

English Edition

Unpublished Manuscripts—Please Reprint

INTERNATIONAL PRESS CORRESPONDENCE

Vol. 14 No. 9

13th February 1934

J. Stalin:

Report to the XVII Party Congress on the Work of the Central Committee of the C.P.S.U.

(FULL TEXT)

I. The Continuing Crisis of World Capitalism and Foreign Relations of the Soviet Union

Comrades, more than three years have passed since the Sixteenth Congress. The period is not a very long one. But it has been fuller in content than any other period. I do not think a single period in the last decade has been so rich in events as this period.

In the economic sphere these years have been years of continuous world economic crisis. The crisis has affected not only industry, but even agriculture as a whole. The crisis has not only raged in the sphere of production and trade, but has also swept into the sphere of credit and the circulation of money, and has overturned the established credit and currency relationships between countries. Formerly, there were disputes here and there as to whether there was a world economic crisis or not, but now nobody argues about this, because the existence of the crisis and its devastating effects are only too obvious. Now the controversy centres around another question, viz., is there a way out of the crisis or not? And if there is a way out, where is it to be found?

In the political sphere these years have been years of growing acuteness in relations both as between capitalist countries as well as within the respective countries. The war between Japan and China and the occupation of Manchuria which have strained relations in the Far East; the victory of fascism in Germany and the triumph of the idea of revenge which have strained relations in Europe; the withdrawal of Japan and Germany from the League of Nations which has given a new impetus to the growth of armaments and to the preparations for an imperialist war; the defeat of fascism in Spain, which once again showed that the revolutionary crisis is maturing and that fascism is not long-lived by a long way—such are the most important facts of the period under review. It is not surprising that bourgeois pacifism is living its last hours and that the trend towards disarmament is openly and directly being replaced by a trend towards armaments and additional armaments.

Amidst the surging waves of economic shocks and military-political catastrophes, the U.S.S.R. stands out alone, like a rock, continuing its work of socialist construction and its fight to preserve peace. While in the capitalist countries the economic

crisis is still raging, in the U.S.S.R. progress is continuing both in the sphere of industry as well as in the sphere of agriculture. While in capitalist countries feverish preparations are in progress for a new war, for a new redistribution of the world and spheres of influence, the U.S.S.R. is continuing its systematic and stubborn struggle against the menace of war and for peace; and it cannot be said that the efforts of the U.S.S.R. in this sphere have been quite unsuccessful.

Such is a general picture of the international situation at the present moment.

Let us pass on to examine the main data on the economic and political position of the capitalist countries.

1. The Movement of the Economic Crisis in the Capitalist Countries

The present economic crisis in the capitalist countries differs from all analogous crises, among other things, by the fact that it is the longest and most protracted crisis. Formerly, crises lasted one or two years; the present crisis, however, is now in its fifth year and from year to year has devastated the economy of the capitalist countries and has wasted the fat it accumulated in previous years. It is not surprising that this crisis is the severest of all crises.

How is the unprecedentedly protracted character of the present industrial crisis to be explained?

It is to be explained first of all by the fact that the industrial crisis affected every capitalist country without exception and made it difficult for some countries to manoeuvre at the expense of others.

Secondly, it is to be explained by the fact that the industrial crisis became interwoven with the agrarian crisis which affected all the agrarian and semi-agrarian countries without exception, and this could not but make the industrial crisis more complicated and profound.

Thirdly, it is to be explained by the fact that the agrarian

crisis became more acute in this period and affected all branches of agriculture, including cattle-raising, degrading it to the level of passing from machine labour to hand labour, to the substitution of the horse for the tractor, to the sharp diminution in the use of and sometimes to the complete abandonment of artificial fertilisers, which caused the industrial crisis to become still more protracted.

Fourthly, it is to be explained by the fact that the monopolist cartels which dominate industry strive to maintain the high prices of goods, and this circumstance makes the crisis particularly painful and hinders the absorption of stocks of commodities.

Lastly, and what is most important, it is to be explained by the fact that the industrial crisis broke out amidst the conditions of the general crisis of capitalism, when capitalism no longer has, nor can have, either in the home countries or in the colonial and dependent countries the strength and stability it had before the war and the October Revolution, when industry in the capitalist countries is suffering from the heritage it received from the imperialist war in the shape of the chronic working of enterprises under capacity, and of an army of unemployed numbering millions from which it is no longer able to release itself.

Such are the circumstances which determine the extremely protracted character of the present industrial crisis.

It is these circumstances, too, that explain the fact that the crisis has not been restricted to the sphere of production and trade, but has also affected the credit system, currency, the sphere of debt obligations, etc., and has broken down the traditionally established relations both between separate countries as well as between social groups in the individual countries.

An important role in this was played by the drop in the price of commodities. Notwithstanding the resistance of the monopolist cartels, the drop in prices increased with elemental force, and the drop in prices occurred primarily and mostly in regard to the commodities of the unorganised commodity owners, viz., peasants, artisans, small capitalists; the drop was gradual and smaller in degree in regard to the prices of commodities offered by the organised commodity owners, viz., the capitalists united in cartels. The drop in prices made the position of debtors (manufacturers, artisans, peasants, etc.) intolerable, while on the other hand it placed the creditors in an unprecedentedly privileged position. Such a situation had to lead, and really did lead, to the colossal bankruptcy of firms and of individual capitalists. During the past three years tens of thousands of joint stock companies were ruined in this way in the United States, in Germany, in England and in France. The bankruptcy of joint stock companies was followed by the depreciation of the currency, which to some extent eased the position of the debtors. Depreciation of currency was followed by the legalised non-payment of debts, both foreign and internal. The collapse of such banks as the Darmstadt and Dresden Banks in Germany, the Kredit Anstalt in Austria, and also concerns like the Kreuger concern in Sweden, the Insull Company in the United States, etc., is well known to all.

It goes without saying that these phenomena which shook the foundations of the credit system had to bring in their train, and did bring in their train, the cessation of payments on credits and foreign loans, the cessation of payments of inter-Allied debts, the cessation of the export of capital, the further diminution of foreign trade, the further diminution of the export of commodities, the intensification of the struggle for foreign markets, trade war between countries and—dumping. Yes, comrades, dumping. I do not mean the alleged Soviet dumping, about which only very recently certain honourable deputies in the honourable parliaments of Europe and America were shouting until they were hoarse. I mean the real dumping that is now being practised by all the "civilised" States, about which the gallant and noble deputies are wisely silent.

It goes without saying, also, that these destructive phenomena accompanying the industrial crisis which operated outside the sphere of production could not but in their turn influence the course of the industrial crisis and make it more intense and more complicated.

Such is the general picture of the movement of the industrial crisis.

Here are a few figures taken from official materials which illustrate the movement of the industrial crisis in the period under review:—

Volume of Industrial Production (per cent. of 1929)

	1929	1930	1931	1932	1933
U.S.S.R.	100.0	129.7	161.9	184.7	201.6
U.S.A.	100.0	80.7	68.1	53.8	64.9
Great Britain	100.0	92.4	83.8	83.8	86.1
Germany	100.0	88.3	71.7	59.8	66.8
France	100.0	100.7	89.2	69.1	77.4

As you see, this table speaks for itself.

While industry in the principal capitalist countries declined from year to year compared with 1929 and began to recover somewhat only in 1933—although it has not reached the level of 1929 by a long way yet—industry in the U.S.S.R. increased from year to year and experienced a process of uninterrupted rise.

While industry in the principal capitalist countries shows on the average a reduction of 25 per cent. and more in the volume of production at the end of 1933 compared with the level of 1929, the industry of the U.S.S.R. during this period grew more than twice its size, i.e., increased more than 100 per cent. (Applause.)

Judging by this table it may seem that of the four capitalist countries, Great Britain occupies the most favourable position. But that is not quite so. If we take the industry of these countries and compare it with the pre-war level we shall get a somewhat different picture.

Here is the corresponding table:—

Volume of Industrial Production (per cent of Pre-War Level)

	1913	1929	1930	1931	1932	1933
U.S.S.R.	100	194.3	252.1	314.7	359.0	391.9
U.S.A.	100	170.2	137.3	115.9	91.4	110.2
Great Britain	100	99.1	91.5	83.0	82.5	85.2
Germany	100	113.0	99.8	81.0	67.6	75.4
France	100	139.0	140.0	124.0	96.1	107.6

As you see, the industry of Great Britain and Germany has not yet reached the pre-war level, while that of the United States and France has exceeded it by several per cent., and the U.S.S.R. has increased its industrial production during this period by 290 per cent. compared with the pre-war level. (Applause.)

But there is still another conclusion that must be drawn from these tables.

While industry in the principal capitalist countries has been steadily declining since 1930, and particularly since 1931, and reached its lowest point in 1932, it began slightly to recover and rise in 1933. If we take the monthly returns for 1932 and 1933 we will find that they still further confirm this conclusion because they show that in spite of fluctuations of production in the course of 1933, industry in these countries has showed no tendency to drop to the level of the lowest point reached in the summer of 1932.

What does that mean? It means that, apparently, industry in the principal capitalist countries had already reached the lowest point of decline and did not return to it in the course of 1933.

Some people are inclined to ascribe this phenomenon to the influence of exclusively artificial factors, such as a war-inflation boom. There cannot be any doubt that the war-inflation boom plays not an unimportant role here. It is particularly true in regard to Japan, where this artificial factor is the principal and decisive force in the revival, chiefly in the munition branches of industry. But it would be a crude mistake to attempt to explain everything by the war-inflation boom. Such an explanation is wrong, if only for the reason that the changes in industry which I have described are observed, not in separate and chance districts, but in all, or nearly all, industrial countries, including those countries which have a stable currency. Apparently, side by side with the war-inflation boom the operation of the internal economic forces of capitalism also has effect here.

Capitalism has succeeded in somewhat easing the position of industry at the expense of the workers—increasing their exploitation by increasing the intensity of their labour; at the expense of the farmers—by pursuing a policy of paying the lowest prices for the product of their labour, for foodstuffs and partly for raw materials; at the expense of the peasants in the colonies and in the economically weak countries—by still further forcing down the prices of the products of their labour, principally of raw materials and also of foodstuffs.

