physical and mental labour will, in the main, be abolished, and there will be greater economic and ideological harmony between nations;

- in the political field -

the development of democracy will prepare the ground for complete implementation of the principles of communist self-administration, where all citizens will participate in the administration of public affairs.

A detailed examinations of all these changes will require special lectures. My purpose is to tell you how these tasks are being tackled in our plans, particularly in the general prospective economic development of the USSR in 1960-1980.

The plan of economic development in the U.S.S.R. for the next 20 years provides for a quick growth of all branches of the national economy. The development of industrial and agricultural production in the U.S.S.R. for I960-I980 is shown in Table 3.

In industrial development the plan is to increase the total volume of output by more than six times. This requires an annual rate of growth of industrial output of at least 9-10 per cent, i.e., the maintenance of the rates of growth we have now achieved.

Development of Industrial and Agricultural Production
in the U.S.S.R. in 1960-1980

| | - | | | 1 |
|--|-------------|---------------|------------------|----------------------|
| | 1960 | 1970 | 1980 | 1980 in % of 1960 |
| I | 2 | 3 | 4 | 5 |
| Total output, thous. million rub- les | 1 55 | 480 | 970-1,000 | 520-540 |
| Including: | | | | |
| Group A, thous; million rubles | 105 | 287 | 720 - 740 | 580-600 |
| Group B, thous, million roubles | 50 | 121 | 250-260 | 400-420 |
| Electric power, thous million kwh | 292 | 900- 1,000 | 2,700- 3,000 | 820-930 |

| | | | | <u> </u> | | |
|--|---------------|---------------------|--------------------|------------------|--|--|
| I | 2 | 3 | 4 | 5 | | |
| | | | | | | |
| Steel, million tons | 65 | 145 | 250 | 280 | | |
| Petroleum, million tons | 148 | 390 | 690 - 7I0 | 370-380 | | |
| Gas, thous. million cubic metres | 47 | 3I0 - 325 | 680 - 720 | I,340-I,420 | | |
| Machine- building, million rubles | 34 | I I 5 | 334-375 | 880-1,000 | | |
| Textiles, thous, million cubic metres | 6.6 | I3 _a 6 | 20-22 | 200 – 230 | | |
| Leather shoes, million pairs | 419 | 825 | 900 - I,000 | 110-140 | | |
| Household goods, thous. million rubles | 5.9 | 18 | 158-60 | 880-910 | | |
| Grain, million tons | 131.2 | 224 | 288-294 | 120-140 | | |
| Meat, million tons | 8.7 | 25 | 30-32 | 250 – 270 | | |
| Milk, million tons | 6I . 7 | 135 | 170-180 | 180-190 | | |
| Wool, million tons | 0,3 | 0.8 | I.0-I.I | 230 –27 0 | | |
| Raw cotton, million tons | 4.3 | 8 | IO-II | I30 - I60 | | |
| Vegetables, million tons | 19,2 | 47 | 55 | 390 | | |
| Fruit and berrie million tons | 4.9 | 28 | 5 I | 940 | | |

The plan envisages increasing the output of such major industries as power, machine-building and metal-cutting IO-II times. The output of the chemical industry will increase I7 times, and of synthetic tars and plastics 60 times.

I would like to draw your attention to the fact that while formerly only the heavy industry was expanded at an incredibly fast rate, today a similarly high rate of development has been carried over to the production of consumer goods. The table shows that while the output of the means of production will be increased soven-fold, production of consumer goods will grow five times, and the output of household goods and general merchandise will be increased IO times. This will allow creating an abundance of material and cultural blessings, which is a necessary condition for communist society.

The fulfilment of these plans will require a huge building programme. Indeed, the investments into capital construction in the twenty-year period will add up to 2,000,000 million rubles, which is six times more than the sum invested in all the preceding Soviet years. Thousands of new factories and other projects will be built. The machine-building industry alone will build 2,800 new enterprises and reconstruct I,900 of the factories now in operation.

In addition to the construction of new factories, roads, and collective and state farms, much attention is being paid to housing construction. The building of dwellings is already now proceeding at a rapid rate. About 50 million people have moved into new homes in the past five years.