Does this mean that we are witnessing a transition from a crisis to an ordinary depression which brings in its train a new boom and industrial prosperity? No, it does not mean that. At all events at the present time there are no data, direct or indirect, that indicate the approach of an industrial boom in the capitalist

countries. More than that, judging by all things, there cannot be such data, at least in the near future. There cannot be, because all the unfavourable conditions which prevent industry in the capitalist countries from rising to any serious extent still continue to operate. I have in mind the continuing general crisis of capitalism in the midst of which the economic crisis is proceeding, the chronic working of the enterprises under capacity, the chronic mass unemployment, the interweaving of the industrial crisis with the agricultural crisis, the absence of tendencies towards any serious renewal of basic capital which usually heralds the approach of a boom, etc.

Apparently, what we are witnessing is the transition from the lowest point of decline of industry, from the lowest depth of the industrial crisis, to a depression, not an ordinary depression, but to a depression of a special kind which does not lead to a new boom and flourishing industry, but which, on the other hand, does not force it back to the lowest point of decline.

2. The Growing Acuteness of the Political Situation in the Capitalist Countries

A result of the protracted economic crisis was the hitherto unprecedented acuteness of the political situation in the capitalist countries, both within the respective countries as well as between them.

The intensified struggle for foreign markets, the abolition of the last vestiges of free trade, prohibitive tariffs, trade war, currency war, dumping and many other analogous measures which demonstrate extreme nationalism in economic policy, have caused the relations between the countries to become extremely acute, have created the soil for military conflicts and have brought war to the front as a means for a new redistribution of the world and spheres of influence in favour of the strongest States.

Japan's war against China, the occupation of Manchuria, Japan's withdrawal from the League of Nations and her advance in North China have served to make the situation still more acute. The intensified struggle for the Pacific and the growth of the naval armaments of Japan, United States, Great Britain and France, represent the results of this increased acuteness.

Germany's withdrawal from the League of Nations and the spectre of revenge have given a fresh impetus to the acuteness of the situation and to the growth of armaments in Europe.

It is not surprising that bourgeois pacifism is now dragging out a miserable existence, and that idle talk about disarmament is being replaced by "business-like" talk about arming and re-arming.

Again, as in 1914, the parties of bellicose imperialism, the parties of war and revenge are coming into the foreground.

Quite clearly things are moving towards a new war.

In view of the operation of these same factors the internal situation of the capitalist countries is becoming still more acute. Four years of industrial crisis have exhausted the working class and reduced it to despair. Four years of agricultural crisis have finally ruined the poorer strata of the peasantry, not only in the principal capitalist countries but also—and particularly—in the dependent and colonial countries. It is a fact that notwithstanding all the attempts to manipulate statistics in order to show a diminution in the number of unemployed, the number of unemployed according to the official returns of bourgeois institutions reaches three million in England, five million in Germany, and ten million in the United States, not to speak of other countries in Europe. Add to this the number of workers employed part-time, which exceeds ten millions, add the millions of ruined peasants—and you will get an approximate picture of the poverty and despair of the toiling masses. The masses of the people have not yet reached the stage when they are ready to storm the citadel of capitalism, but the idea of storming it is maturing in the minds of the masses—there can hardly be any doubt about that. This is eloquently testified to by such facts as, say, the Spanish revolution which overthrew the fascist regime, and the expansion of the Soviet regions in China which the united counter-revolution of the Chinese and foreign bourgeoisie is unable to stop.

This, as a matter of fact, explains the fact that the ruling classes in the capitalist countries are zealously destroying, or nullifying, the last vestiges of parliamentarism and bourgeois democracy which might be used by the working class in its struggle against the oppressors, the fact that they are driving the

Communist Parties underground and resorting to open terrorist methods in order to maintain their dictatorship.

Chauvinism and preparation for war as the main elements of foreign policy, bridling the working class and terror in the sphere of home policy as a necessary means for strengthening the rear of future war fronts—this is what is particularly engaging the minds of contemporary imperialist politicians.

It is not surprising that fascism has now become the most fashionable commodity among bellicose bourgeois politicians. I do not mean fascism in general, I mean, primarily, fascism of the German type, which is incorrectly called national socialism, for the most searching examination will fail to reveal even an atom of socialism in it.

In this connection the victory of fascism in Germany must be regarded not only as a symptom of the weakness of the working class and as a result of the betrayal of the working class by social democracy, which paved the way for fascism; it must also be regarded as a symptom of the weakness of the bourgeoisie, as a symptom of the fact that the bourgeoisie is already unable to rule by the old methods of parliamentarism and bourgeois democracy, and, as a consequence, is compelled in its home policy to resort to terroristic methods of administration—it must be taken as a symptom of the fact that it is no longer able to find a way out of the present situation on the basis of a peaceful foreign policy, as a consequence of which it is compelled to resort to a policy of war.

That is the position.

Thus you see that things are moving towards a new imperialist war as a way out of the present situation.

Of course there are no grounds for assuming that the war can provide a real way out. On the contrary, it must confuse the situation still more. More than that, it will certainly unleash revolution and put in question the very existence of capitalism in a number of countries, as was the case in the course of the first imperialist war. And if, notwithstanding the experience of the first imperialist war, the bourgeois politicians clutch at war as a drowning man clutches at a straw, it shows that they have become utterly confused, have reached an impasse, and are ready to rush headlong over into the abyss.

It will not be amiss, therefore, to briefly examine the plans for the organisation of war which are now being hatched in the circles of bourgeois politicians.

Some think that war must be organised against one of the Great Powers. They think of imposing a crushing defeat upon it and of improving their own affairs at its expense. Let us assume that they organise such a war. What may come of it? As is well known, during the first imperialist war it was intended to destroy one of the Great Powers, viz., Germany, and to grow rich at her expense. And what came of it? They did not destroy Germany, but in Germany they sowed such a hatred for the victors and created such a rich soil for revenge that they have not been able to clear up the revolting mess they have made, even to this day, and will not, perhaps, be able to do so soon. But instead, they got the smash-up of capitalism in Russia, the victory of the proletarian revolution in Russia and—of course—the Soviet Union. What guarantee is there that the second imperialist war will produce "better" results for them than the first? Would it not be more correct to assume that the opposite will be the case?

Others think that war should be organised against a country that is militarily weak, but which represents an extensive market—for example, against China, which moreover cannot, they have discovered, be described as a State in the strict sense of the word, but which merely represents "unorganised territory" which needs to be seized by strong States. Apparently they want to divide it up completely and improve their affairs at its expense. Let us assume that they organise such a war. What will come of it? It is well known that in the beginning of the nineteenth century the same opinion was held in regard to Italy and Germany as is now held in regard to China, viz., they were regarded as "unorganised territories" and not States, and they were enslaved. But what came of it? As is well known, it resulted in a war of independence waged by Germany and Italy and their unification into independent States. It resulted in increased hatred in the hearts of the peoples of these countries for the oppressors, the results of which have not been liquidated to this day and will not, perhaps, be liquidated for some time. The question arises: what guarantee is there that the same thing will not happen as a result of an imperialist war against China?

Still others think that war should be organised by a "superior race," ray, the German "race," against an "inferior race," primarily against the Slavs, that only such a war can provide a way out of the situation because it is the mission of the "superior race" to ennoble the "inferior race" and rule over it. Let us assume that this queer theory, which is as far removed from science as heaven is from earth, let us assume that this queer theory is put into practice. What will come of it? It is well known that ancient Rome regarded the ancestors of the present-day Germans and French in the same way as the representatives of the "superior race" now regard the Slav tribes. It is well known that ancient Rome treated them as an "inferior race," as "barbarians," whose destiny it was to be eternally subordinated to the "superior race," to "great Rome," and, between ourselves let it be said, ancient Rome had some grounds for this, which cannot be said about the representatives of the present "superior race." (Loud applause.) But what came of it? The result was that the non-Romans, i.e., all the "barbarians" united against the common enemy, hurled themselves against Rome and overthrew it. The question arises: what guarantee is there that the claims of the representatives of the present "superior race" will not lead to the same deplorable results? What guarantee is there that the fascist-literary politicians in Berlin will be more fortunate than the ancient and experienced conquerors in Rome? Would it not be more correct to assume that the opposite will be the case?

Still others, again, think that war should be organised against the U.S.S.R. Their plan is to smash the U.S.S.R., divide up its territory and get rich at its expense. It would be a mistake to believe that it is only certain military circles in Japan who think in this way. We know that similar plans are being hatched in the circles of political leaders of certain States of Europe. Let us assume that these gentlemen pass from words to deeds. What may come of it?

There can hardly be any doubt that such a war would be a very dangerous war for the bourgeoisie. It would be a very dangerous war, not only because the peoples of the U.S.S.R. would fight to the very death to preserve the gains of the revolution; it would be a very dangerous war for the bourgeoisie also because such a war will be waged not only at the fronts but also in the rear of the enemy. The bourgeoisie need have no doubt that the numerous friends of the working class of the U.S.S.R. in Europe and in Asia will be sure to strike a blow in the rear at their oppressors who commenced a criminal war against the fatherland of the working class of all countries. And let not Messieurs the bourgeoisie blame us if on the morrow of the outbreak of such a war they will miss certain of the governments that are near and dear to them and who are to-day happily ruling "by the grace of god." (Loud applause.)

One such war against the U.S.S.R. has been waged already, if you remember, fifteen years ago. As is well known, the Right Honourable Winston Churchill clothed this war in a poetic formula—"the invasion of fourteen States." You remember, of course, that this war rallied the toilers of our country in a single camp of heroic warriors who defended their workers' and peasants' homeland against the foreign foe tooth and nail. You know how it ended. It ended with the invaders being driven from our country and the establishment of revolutionary Councils of Action in Europe. It can hardly be doubted that a second war against the U.S.S.R. will lead to the complete defeat of the aggressors, to revolution in a number of countries in Europe and in Asia, and to the overthrow of the bourgeois-landlord governments in those countries.

Such are the war plans of the perplexed bourgeois politicians.

As you see they are not distinguished by wit nor valour. (Applause.)

But if the bourgeoisie chooses the path of war, then the working class in the capitalist countries who have been reduced to despair by four years of crisis and unemployment will take the path of revolution. That means that a revolutionary crisis is maturing and will continue to mature. And the more the bourgeoisie becomes entangled in its war combinations, the more frequently it resorts to terroristic methods in the struggle against the working class and the toiling peasantry, the sooner will the revolutionary crisis mature.

Some comrades think that as soon as a revolutionary crisis occurs the bourgeoisie must drop into a hopeless position, that its end is predetermined, that the victory of the revolution is assured, and that all they have to do is to wait for the bourgeoisie to fall,

and to draw up victorious resolutions. This is a profound mistake. The victory of revolution never comes by itself. It has to be prepared for and won. And only a strong proletarian revolutionary party can prepare for and win victory. Moments occur when the situation is revolutionary, when the rule of the bourgeoisie is shaken to its very foundations, and yet the victory of the revolution does not come, because there is no revolutionary party of the proletariat sufficiently strong and authoritative to lead the masses and take power. It would be unwise to believe that such "cases" cannot occur.

In this connection, it will not be amiss to recall Lenin's prophetic words on a revolutionary crisis, uttered at the Second Congress of the Communist International:

"We have now come to the question of the revolutionary crisis as the basis of our revolutionary action. And here we must first of all note two widespread errors. On the one hand, the bourgeois economists depict this crisis simply as 'unrest,' to use the elegant expression of the English. On the other hand, revolutionaries sometimes try to prove that there is absolutely no way out of the crisis. That is a mistake. There is no such thing as absolutely hopeless positions. The bourgeoisie behaves like an arrogant brigand who has lost his head, it commits blunder after blunder, thus making the position more acute and hastening its own doom. All this is true. But it cannot be 'proved' that there are absolutely no possibilities whatever for it to lull a certain minority of the exploited with certain concessions, to suppress a certain movement or uprising of a certain section of the oppressed and exploited. To try to 'prove' beforehand that a position is 'absolutely' hopeless would be sheer pedantry, or playing with concepts and catchwords. Practice alone can serve as real 'proof' in this and similar questions. The bourgeois system all over the world is experiencing a great revolutionary crisis. And the revolutionary parties must now 'prove' by their practice that they are sufficiently intelligent and organised, have contacts with the exploited masses, are sufficiently determined and skilful to utilise this crisis for a successful and victorious revolution." (Lenin, *Collected Works*, Vol. XXV, 1920.)

3. The Relations Between the U.S.S.R. and the Capitalist States

It is quite easy to understand how difficult it has been for the U.S.S.R. to pursue its peace policy in this atmosphere poisoned with the miasma of war combinations.

In the midst of this eve-of-the-war hullabaloo which is going on in a number of countries, the U.S.S.R. during these years has stood firmly and unswervingly by its position of peace, fighting against the menace of war, fighting to preserve peace, going out to meet those countries which in one way or another stand for the preservation of peace, exposing and tearing the masks from those who are preparing for and provoking war.

What did the U.S.S.R. rely on in this difficult and complex struggle for peace?

(a) On its growing economic and political might.

(b) On the moral support of millions of the working class in every country who are vitally interested in the preservation of peace.

(c) On the common sense of those countries which for this or that motive are not interested in disturbing the peace, and which want to develop commercial relations with such a reliable customer as the U.S.S.R.

(d) Finally—on our glorious army, which is ready to defend our country against foreign attack.

On this basis arose our campaign for the conclusion of pacts of non-aggression and of pacts defining the aggressor with our neighbouring States. You know that this campaign has been successful. As is known, pacts of non-aggression have been concluded not only with the majority of our neighbours in the West and in the South, including Finland and Poland, but also with such countries as France and Italy; and pacts defining the aggressor have been concluded with these same neighbouring States, including the Little Entente.

On this basis also the friendship between the U.S.S.R. and Turkey was consolidated, relations between the U.S.S.R. and Italy have improved and have become indisputably satisfactory, relations with France, Poland and other Baltic States have improved, relations have been restored with the U.S.A., China, etc.

Of the facts reflecting the successes of the peace policy of the U.S.S.R. two facts of indisputably serious significance should be noted and singled out.

(1) I have in mind, first, the change for the better that has taken place recently in the relations between the U.S.S.R. and Poland, between the U.S.S.R. and France. As is well known, our relations with Poland in the past were not at all good. The representatives of our State were assassinated in Poland. Poland regarded herself as the barrier of the Western States against the U.S.S.R. All and sundry imperialists looked upon Poland as the vanguard in the event of a military attack upon the U.S.S.R. The relations between the U.S.S.R. and France were not much better. It is sufficient to recall the facts in the history of the trial of the Ramzin wreckers' group in Moscow in order to restore in one's mind the picture of the relations between the U.S.S.R. and France. But now these undesirable relations are gradually beginning to disappear. They are being replaced by other relations, which cannot be otherwise described than relations of rapprochement. It is not only that we have concluded pacts of non-aggression with these countries, although these pacts in themselves are of very serious importance. The most important thing first of all is that the atmosphere charged with mutual distrust is beginning to be dissipated. This does not mean, of course, that the incipient process of rapprochement can be regarded as sufficiently stable and as guaranteeing ultimate success. Surprises and zigzags in policy, for example in Poland, where anti-Soviet moods are still strong, cannot be regarded as being excluded by a long way. But a change for the better in our relations, irrespective of its results in the future, is a fact worthy of being noted and put in the forefront as a factor in the advancement of the cause of peace.

What is the cause of this change? What stimulates it?

First of all, the growth of the strength and might of the U.S.S.R. In our times it is not the custom to give any consideration to the weak—consideration is only given to the strong. Then there have been certain changes in the policy of Germany which reflect the growth of revenge and imperialist moods in Germany.

In this connection certain German politicians say that now the U.S.S.R. has taken an orientation towards France and Poland, that from being an opponent of the Versailles Treaty it has become a supporter of it, and that this change is to be explained by the establishment of a fascist regime in Germany. This is not true. Of course, we are far from being enthusiastic about the fascist regime in Germany. But fascism is not the issue here, if only for the reason that fascism, for example in Italy, did not prevent the U.S.S.R. establishing very good relations with that country. Nor are the alleged changes in our attitude towards the Versailles Treaty the point at issue. It is not for us, who have suffered the shame of the Brest-Litovsk Peace, to sing the praises of the Versailles Treaty. We merely do not agree to the world being flung into the chasm of a new war for the sake of this treaty. The same thing must be said in regard to the alleged new orientation taken by the U.S.S.R. We never had any orientation towards Germany nor have we any orientation towards Poland and France. Our orientation in the past and our orientation at the present time is towards the U.S.S.R. and towards the U.S.S.R. alone. (Loud applause.) And if the interests of the U.S.S.R. demand rapprochement with this or that country which is not interested in disturbing peace, we shall take this step without hesitation.

No, that is not the point. The point is that the policy of Germany has changed. The point is that even before the present German politicians came into power, and particularly after they came into power, a fight between two political lines broke out in Germany, between the old policy which found expression in the well-known treaties between the U.S.S.R. and Germany and the "new" policy which in the main recalls the policy of the ex-Kaiser of Germany who at one time occupied the Ukraine, undertook a march against Leningrad, and transformed the Baltic countries into a *place d'armes* for this march; and this "new" policy is obviously gaining the upper hand over the old policy. The fact that the supporters of the "new" policy are gaining supremacy in all things while the supporters of the old policy are in disgrace cannot be regarded as an accident. Nor can the well-known action of Hugenberg, in London, nor the equally well-known declarations of Rosenberg, the director of the foreign policy

of the ruling party in Germany, be regarded as accidents. That is the point, comrades.

(2) Secondly, I have in mind the restoration of normal relations between the U.S.S.R. and the *United States*. There cannot be any doubt that this act has very serious significance for the whole system of international relations. It is not only that it improves the chances of preserving peace, that it improves the relations between the two countries, strengthens commercial intercourse between them and creates a base for mutual co-operation; it is a landmark between the old, when the United States was regarded in various countries as the bulwark for all sorts of anti-Soviet tendencies, and the new, when this bulwark was voluntarily removed, to the mutual advantage of both countries.

Such are the two main facts which reflect the successes of the Soviet peace policy.

It would be wrong, however, to think that everything went smoothly in the period under review. No, not everything went smoothly by a long way. Recall, say, the pressure that was brought to bear upon us by *England*, the embargo on our exports, the attempt to interfere in our internal affairs and to put out feelers to test our power of resistance. It is true that nothing came of these attempts and that later the embargo was removed; but the aftermath of these attacks is still felt in all things that affect the relations between England the U.S.S.R., including the negotiations for a commercial treaty. And these attacks upon the U.S.S.R. must not be regarded as accidental. It is well known that one section of the English conservatives cannot live without such attacks. And precisely because they are not accidental we must bear in mind that attacks on the U.S.S.R. will be made in the future, that all sorts of menaces will be created, attempts to damage it will be made, etc.

Nor can we lose sight of the relations between the U.S.S.R. and *Japan* which stand in need of very considerable improvement. Japan's refusal to conclude a pact of non-aggression, of which Japan stands in need no less than the U.S.S.R., once again emphasises the fact that all is not well in the sphere of our relations. The same thing must be said in regard to the rupture of negotiations concerning the Chinese-Eastern Railway due to no fault of the U.S.S.R., and also in regard to the outrageous deeds the Japanese agents are committing on the C.E.R., the unlawful arrests of Soviet employees on the C.E.R., etc. This is quite apart from the fact that one section of the military circles in Japan is openly advocating in the press the necessity of a war against the U.S.S.R. and the seizure of the Maritime Province with the avowed approval of another section of the military, while the government of Japan, instead of calling these instigators of war to order, is pretending that this is not a matter that concerns it. It is not difficult to understand that such circumstances cannot but create an atmosphere of uneasiness and uncertainty. Of course, we will continue persistently to pursue the policy of peace and strive for an improvement in our relations with Japan because we want to improve these relations. But it does not entirely depend upon us. That is why we must at the same time adopt all measures for the purpose of guarding our country against surprises and be prepared to defend it in the event of attack. (Loud applause.)

As you see, besides successes in our peace policy we also have a number of negative phenomena.

Such are the foreign relations of the U.S.S.R.

Our foreign policy is clear. It is a policy of preserving peace and strengthening commercial relations with all countries. The U.S.S.R. does not think of threatening anybody—let alone of attacking anybody. We stand for peace and champion the cause of peace. But we are not afraid of threats and are prepared to answer the instigators of war blow for blow. (Loud applause.) Those who want peace and are striving after business intercourse with us will always receive our support. And those who try to attack our country—will receive a stunning rebuff to teach them not to shove their hogs' snouts into our Soviet garden again. (Loud applause.)