We are still behind the Western states in the solution of the housing problem for the simple reason that

we suffered more from the war than any other country. Besides, the urban population is increasing at an unprecedented rate in the Soviet Union. In the past 25 years, it has increased from 26 to IIO million, i.e. five times. The building rate that has now been achieved will enable us to end the housing shortage within the next IO years, and to provide every family with a convenient rent-free flat within the next 20 years.

I have already mentioned that in the towns today we are building three million apartments a year, This means that providing there is no let-up in this rate of advance 30 million apartments will be built in ten years. This will make it possible to provide new homes for at least 100 million people. But actually the building rates are being increased all the time.

According to preliminary estimates 36 million apartments will be built during the first half of the 20-year plan, and 50 million apartments during the second half. You will agree that that is quite enough for the entire urban population no matter how it will grow.

In rural localities about a million houses are being built ewery year. If this rate of building is preserved 20 million houses will be built in 20 years. Such a number of houses is not required because IIO million people at present live in the countryside, and in future the rural population will grow smaller through migration to the towns. The main attention will be devoted to modernising life in the villages.

Such are our plans in housing construction. The simple calculations I have given show how real is the possibility of solving this important problem.

Let us briefly review the tasks confronting agriculture.

The programme for the development of agriculture envisages achieving a level of output which would satisfy the food requirements of the population and the raw material requirements of industry.

In the next 20 years agricultural production must increase approximately 3.5 times. Our table shows the growth set for the output of staple products: meat 3.5-3.7 times, milk about 3 times, vegetables about 5 times, and fruit and berries more than IO times. The output of wool and cotton will increase 2.4 times.

As it develops agriculture will satisfy all the growing requirements of the people in accordance with the growth of their real incomes. It is envisaged that real incomes will be doubled in IO years and increased more than 3.5 times in 20 years.

It is calculated that within the next ten years consumption will increase as follows:

meat and meat products - 2.5.times,
milk and butter - 2 times,
fish and sugar - I.5 times,
fruit and berries - about 5 times

The further development of the national economy during the second half of the 20-year period will, at the close of that period, make it possible to create the basis for a transition to the principle of satisfying the demands of the people in accordance with their requirements. Society will provide every person with all the necessities of life. In our plans the level of people's requirements is calculated on the basis of scientifically calculated needs of food and substantiated by calculations of conveniences necessary to make life comfortable.

It is not difficult to determine the level of people's requirements. It is much harder to ensure the satisfaction of these requirements not for a select few but for all the members of society. In our plans we envisage satisfying these requirements for all the members of society.

Within the next 20 years the development of industry and agriculture will provide us with such an abundance of food and consumer goods as to ensure the requirements of the whole people. Our society will have the possibility of freeing man from cares about his dwelling and food. That will be one of the great blessings of communism.

Communism holds out other blessings as well.

The length of the working day is of great importance to people. You, of course, know that the working day in the Soviet Union has been shortened to seven hours. We plan to go over to a six-hour working day or 35-hour working week as from 1964. That will give us the shortest working day in the world.

And further? Further, as labour productivity grows and mechanisation and automation introduced on a broader scale, there will be a further shortening of the working day and a lengthening of vacations.

We are not afraid of automation. It will not lead us to unemployment. As automation develops we shall shorten working time. This is one of the basic features distinguishing us from the capitalist countries, where automation leads to a growth of unemployment.

The noted American Eleanore Roosevelt wrote:

"Automation will inevitably increase unemployment for a long time because we have no careful planning which could help us to take the new conditions into consideration".

In the Soviet Union automation is the foundation for increasing labour productivity and, consequently, our wealth. It is the basis for creating abundance and improving working conditions and enhancing the welfare of the people.

As I tourist I have visited many countries: Italy, France, Belgium, Britain, the Scandinavian countries, and the United States of America. During these visits I not only toured beautiful places but also made the acquaintance of people. And no matter with whom I spoke I felt in them an undercurrent of aprehension and anxiety, which can be described approximately as follows.

"At present I'm living relatively well. I've bought many things on hire-purchase, perhaps even a car. Thank God, everything's all right for the present. But I'm haunted by the thought that I might suddenly fall ill, meet with an accident or lose my job. What will then happen to my family?"

The answer is fairly obvious.

The doctor's bills and the cost of medicine will swallow up all savings. The hire-purchase companies will confiscate everything that has not been paid for in full. The advance payments will be forfeited. In Italy, I met many people to whom this very thing happened.