Such is our foreign policy. (Loud applause.)

The task is to continue to pursue this policy with all possible persistence and consistency.

II. The Continued Progress of the National Economy and the Internal Position of the U.S.S.R.

I now pass to the question of the internal position of the U.S.S.R.

From the point of view of the internal position of the U.S.S.R., the period under review presents a picture of continuously expanding progress both in the sphere of national economy and in the sphere of culture.

This progress has not been merely a simple quantitative accumulation of strength. This progress is remarkable for the fact that it has introduced fundamental changes in the structure of the U.S.S.R. and has radically changed the face of the country.

During this period the U.S.S.R. has become radically transformed; it has discarded the features of backwardness and mediævalism. From an agrarian country it has become transformed into an industrial country. From a land of small individual agriculture it has become a land of collective, large-scale mechanised agriculture. From an ignorant, illiterate and uncultured country it has become—or rather it is becoming—a literate and cultured country covered with a network of higher, middle and elementary schools operating in the languages of the nationalities of the U.S.S.R.

New branches of industry have been created, *viz.*, machine tools, automobile, tractor, chemical, motor construction, aeroplane construction, combine-harvesters, powerful turbines and generators, high-grade steel, ferro-alloys, synthetic rubber, nitrates, artificial fibres, etc. (Prolonged applause.)

During this period thousands of new up-to-date industrial enterprises have been built and started work. Giants like the Dnieprostroy, Magnitostroy, Kuznetskstroy, Cheliabstroy, Bobriki, Uralmashstroy and Krammashstroy have been built. Thousands of old enterprises have been reconstructed on the basis of modern technique. New enterprises have been built and industrial centres have been created in the national republics and in the border regions of the U.S.S.R.: in White Russia, in the Ukraine, in the North Caucasus, in Trans-Caucasia, in Central Asia, in Kazakstan, in Burgat-Mongolia, in the Tartar Republic, in Bashkiria, in the Urals, in East and West Siberia, in the Far East, etc.

More than 200,000 collective farms and 5,000 Soviet farms have been organised with new district centres and industrial centres serving them.

New large towns with large populations have sprung up in what were formerly almost vacant spaces. The old towns and industrial centres have grown enormously.

The foundations have been laid of the Ural-Kuznetsk Combinat which unites the coal of Kuznetsk with the iron ore of the Urals. Thus, the dream of a new metallurgical base in the East can be regarded as having become reality.

The foundations of a new powerful oil base have been laid in the regions on the western and southern slopes of the Ural range—in the Ural Region, Bashkiria, and Kazakstan.

Evidently, the enormous capital invested by the State in all branches of national economy, which in the period under review amounted to over 60 milliard rubles, has not been in vain, and is beginning to bear fruit.

As a result of these achievements the national income of the U.S.S.R. has increased from 29 milliard rubles in 1929 to 50 milliard in 1933, while during the same period there has been a decline in the national income of all capitalist countries without exception.

It goes without saying that all these achievements and all this progress had to lead—and really did lead—to the further consolidation of the internal position of the U.S.S.R.

How could these colossal changes take place in a matter of three or four years in the territory of an enormous State with a backward technique and a backward culture? Was it not a miracle? It would have been a miracle had this development proceeded on the basis of capitalism and individual small economy. But it cannot be described as a miracle if we bear in mind that this development proceeded on the basis of expanding socialist construction.

It goes without saying that this enormous progress could take

place only on the basis of the successful building of socialism, on the basis of the social labour of tens of millions of people, on the basis of the advantages which the socialist system of economy has over the capitalist and individual peasant system.

It is not surprising, therefore, that the colossal progress in the economy and culture of the U.S.S.R. during the period under review signified at the same time the liquidation of the capitalist elements, and the pushing of individual peasant economy into the background. It is a fact that the socialist system of economy in the sphere of industry now represents 99 per cent. and in agriculture, calculating the sown area of grain crops, 84.5 per cent. of the whole, whereas individual peasant economy represents only 15.5 per cent.

It follows then that capitalist economy in the U.S.S.R. has already been liquidated and that the individual peasant sector in the rural districts has been forced back to a secondary position.

When the *New Economic Policy* was introduced *Lenin* said that we had the elements of five social-economic systems in our country: (1) Patriarchal economy (which to a considerable degree is natural self-sufficing economy); (2) small commodity production (the majority of the peasants who sell grain); (3) private capitalism; (4) State capitalism; (5) socialism. *Lenin* was of the opinion that the socialist system would finally prevail over all the others. We can say now that the first, the third and the fourth social-economic systems no longer exist; the second social-economic system has been forced back to a secondary position, while the fifth social-economic system—the socialist system—now has unchallenged predominance and is the sole commanding force in the whole of national economy. (Loud prolonged applause.)

Such is the summary.

In this result lies the basis of the firmness of the internal position of the U.S.S.R., the basis of the firmness of its front and rear positions in the midst of capitalist encirclement.

We will now examine the concrete material concerning each separate question of the economic and political position of the Soviet Union

1. Progress in Industry,

Of all branches of national economy the one that grew most rapidly was industry. During the period under review, *i.e.*, since 1930, our industry has more than doubled—that is to say, it increased 101.6 per cent., and compared with the pre-war level it has grown almost fourfold, that is to say, 291.9 per cent.

That means that industrialisation went on full steam ahead.

The rapid growth of industrialisation resulted in the output of industry occupying first place in the total volume of output of the whole of our national economy.

Here is the corresponding table.

Per Cent. of Output of Industry to Gross Output of the Whole of National Economy

		(in prices of 1926-27)					
		1913	1929	1930	1931	1932	1933
(1) Industry	...	42.1	54.5	61.6	66.7	70.7	70.4
(2) Agriculture	...	57.9	45.5	38.4	33.3	29.3	29.6
Total	...	100	100	100	100	100	100

This means that our country has firmly and finally become an industrial country.

Of decisive significance in the work of industrialisation is the growth of the production of implements and means of production in the total volume of development of industry. The figures covering the period under review show that this item occupied the predominant place in the total volume of industry.

Here is the corresponding table.

Output of the Two Main Groups of Branches of Large-Scale Industry

(in prices of 1926-27)					
Total Volume of Output (in milliard rubles)					
	1929	1930	1931	1932	1933
Total large - scale industry	21.0	27.5	33.9	38.5	41.9
Of which:					
Group "A," implements and means of production	10.2	14.5	18.8	22.0	24.3
Group "B," consumers' goods	10.8	13.0	15.1	16.5	17.6
Group "A," implements and means of production	48.5	52.6	55.4	57.0	58.0
Group "B," consumers' goods	51.5	47.4	44.6	43.0	42.0
Total	100	100	100	100	100

As you see, this table requires no explanation.

In our country, which is technically still young, industry has a special task to fulfil. It must reconstruct on a new technical basis not only itself, not only all branches of industry, including the light industries, the food and lumber industries, but it must also reconstruct all forms of transport and all branches of agriculture. It can fulfil this task only if the engineering industry—the main lever for the reconstruction of national economy—occupies a predominant place in it. The figures of the period under review show that our engineering industry has won for itself the leading role in the total volume of industry. Here is a corresponding table.

Percentage of Output of Various Branches of Industry to the Total Volume of Output

	U.S.S.R.			
	1913	1929	1932	1933
Coal	2.9	2.1	1.7	2.0
Coke	0.8	0.4	0.5	0.6
Oil (extraction)	1.9	1.8	1.5	1.4
Oil (refining)	2.3	2.5	2.9	2.6
Ferrous-metallurgy	*	4.5	3.7	4.0
Non-ferrous metallurgy	*	1.5	1.3	1.2
Engineering	11.0	14.8	25.0	26.1
Basic chemicals	0.8	0.6	0.8	0.9
Cotton	18.3	15.2	7.6	7.3
Woollen	3.1	3.1	1.9	1.8

* Figures not available.

This shows that our industry is developing on a sound foundation, and that the key to reconstruction—the engineering industry—is entirely in our hands. All that is required is that we use it skilfully and rationally.

The development of our industry during this period according to social sectors presents an interesting picture.

Here is the corresponding table.

Volume of Output of Large-Scale Industry According to Social Sectors (in prices of 1926-27)

In Millions of Rubles	1929	1930	1931	1932	1933
Total output	21,025	27,477	33,903	38,464	41,968
Of which:					
(1) Socialised industry ...	20,891	27,402	*	38,436	41,940
Of which:					
(a) State industry ...	19,143	24,989	*	35,587	38,932
(b) Co-operative industry	1,748	2,413	*	2,849	3,008
(2) Private industry ...	134	75	*	28	28
			Percentage		
Total output	100	100	100	100	100
Of which:					
(1) Socialised industry ...	99.4	99.7	*	99.93	99.93
Of which:					
(a) State industry ..	99.1	90.9	*	92.52	92.76
(b) Co-operative industry	8.3	8.8	*	7.41	7.17
(2) Private industry ...	0.6	0.3	*	0.07	0.07

* Figures not available.

From this table it will be seen that we have put an end to the capitalist elements in industry and that the socialist system

of economy is now the sole and monopolist system in our industry. (Applause.)

Of all the successes achieved by industry in the period under review, the most important is the fact that it has succeeded in this period in training and forging thousands of new men and women, of new leaders of industry, of a whole stratum of new engineers and technicians, hundreds of thousands of young skilled workers who have mastered the new technique, and who have advanced our socialist industry. There cannot be any doubt that without these men and women industry could not have achieved the successes it has, and of which it has a perfect right to be proud. The figures show that in this period industry has trained for the workshops about 800,000 more or less skilled workers in the factory training schools and more than 580,000 engineers and technicians in the higher technical schools, universities and technical schools. If it is true that the problem of cadres is a very serious problem of our development, then it must be admitted that our industry is beginning seriously to master this problem.

Such are the main achievements of our industry.