Our people are not haunted by such a fear. We do not have to save up for a rainy day. And we do not save up. The state looks after old people or people who fall ill or are disabled. We do not worry about the morrow. That is a great boon. We have achieved this right here on earth and not in paradise.

Today a third of the means from the State Budget are being spent on the social and cultural requirements of the people.

Under the new programme, the size of this sum will increase more than ten times. Indeed, in 1960, it added up to 24,500 million rubles, and the plan is to increase it to 255,000-265,000 million rubles by 1980.

The new programme envisages the abolition of rent and payment for communal services such as electric power and gas. During my trips abroad I found that in western countries rents eat up from a quarter to a third of people's earnings.

The new programme envisages the abolition of fares on buses, trolleybuses and the underground railway. During my trips abroad I found that transportation costs a lot of money. A ticket in the subway or bus in New York is three times dearer than in Moscow. In New York it is I5 cents, i.e. about I5 kopeks, and in Moscow it is 5 kopeks in the subway and 5 kopeks in the bus, and soon it will not cost anything.

The new programme envisages free school uniforms, text-books, and hot breakfasts. No charge will be taken for the upkeep of children at nurseries, kindergartens and boarding schools.

The new programme envisages a gradual transition to free meals /lunches/ at factories, offices and collective farms.

I have already mentioned that medical assistance is free, and now we are to have free medicines. Tuition is free at all educational institutions, and 40 million children and young men and women are studying without paying anything.

You will agree that this is a great blessing for man. These blessings are given to the people by our society. And it is no dream either. Much has been achieved, and the rest has been worked out in specific plans, which we have grown accustomed to fulfilling.

The large share of state assistance in the incomes of the

people does not allow us to make a simple comparison between incomes in the U.S.S.R. and other countries. That is why we usually compare only real incomes.

The Americans love to speak of their way of life. Indeed today they have the highest standard of living in the world. Our plans envisage surpassing that level. If we take the present income level of the working people in the U.S.A., /I emphasise, working people and not Rockfeller or Morgan/, and accept it as IOO per cent, we shall find that by I980 the real incomes per head of population in the U.S.S.R. will come to I75 per cent.

Such are the brief excerpts from the plan of building the foundations of communism.

You may say: Yes, it is a good plan, but will it be carried out? Are there conditions for fulfilling it? Is it practicable?

These are very important questions and require an answer.

In our country we have a planned economy. We have forty years of experience of work by plan. Practicability is a requisite of our planning. The successful fulfilment of all our preceding plans makes not only us confident. The feasibility of our plans is now seen abroad not only by our friends but also by our enemies.

As N.S. Khrushchov aptly put it: "The communists have compelled even their adversaries to respect their plans."

The English weekly "The Tribune", writing about the draft Programme of the C.P.S.U. on August 4, 1961, declared:

"It seems fantastic if account is taken of the problems confronting Soviet planners in production and in the distribution of consumer goods. However, the 1903 programme, drawn up by a small group of inconspicuous

emigres, who were ridiculed, was even more fantastic, while in 1919 hardly anybody expected that the Soviet government would last more than a few months.

As you see, the author of this article was compelled to admit that the First and Second Party Programmes of 1903 and 1919 had been successfully fulfilled, and gives grounds for believing the practicability of the Third Programme, no matter how fantastic it may seem at a first glance.

The time has passed when our plans and achievements were called utopia and Russian propaganda. Abroad more and more of our adversaries believe in the practicability of our plans. They have come to learn from our achievements, from the success of our development programmes.

In order to fulfil our programme we count on the peaceful co-existence of different social systems.

Our plans, with which I have acquainted you, are plans of peaceful construction. They envisage the creation of material values and not destruction. That is why the Soviet Union is not sparing any effort to promote the struggle for peace.

Within the relatively short period of 45 years, which is a very small span in the history of mankind, we have achieved much and built a socialist society. Today we have set ourselves the more important task of building a communist society, to realise mankind's dream of achieveing real justice and happiness. Within the next 20 years we shall build the foundations of such a society, the

material and technical basis of communism.

We are building a society whose motto, is PEACE, LABOUR, FREEDOM, EQUALITY, FRATERNITY and HAPPINESS.

And all we now want is to live in peace and friendship with all nations. That is why I want to finish my lecture with the call:

"Long live peace and friendship!"
Thank you for your attention.