It would be wrong to think, however, that industry has only successes to record. No, it also has its defects. The principal of these are:—

- The continued lag in ferrous metallurgy.
- The lack of order in non-ferrous metallurgy.
- The underestimation of the very serious importance of developing the extraction of local coal for the general fuel balance of the country (Moscow Region, Caucasus, Urals, Karaganda, Central Asia, Siberia, the Far East, the Northern Region, etc.).
- The lack of necessary attention to the question of organising a new oil base in the Urals, Bashkiria and Emba regions.
- The absence of serious concern for the development of the production of articles of general consumption by the light, food and lumber industries.
- Lack of proper attention to the question of developing local industry.
- A totally intolerable attitude towards the question of improving the quality of production.
- Continued lag in the increase in the productivity of labour, in the reduction of cost of production, and in the inculcation of cost accounting.
- The bad organisation of labour and wages, depersonalisation in work and equalitarianism in the wages system have not yet been removed.
- Bureaucratic-office methods of leadership in the business Commissariats and their departments, including the Commissariats of the light and food industries, have not been abolished by a long way yet.

The absolute necessity for the speedy removal of all these defects need hardly be explained again. As is known, the ferrous and non-ferrous metallurgical industries did not fulfil their plan throughout the whole of the first Five-Year Plan period, and they have not fulfilled the plan of the first year of the Second Five-Year Plan. If they continue to lag behind they may become a drag on industry and a cause of breaches in the plan. As for the creation of new bases for the coal and oil industries, it is not difficult to understand that unless this urgent task is fulfilled our industry and transport may be run aground. The question of producing articles of general consumption and the development of local industry, as well as the questions of improving the quality of output, of increasing productivity of labour, of reducing cost of production and inculcating cost accounting, also need no further explanation. As for the bad organisation of labour and wages and the bureaucratic routine methods of leadership, the history of the Donbas and of the factories in the light and food industries have shown that this dangerous disease exists in all branches of industry and hinders their development. If it is not liquidated, industry will just hobble along.

The immediate tasks are:—

- To preserve the leading role of the engineering industry in the industrial system.
- To abolish the lag of ferrous metallurgy.
- To put the non-ferrous metal industry in order.
- To develop to the utmost the extraction of local coal in all already known coalbearing districts; to organise new coalfields (for example, in the Burei district in the Far East), and to convert the Kuzbas into a second Donbas. (Loud applause.)
- Seriously to take up the matter of organising an oil base

in the districts on the western and southern slopes of the Ural range.

(6) To develop the production of articles of general consumption in all the industries controlled by the business Commissariats.

(7) To unfetter local Soviet industry, to give it the opportunity to display initiative in regard to the production of articles of general consumption and to give it all possible assistance in the way of raw materials and funds.

(8) To improve the quality of goods, to stop the output of incomplete sets of goods and to punish all those comrades, irrespective of persons, who violate or evade the laws of the Soviet government concerning the quality and completeness of sets of goods.

(9) To secure a systematic increase in the productivity of labour, a reduction in cost of production and the inculcation of cost accounting.

(10) To put an end to depersonalisation in work and equalitarianism in wages.

(11) To abolish bureaucratic routine methods of leadership in all the departments of the business Commissariats and systematically supervise the fulfilment of the decisions and instructions of the leading centres by the subordinate organisations.

2. Progress in Agriculture

Development in the sphere of agriculture proceeded somewhat differently. In the period under review progress in the main branches of agriculture proceeded much more slowly than in industry, but still more rapidly than in the period when individual farming predominated. In the livestock branch, however, there was a reverse process—a decline in the number of livestock; only in 1933 were symptoms of progress observed, and then only in pig breeding.

Apparently, the enormous difficulty of uniting scattered small peasant farms in collective farms, the difficult task of creating on almost vacant spaces a large number of big grain and cattle-raising farms and, generally speaking, the period of reorganising individual agriculture and putting it on new collective farm lines which requires considerable time and involves considerable outlay—all these factors inevitably predetermined both the slow rate of progress of agriculture as well as the relatively long period of decline in the number of livestock.

As a matter of fact, the period under review was not so much a period of the rapid rise and powerful upswing of agriculture as a period of creating the prerequisites for this rise and upswing in the near future.

If we take the figures of the increase in the sown area of all crops and then take separately the figures for technical crops we will get the following picture of the development of agriculture in the period under review:—

Sown Area of All Crops in the U.S.S.R.

(In Millions of Hectares)

	1913.	1929.	1930.	1931.	1932.	1933.
Total sown area ..	105.0	118.0	127.2	136.2	134.4	129.7
Of which:						
(a) Grain crops ..	94.4	96.0	101.8	104.4	99.7	101.5
(b) Technical crops ..	4.5	8.8	10.5	14.0	14.9	12.0
(c) Vegetables ..	3.8	7.6	8.0	9.1	9.2	8.6
(d) Fodder ..	2.1	5.0	6.5	8.8	10.6	7.3

Sown Area of Technical Crops in the U.S.S.R.

(Millions of Hectares)

	1913.	1929.	1930.	1931.	1932.	1933.
Cotton ..	0.69	1.06	1.58	2.14	2.17	2.05
Flax (long fibre) ..	1.02	1.63	1.75	2.39	2.51	2.40
Sugar beets ..	0.65	0.77	1.04	1.39	1.54	1.21
Oil seed ..	2.00	5.20	5.22	7.55	7.98	5.79

These tables reflect the two main lines in agriculture:—

(1) The line of the general expansion of the sown area in the period when the reorganisation of agriculture was at its height, when collective farms were formed by tens of thousands, when they drove the kulaks from the land, seized the vacated land and cultivated it themselves.

(2) The line of departure from the indiscriminate expansion of the sown area, the line of transition from indiscriminate expansion of sown area to the improved cultivation of the land, to the introduction of proper rotation of crops and fallow, to

increasing yield and, if practice shows this to be necessary, to the temporary diminution of the sown area.

As is known, the second line, the only proper line, was proclaimed in 1932, when the organisation period in agriculture was drawing to a close, and when the question of increasing yield became one of the fundamental questions of the progress of agriculture.

But the figures of the sown area cannot be regarded as a sufficient index of the development of agriculture. Cases occur when the sown area increases but the output does not, and even declines, because the cultivation of the soil has deteriorated and the yield per hectare has declined. In view of this, the figures of the sown area must be supplemented by figures of the gross output.

Here is a corresponding table:—

The Volume of Output of Grain and Technical Crops in the U.S.S.R.

(In Millions of Centners)

	1913.	1929.	1930.	1931.	1932.	1933.
Grain ..	801.0	717.4	835.4	694.8	698.7	898.0
Cotton (raw) ..	7.4	8.6	11.1	12.9	12.7	13.2
Flax (fibre) ..	3.3	3.6	4.4	5.5	5.0	5.6
Sugar beets ..	109.0	62.5	140.2	120.5	65.6	90.0
Oil seeds ..	21.5	35.8	36.2	51.0	45.5	46.0

It will be seen from this table that the years in which the reorganisation of agriculture was at its height, viz., 1931 and 1932, were the years in which the output of grain crops diminished most.

It will also be seen from this table that in the districts in which the reorganisation of agriculture proceeded at a slower pace, flax and cotton hardly suffered at all and progressed more or less evenly while maintaining a high level of development.

Thirdly, it will be seen from this table that there were certain fluctuations in the output of oil seeds, a high level of development being maintained compared with the pre-war level. In the districts where the reorganisation of agriculture proceeded at the most rapid rate, sugar beets—the cultivation of which was the last to enter the period of reorganisation—suffered the worst decline in the last year of reorganisation, viz., 1932, in which output dropped below the pre-war level.

Lastly, it will be seen from this table that the year 1933, the first year after the completion of the reorganisation period, marks a turning point in the development of grain and technical crops.

That shows that from now onwards, grain crops first, and then technical crops, will firmly and surely advance with giant strides.

It was the stock-breeding branches of agriculture that suffered most in the reorganisation period.

The following is a corresponding table:—

Livestock in the U.S.S.R. (in millions of head)

	1916	1929	1930	1931	1932	1933
(a) Horses ..	35.1	34.0	30.2	26.2	19.6	16.6
(b) Large horned cattle ..	58.9	68.1	52.5	47.9	40.7	38.6
(c) Sheep and Goats ..	115.2	147.2	108.8	77.7	52.1	50.6
(d) Pigs ..	20.3	20.9	13.6	14.4	11.6	12.2

This table shows that in the period under review there was not an improvement, but a continued decline, in the number of livestock in the country compared with the pre-war level. Apparently, the fact that the stock-breeding branch of agriculture was more in the hands of the big kulak elements and also the intense kulak agitation for the slaughter of livestock which found favourable soil in the years of reorganisation are reflected in this table.

Furthermore, it follows from this table that the decline in the number of livestock began in the very first year of reorganisation (1930), and continued right up to 1933; the decline was most marked in the first three years, while in 1933, the first year after the reorganisation period had closed and when progress was made in grain crops, the decline in the number of livestock was reduced to its minimum.

Lastly, it follows from this table that the reverse process has already commenced in pig breeding and that in 1933 the symptoms of direct progress were already observed.

This means that 1934 should and must mark a turning point towards progress in all branches of stock breeding.

How did the collectivisation of peasant farming develop in the period under review?

Here is a corresponding table:—

Collectivisation

	1929	1930	1931	1932	1933
Number of collective farms (in thousands)	57.0	85.9	211.1	211.05	224.5
Number of households in collective farms (in millions)	1.0	6.0	13.0	14.9	15.2
Per cent. of collectivised peasant households	3.9	23.6	52.7	61.5	65.0

And what was the movement of the sown area for grain according to sectors?

Here is the corresponding table:—

Sown Area for Grain According to Sectors

(in millions of hectares)

Sectors	1929	1930	1931	1932	1933	Per cent. of area of 1933
1. Soviet farms	1.5	2.9	8.1	9.3	10.8	10.6
2. Collective farms	3.4	29.7	61.0	69.1	75.0	73.9
3. Individual farms	91.1	69.2	35.3	21.3	15.7	15.5
Total U.S.S.R.	96.0	101.8	104.4	99.7	101.5	100.0

What do these tables show?

They show that the reorganisation period of agriculture, during which the number of collective farms and the number of their members increased with extreme rapidity, is now at an end. that it came to an end in 1932.

Hence, the further process of collectivisation represents a process of the gradual absorption and re-education of the remnants of individual peasant farmers by the collective farms.

This means that the collective farms have won completely and irrevocably. (Loud and prolonged applause.)

They show also that the Soviet farms and collective farms together cultivate 84.5 per cent. of the total grain area in the U.S.S.R.

This means that the collective farms and Soviet farms together have become a force which determines the fate of the whole of agriculture and of all its branches.

The tables further show that 65 per cent. of the peasant households organised in collective farms own 73.9 per cent. of the total grain area, whereas all the individual farms put together, representing 35 per cent. of the total peasant population, cultivate only 15.5 per cent. of the total grain area.

If to this we add the fact that in 1933 the collective farms delivered to the State more than 1 milliard poods of grain of all kinds, while the individual peasants who fulfilled the plan 100 per cent. delivered only 130 million poods, whereas in 1929-1930 the individual peasants delivered to the State about 780 million poods while the collective farms delivered not more than 120 million poods—it will become clear that during the period under review the collective farms and individual peasants have exchanged roles; the collective farms during this period have become the predominant factor in agriculture, while the individual peasants have dropped to the position of secondary importance and are compelled to subordinate and adapt themselves to the collective farm system.

It must be admitted that the toiling peasantry, our Soviet peasantry, has completely and irrevocably come under the red flag of socialism. (Prolonged applause.)

Let the Social Revolutionaries, Mensheviks and bourgeois Trotskyists tell old wives' tales about the peasantry being counter-revolutionary by their very nature, about them being destined to restore capitalism in the U.S.S.R., about their inability to become the allies of the working class in building socialism, and that it is impossible to build socialism in the U.S.S.R. The facts show that these gentlemen are slandering the U.S.S.R. and the Soviet peasants. The facts show that our Soviet peasantry have put off from the shores of capitalism and are sailing forward in alliance with the working class towards socialism. The facts show that we have already built the foundations of socialist society in the U.S.S.R., and all we have to do now is to erect the edifice—a task which undoubtedly is much easier than building the foundations of socialist society.

The increase in the sown area and output are not the only things, however, that express the strength of the collective farms and Soviet farms. It is expressed also in the increase in the number of tractors in use, and in the growth of mechanisation. There is no doubt that in this respect our collective farms and Soviet farms have made very considerable progress.

Here is the corresponding table:—

Number of Tractors Employed in Agriculture in the U.S.S.R.

(Allowance Made for Depreciation)

	1929.	1930.	1931.	1932.	1933.
Number of Tractors (in thousands):					
Total number of Tractors	34.9	72.1	125.3	148.5	204.1
Of which:					
(a) In Machine and Tractor Stations	2.4	31.1	63.3	74.8	122.3
(b) In Soviet farms (all systems)	9.7	27.7	51.5	64.0	81.8
Power in thousands H.P.:					
Total number of Tractors	391.4	1,003.5	1,850.0	2,225.0	3,100.0
Of which:					
(a) In Machine and Tractor Stations	23.9	372.5	848.0	1,077.0	1,782.0
(b) In Soviet farms (all systems)	123.4	483.1	892.0	1,043.0	1,318.0

Thus we have 204,000 tractors with a combined power of 3,100,000 h.p. in the collective farms and Soviet farms. As you see, this is not a small force, it is a force capable of exterminating all the roots of capitalism in the rural districts; it is a force that twice exceeds the number of tractors that Lenin mentioned at one time as a remote prospect.

In regard to the number of agricultural machines in the Machine and Tractor Stations and in the Soviet farms of the Commissariat for Soviet Farms, the figures are given in the following tables:—

In Machine and Tractor Stations

	1930.	1931.	1932.	1933.
Combine-harvesters (in thousands)	7 (units)	0.1	2.2	11.5
Motors and engines (in thousands)	0.1	4.9	6.2	17.6
Complex and semi-complex threshing machines (in thousands)	2.9	27.8	37.0	50.0
Electric threshing installations (in units)	168	268	551	1,283
Repair shops in M.T.S.	104	770	1,220	1,933
Motor trucks (in thousands)	0.2	1.0	6.0	13.5
Automobiles (in units)	17	191	245	2,800

In Soviet Farms Controlled by Commissariat for Soviet Farms

Combine-harvesters (in thousands)	1.7	6.3	11.9	13.5
Motors and engines (in thousands)	0.3	0.7	1.2	2.5
Complex and semi-complex threshing machines	1.4	4.2	7.1	8.0
Electric installations (in units)	42	112	164	222
Repair Shops:				
(a) Capital repairs (in units)	72	133	208	302
(b) Medium repairs (in units)	75	160	215	476
(c) Current repairs (in units)	205	310	578	1,166
Motor trucks (in thousands)	2.1	3.7	6.2	10.9
Automobiles (in units)	118	385	625	1,890

I do not think these figures need explanation.

Of no little importance for the progress of agriculture was the formation of the political departments of the Machine and Tractor Stations and Soviet farms and the supply of skilled workers for agriculture. Everybody admits now that the political department workers played an important part in improving the work of the collective farms and Soviet farms. It is well known that during the period under review the Central Committee of the Party sent more than 23,000 Communists to the rural districts for reinforcing the cadres of agriculture. Of these, more than 3,000 were agricultural experts, more than 2,000 were Soviet farm workers, more than 13,000 were workers for the political departments of the M.T.S., and over 5,000 were workers for the political departments of the Soviet farms.

The same thing must be said in regard to supplying the collective farms and Soviet farms with new engineering, technical and agronomic forces. It is well known that, during the period under review, more than 111,000 workers of this category were sent into agriculture.

During the period under review, over 1,900,000 tractor drivers, combine drivers, engine drivers and chauffeurs were trained and sent to the farms under the control of the Commissariat for Soviet Farms alone.

During the same period, more than 1,600,000 chairmen and

members of management boards of collective farms, foremen for field work, foremen on livestock ranches and bookkeepers were trained or received additional training.

This, of course, is not enough for our agriculture. But still, it is something.

As you see, the state has done all it possibly could to help the departments of the Commissariat for Agriculture and of the Commissariat for Soviet Farms to direct the organisation of collective farms and Soviet farms.

Can it be said that the best use has been made of these possibilities?

Unfortunately, this cannot be said.

First of all it must be said that these Commissariats are more infected than other Commissariats with the disease of bureaucratic routine. Problems are solved, but not a thought is given to supervising the fulfilment of decisions, to calling to order those who disobey the instructions and the orders of the leading bodies, and to promoting honest and conscientious workers.

One would think that the existence of an enormous number of tractors and machines would impose the obligation upon the land departments to keep these valuable machines in good condition, to get timely repairs done, to employ them in a more or less tolerable manner. But what do they do in this respect? Unfortunately, very little. The maintenance of tractors and machines is unsatisfactory. Repairs are also unsatisfactory, because even to this day these people refuse to understand that the basis of repairs is current and medium repairs, and not capital repairs. In regard to the utilisation of tractors and machines, the unsatisfactory position in this respect is so clear and well known that it needs no proof.

One of the immediate tasks of agriculture is to introduce proper rotation of crops, the extension of clean fallow, and the improvement of seeds in all branches of agriculture. What is being done in this sphere? Unfortunately, very little as yet. Affairs in regard to grain and cotton seeds are so confused that it would take a long time to disentangle them.

One of the most effective means of increasing the yield of technical crops is to increase the supply of fertilisers. What is being done in this sphere? Very little as yet. Fertilisers are available, but the Commissariat for Agriculture is not able to get them, and when it does get them it does not take the trouble to send them to the places where they are required in time, and to get them utilised properly.

In regard to Soviet farms, it must be said that they still fail to cope with their tasks properly. I do not in the least underestimate the great revolutionising significance of our Soviet farms. But if we compare the enormous sums the state has invested in the Soviet farms with the actual results they have achieved up till now we will find an enormous balance against the Soviet farms. The principal reason for this discrepancy is the fact that our grain Soviet farms are too unwieldy; the directors cannot manage such huge farms. The Soviet farms are too specialised, they have no rotation of crops and fallow land, they have no livestock element in them. Apparently, it will be necessary to split up the Soviet farms and make them less specialised. Perhaps you think that the Commissariat for Soviet Farms opportunely raised this question and found a solution for it. But it is not so. The question was raised and solved on the initiative of people who had no connection whatever with the Commissariat for Soviet Farms.

Finally, there is the question of stock raising. I have already reported on the serious livestock situation. One would have thought that our Land Departments would have displayed feverish activity in the effort to abolish the livestock crisis, would have raised the alarm, would have mobilised the workers to take our livestock problem by storm, as it were. Unfortunately, nothing of the kind happened, or is happening. Not only have they failed to raise the alarm about the serious livestock situation, but, on the contrary, they try to gloss over the question and sometimes in their reports they even try to conceal from public opinion of the country the real state of affairs in regard to livestock, which is an impermissible thing for Bolsheviks to do. To hope, after this, that the Land Departments will be able to bring stock-raising out onto the highroad and raise it to its proper level would be building on sand. The whole Party, all our workers, Party and non-Party, must take the problem of stock-raising in hand, bearing in mind that to-day the problem of stock-raising is as urgent as the grain problem—now successfully solved—was yesterday. It need not be

proved that Soviet men and women who have already shown that they know how to overcome the worst difficulties on the path to the goal will also be able to solve this problem. (Loud applause.)

Such is the brief and far from complete list of defects which must be removed, and the list of tasks which must be fulfilled in the near future.

But these tasks do not exhaust the whole subject. There are other tasks in agriculture concerning which a few words must be said.

First of all, we must bear in mind that the old division of our regions into industrial regions and agrarian regions has now become obsolete. We no longer have regions which are exclusively agrarian, which would supply grain, meat and vegetables to the industrial regions; nor have we exclusively industrial regions which can calculate on receiving all the necessary supplies from other regions. Development is proceeding towards the position when all our regions will be more or less industrial, and as this development proceeds they will become more and more industrial. This means that the Ukraine, the North Caucasus, the Central Black Earth district, and other formerly agrarian districts can no longer supply the industrial centres with as much produce as they supplied in the past, because now they have to feed their own towns and their own workers, the number of which will increase. But from this it follows that every region will have to develop its own agricultural base in order to be able to supply itself with vegetables, potatoes, butter and milk, and to some degree with grain and meat, if it does not want to get into difficulties. You know that this is quite practicable, and is being done now.

The task is to pursue this line to the end at all costs.

Furthermore, attention should be paid to the fact that the well-known division of our regions into consuming regions and producing regions is also beginning to lose its exclusive character. This year "consuming" regions like the Moscow and Gorky regions delivered nearly 80 million poods of grain to the State. This, of course, is not a bagatelle. In the so-called consuming zone there are about five million hectares of virgin soil covered with scrub. It is well known that the climate in this zone is not bad, there is not a bad rainfall, and droughts do not occur. If this land were cleared of scrub and a number of organisational measures undertaken it would be possible to obtain an enormous district for grain crops which with the usually high yield in these districts could supply no less commodity grain than is now supplied by the Lower and Middle Volga. This would be a great help for the northern industrial centres.

Evidently the task is to form huge tracts of grain crops in the districts in the consuming zone.

Finally, there is the question of combating drought in the Trans-Volga Region. Afforestation is a matter of enormous significance for the eastern districts of the Trans-Volga. As you know, this work has been commenced already, although it cannot be said that it is being carried on with sufficient intensity. In regard to the irrigation of the Trans-Volga Region—and this is the most important thing in combating drought—this matter must not be allowed to be pigeon-holed. It is true that this has been held up somewhat by certain external circumstances which caused a considerable diversion of forces and funds to other purposes. But now there is no longer any reason why this work should be further postponed. We must have a large and absolutely stable grain base in the Volga which shall be independent of the vagaries of the weather and which shall provide 200 million poods of commodity grain every year. This is absolutely necessary considering the growth of the towns on the Volga on the one hand, and the possibilities of complications in the sphere of international relations on the other.

The task is to set to work seriously to organise the irrigation of the Trans-Volga Region. (Applause.)

3. The Improvement in the Material Conditions and in the Culture of the Toilers

Thus, we have depicted the state of our industry and agriculture, their development in the period under review and their position at the present moment.

To sum up, we have:

- (a) An enormous increase in production both in the sphere of industry and in the main branches of agriculture.
- (b) Final victory on the basis of this increase of the socialist

system of economy over the capitalist system in industry and in agriculture; the socialist system has become the sole system in the whole of the national economy, and the capitalist elements have been squeezed out of all spheres of national economy.

(c) The final abandonment by the overwhelming majority of the individual peasants of small commodity individual economy, their organisation in collective farms on the basis of collective labour and the collective ownership of the means of production, the complete victory of collective farming over small commodity individual farming.

(d) The growing process of expansion of collective farms at the expense of individual peasant farms, as a consequence of which their number is diminishing month by month, and they are, in fact, being transformed into an auxiliary force for the collective farms and Soviet farms.

It goes without saying that this historic victory over the exploiters could not but lead to a radical improvement in the material and general conditions of the life of the toilers.

The liquidation of parasitic classes has led to the disappearance of the exploitation of man by man. The labour of the worker and peasant is freed from exploitation. The incomes which the exploiters squeezed out of the labour of the people now remain in the hands of the toilers and are used partly for the purpose of increasing production and for enlisting new detachments of workers in industry, and partly for the purpose of directly increasing the incomes of the workers and peasants.

Unemployment, that scourge of the working class, has disappeared. In the bourgeois countries, millions of unemployed are in want and suffering, owing to the lack of work. But in our country there are no longer any workers who lack work and wages.

With the disappearance of kulak bondage, poverty in the rural districts has disappeared. Every peasant, collective farmer or individual farmer, now has the opportunity of enjoying a human existence, if only he wants to work honestly and not to be a loafer, a tramp and a despoiler of collective farm property.

The abolition of exploitation, the abolition of unemployment in the towns and the abolition of poverty in the countryside, are historic achievements in regard to the material conditions of the toilers about which the workers and peasants in even the most "democratic" bourgeois countries dare not dream.

The very appearance of our large towns and industrial centres has changed. The inevitable hall-mark of the big towns in bourgeois countries are the slums, the so-called working-class districts on the outskirts of the town, which represent a heap of dark, damp, in the majority of cases, basement dwellings, in a semi-dilapidated condition, where usually the poor live in filth and curse their fate. The revolution in the U.S.S.R. has swept away the slums in our country. Their place has been taken by new, well-built, and bright workers' dwellings, and in many cases the working-class districts of our towns are better than the central districts.

The appearance of our villages has changed even more. The old village, with its church in the most prominent place in the village, with the best houses for the policemen, the priest and the kulaks in the foreground, and with the semi-dilapidated huts of the peasants in the background, is beginning to disappear. Its place is being taken by the new village, with its public buildings, its club, radio, cinema, schools, library, creches, with its tractors, combines, threshing machines and automobiles. The old important personages of the village, the kulak-exploiter, the blood-sucking usurer, the profiteering merchant, the little father-policeman, have disappeared. Now, the prominent personages of the village are the leading workers in the collective farms and Soviet farms, in the schools and clubs, the head tractor and combine driver, the leading men and women in the fields, and in the stock-raising farms, and the best shock brigade workers on the collective farm fields.

The antithesis between town and country is disappearing. The peasants are ceasing to regard the town as the centre of their exploitation. The ties of the economic and cultural unity between town and country are becoming stronger. The village now receives assistance from the town in the shape of tractors, agricultural machinery, automobiles, workers and funds. And even the village itself now has its own industry in the shape of the machine and tractor stations, repair shops, all sorts of collective farm industrial undertakings, small electric power stations, etc. The cultural gulf between town and country is being bridged.

Such are the main achievements of the toilers in the sphere

of improving their material conditions, their everyday life and culture.

On the basis of these achievements we have the following to record for the period under review:—

(a) An increase in the national income from 35 milliard rubles in 1930 to 50 milliard rubles in 1933, and in view of the fact that the income of the capitalist elements, including concessionaires, at the present time represent less than one-half per cent., almost the whole of the national income is distributed among the workers, office employees and toiling peasantry, the co-operative societies and the State.

(b) An increase in the population of the Soviet Union from 160,500,000 at the end of 1930 to 168,000,000 at the end of 1933.

(c) An increase in the number of workers and office employees from 14,530,000 in 1930 to 21,883,000 in 1933; the number of workers employed at manual labour increased during this period from 9,489,000 to 13,797,000, the number of workers employed in large-scale industry, including transport, increased from 5,079,000 to 6,882,000, the number of agricultural workers increased from 1,426,000 to 2,519,000, and the number of workers and employees employed in commerce increased from 814,000 to 1,497,000.

(d) The wages fund of the workers and office employees increased from 13,597 million rubles in 1930 to 34,280 million rubles in 1933.

(e) An increase in the average annual wages of industrial workers from 991 rubles in 1930 to 1,519 rubles in 1933.

(f) An increase in the social insurance fund for workers and office employees from 1,810 million rubles in 1930 to 4,610 million rubles in 1933.

(g) The adoption of a seven-hour day in the whole of the industry working above ground.

(h) State assistance to the peasantry in the form of 2,860 machine and tractor stations in which two milliard rubles were invested.

(i) State aid to the peasants in the form of credits to the collective farms amounting to 1,600 million rubles.

(j) State aid to the peasantry in the form of seed and food loans amounting, in the period under review, to 262 million poods of grain.

(k) State aid to poor peasants in the shape of complete or partial exemptions from taxation and insurance payments amounting to 370 million rubles.

In the sphere of the cultural development of the country in the period under review we have the following:—

(a) The introduction throughout the U.S.S.R. of universal compulsory elementary education and an increase of literacy among the population from 67 per cent. at the end of 1930 to 90 per cent. at the end of 1933.

(b) An increase in the number attending schools of all grades from 14,358,000 in 1929 to 26,419,000 in 1933. Of these, the number receiving elementary education increased from 11,697,000 to 19,163,000; middle school education increased from 2,453,000 to 6,674,000, and higher education increased from 207,000 to 491,000.

(c) An increase in the number of children receiving pre-school education from 838,000 in 1929 to 5,917,000 in 1933.

(d) An increase in the number of higher educational establishments, general and special, from 91 units in 1914 to 600 units in 1933.

(e) An increase in the number of scientific research institutes from 400 units in 1929 to 840 units in 1933.

(f) An increase in the number of club institutes from 32,000 in 1929 to 54,000 in 1933.

(g) An increase in the number of cinema theatres, cinema installations in clubs, and travelling cinemas, from 9,800 units in 1929 to 29,200 units in 1933.

(h) An increase in the circulation of newspapers from 12,500,000 in 1929 to 36,500,000 in 1933.

It would not be amiss to point out that the number of workers among the students in our higher educational establishments represents 51.4 per cent. of the total, and that of toiling peasants 16.5 per cent., whereas in Germany, for example, the number of workers among the students in higher educational establishments in 1932-33 was only 3.2 per cent., and that of small peasants only 2.4 per cent.

We must note as a pleasing fact and as an indication of the growth of culture in the countryside the growth of activity of the women collective farmers in social organising work. It is well known, for example, that about 6,000 women are chairmen of col-

lective farms, more than 60,000 are members of management boards of collective farms, 28,000 are foremen, 100,000 are group organisers, 9,000 are managers of collective dairy farms and 7,000 are tractor drivers. Needless to say, these figures are incomplete, but even these are sufficient to indicate the enormous growth of culture in the rural districts. Comrades, this fact has enormous significance. It has enormous significance because women represent half the population of the country, they represent an enormous army of labour and their mission is to bring up our children, our future generation, that is to say, our future. That is why we must not permit this huge army of toilers to remain in darkness and ignorance. That is why we must welcome the growing social activity of our toiling women and their promotion to leading posts as an undoubted indication of the growth of our culture. (Prolonged applause.)

Finally, we must point to one more fact, but of a negative character. I have in mind the intolerable fact that our pedagogical and medical "faculties" are still neglected. This is a great defect bordering on the violation of the interests of the State. We must remove this defect without fail, and the sooner this is done the better.

4. Improvement in Commodity Circulation and Transport

Thus we have the following:—

(a) An increased output of manufactured goods, including articles of general consumption.

(b) An increased output of agricultural produce.

(c) An increase in the requirements of and demand for produce and manufactured goods by the toiling masses of town and country.

What is still required in order to complete the circle of these conditions and secure for the masses of consumers the necessary manufactured goods and produce?

Some comrades think that the mere existence of these conditions is sufficient for the economic life of the country to bubble like a spring. They are profoundly mistaken. We can imagine all these conditions existing, but if the goods do not get to the consumers' economic life will not only not bubble like a spring, but on the contrary, it will be dislocated and disorganised right to its very foundations. It is high time we realised that in the last analysis goods are produced not for the sake of producing them, but to be consumed. Cases have occurred when we have had a fair quantity of goods and produce, but these not only did not reach the consumers, but for years passed backwards and forwards in the bureaucratic backwaters of our so-called commodity distribution system, out of reach of the consumers. It goes without saying that under these circumstances industry and agriculture lost all stimulus to increase production; the commodity distribution centres became congested with goods, while the workers and peasants had to go without them. The result was—dislocation of the economic life of the country notwithstanding the fact that goods and produce were available. In order that the economic life of the country might bubble like a spring and that industry and agriculture might have a stimulus to increase output still more, one condition is necessary, and that is, to expand commodity circulation between town and country, between the districts and the regions of the country, between the various branches of national economy. The country must be covered with a huge network of goods bases, shops and stores. There must be a ceaseless flow of goods through the conduits of these bases, shops and stores from the producer to the consumer. The State trading system, the co-operative trading system, the local industries, the collective farms and the individual peasants must be drawn into this business.

This is what we call expanded Soviet trade, trade without capitalists, trade without profiteers.

As you see, the expansion of Soviet trade is a very urgent problem which, if not solved, will make further progress impossible.

Nevertheless, in spite of the fact that this truth is perfectly obvious, the Party, in the period under review, had to overcome a number of obstacles in the way of expanding Soviet trade which could briefly be described as the result of the dislocation of the brain among a certain section of the Communists on the question of the necessity and significance of Soviet trade.

To begin with, in the ranks of a certain section of Com-

munist there still reigns a supercilious, contemptuous attitude towards trade in general and towards Soviet trade in particular. These Communists, if they may be called that, look upon Soviet trade as something of secondary importance hardly worth bothering about, and regard those engaged in trade as doomed. Apparently these people do not realise that their supercilious attitude towards Soviet trade does not express a Bolshevik point of view, but the point of view of the shabby noblemen who are full of ambition but lack ammunition. (Laughter.) These people do not realise that Soviet trade is our own Bolshevik business, and that the workers employed in trade, including workers behind the counter—that is if they work honestly—are vehicles of our revolutionary Bolshevik cause. (Applause.) It goes without saying that the Party had to give a slight shaking up to these Communists, if they may be called that, and throw their aristocratic prejudices into the dustbin. (Prolonged applause.)

Then we had to overcome prejudices of another kind. I refer to the "Leftist" chatter that has gained currency among another section of our workers about Soviet trade being a superseded stage, about it being necessary now to organise the direct interchange of products, about money being abolished soon because it has become transformed into mere tokens, about it being unnecessary to develop trade since the direct interchange of products is knocking at the door. It must be observed that this "Leftist" petty-bourgeois chatter, which plays into the hands of the capitalist elements who are striving to prevent the expansion of Soviet trade, has not only gained currency among a certain section of Red professors, but also among certain workers engaged in trade. Of course, it is ridiculous and funny to think that these people who are incapable of organising the very simple matter of Soviet trade are chattering about their readiness to organise a far more complicated and difficult matter like the direct interchange of products. But Don Quixote was quixotic precisely because he lacked the most elementary appreciation of the practical affairs of life. These people, who are as far removed from Marxism as heaven is from earth, evidently do not realise that we shall have money for a long time yet, right up to the time until the first stage of Communism, i.e., the socialist stage of development, has been accomplished. They do not realise that money is the instrument of bourgeois economy which the Soviet government took over and adapted to the interests of socialism for the purpose of expanding Soviet trade to the utmost, and thus creating the conditions for the direct interchange of products. They do not realise that the interchange of products can replace, and be the result of, a perfectly organised system of Soviet trade, of which we have not a trace as yet, and are not likely to have for some time. It goes without saying that our Party, in trying to organise expanded Soviet trade found it necessary to give a good dressing down to these "Left" freaks and to scatter their petty bourgeois chatter to the winds.

Furthermore, we had to overcome an unhealthy habit of the workers engaged in trade of distributing goods mechanically, to abolish their neglect of the demands for assortments, and of the requirements of the consumers, to abolish the mechanical delivery of goods, depersonalisation in trade. For this purpose, regional and inter-district goods bases and tens of thousands of new shops and stores were opened.

Furthermore, we had to liquidate the monopoly of the co-operatives in the market. In this connection we instructed all the commissariats to commence trading in their own goods, and the Commissariat for Supplies was instructed to develop an extensive trade in agricultural produce. On the one hand, this led to the improvement of co-operative trade as a result of competition; on the other hand, it led to a reduction in prices in the market, to the market being put in a sounder condition.

A wide network of dining rooms was established which provide food at reduced prices ("public catering"); Workers' Supply Departments (O.R.S.) were established in the factories and all those who had no connection with the factory were taken off the supplies list; in the factories under the control of the Commissariat for Heavy Industry alone 500,000 persons had to be removed from the list.

The State Bank was organised as a single centralised short-term credit bank with 2,200 district branches capable of financing commercial operations.

As a result of these measures we have in the period under review:

(a) An increase in the number of shops and stores from 184,662 units in 1930 to 277,974 units in 1933.

(b) A newly-created network of regional goods bases numbering 1,011 units, and inter-district goods bases numbering 864 units.

(c) A newly-created network of Workers' Supply Departments numbering 1,600 units.

(d) An increase in the number of commercial stores for the sale of bread in 330 towns.

(e) An increase in the number of public dining rooms, which at the present time cater to 19,800,00 consumers.

(f) An increase in State and co-operative trade, including that of public dining rooms, from 18.9 milliard rubles in 1930 to 49 milliard rubles in 1933.

It would be a mistake, however, to think that this expansion of Soviet trade is sufficient to satisfy the requirements of our economy. On the contrary, it has now become more clear than ever that the present state of commodity circulation cannot satisfy our requirements. Hence, the task is to develop Soviet trade still further, to draw local industry into it, to increase collective farm peasant trade, and to achieve new and decisive successes in the sphere of increasing Soviet trade.

It must be pointed out, however, that we cannot restrict ourselves merely to expanding Soviet trade. If the development of our economy depends upon the development of commodity circulation, upon the development of Soviet trade, then the development of Soviet trade, in its turn, depends upon the development of our transport system, including railways, waterways and automobile transport. It may happen that goods are available, that all the possibilities exist for expanding commodity circulation, but the transport system cannot keep up with the development of commodity circulation and is unable to carry the freight. As is known, this often happens here. Hence, transport is the weak spot which may cause a hitch, and perhaps is already causing a hitch, in the

whole of our economy, primarily in the sphere of commodity circulation.

It is true that the railway system has increased its freight turnover from 133.9 milliard ton-kilometres in 1930 to 172 milliard ton-kilometres in 1933. But this is too little, far too little for us, for our economy.

The water transport system increased its freight turnover from 45.6 milliard ton-kilometres in 1930 to 59.9 milliard ton-kilometres in 1933. But this is too little, far too little for our economy.

I will not deal with automobile transport, in which the number of automobiles (trucks and passenger cars) increased from 8,800 in 1913 to 117,800 at the end of 1933. This is so inadequate for our national economy that one is ashamed to speak about it.

There cannot be any doubt that all these forms of transport could work ever so much better if the transport system did not suffer from a certain disease called bureaucratic-routine methods of leadership. Hence, in addition to helping the transport system by providing workers and funds, the task is to eradicate this bureaucratic routine attitude in the administration departments and to make them more efficient.

Comrades, we have succeeded in finding the correct solutions for the main problems of industry, and industry is now standing firmly on its feet. We have also succeeded in finding the solutions for the main problems of agriculture and we can say quite openly that agriculture is now also standing firmly on its feet. But we are in danger of losing all these achievements if any hitch occurs in commodity circulation, and if transport turns out to be a fetter on our legs. Hence, the task of expanding commodity circulation and of decisively improving transport is the immediate and urgent problem, and, unless this problem is solved, further progress will be impossible.

III. The Party

I come now to the question of the Party.

The present Congress is taking place under the flag of the complete victory of Leninism, under the flag of the liquidation of the remnants of anti-Leninist groups.

The anti-Leninist Trotskyist group has been defeated and scattered. Its organisers are now hanging about the backyards of the bourgeois parties abroad.

The anti-Leninist Right deviationist group has been defeated and scattered. Its organisers long ago renounced their views and are now trying very hard to expiate the sins they committed against the Party.

The national-deviationist groups have been defeated and scattered. Their organisers long ago became finally merged with the interventionist émigrés, or else have recanted.

The majority of the adherents of these anti-revolutionary groups have been compelled to admit that the line of the Party was right and have capitulated to the Party.

At the Fifteenth Party Congress it was still necessary to prove that the Party line was right and to wage a struggle against certain anti-Leninist groups; and at the Sixteenth Party Congress the last adherents of these groups had to be dispatched. At this Congress, however, there is nothing to prove, and perhaps, no one to beat. Everyone now sees that the line of the Party has conquered. (Loud applause.)

The policy of industrialising the country has conquered. Its results are obvious to everyone. What argument can be advanced against this fact?

The policy of liquidating the kulaks and of mass collectivisation has conquered. Its results also are obvious to everyone. What argument can be advanced against that fact?

The experience of our country has shown that it is quite possible to build socialism in a single country taken separately. What argument can be advanced against that fact?

Evidently, all these successes, and primarily the victory of the Five-Year Plan, have utterly demoralised and smashed to atoms all and sundry anti-Leninist groups.

It must be admitted that the Party to-day is as united as it never has been before. (Loud and prolonged applause.)

1. Problems of Ideological-Political Leadership

Does this mean, however, that the fight is ended and that the further offensive of socialism is to be abandoned as something superfluous?

No, it does not mean that.

Does that mean that all is well in the Party, that there will be no more deviations and that we can now rest on our laurels?

No, it does not mean that.

The enemies of the Party, the opportunists of all shades, the national-deviationists of all types, have been defeated. But remnants of their ideologies still live in the minds of individual members of the Party, and not infrequently they find expression. The Party must not be regarded as something isolated from the people who surround it. It lives and works in its environment. It is not surprising that not infrequently unhealthy moods penetrate the Party from without. And the soil for such moods undoubtedly still exists in our country, if only for the reason that certain intermediary strata of the population still exist in town and country and represent the medium which fosters such moods.

The Seventeenth Conference of our Party declared that one of the fundamental political tasks in connection with the fulfilment of the second Five-Year Plan is "to overcome the survivals of capitalism in economy and in the minds of men." This is an absolutely correct idea. But can we say that we have already overcome all the survivals of capitalism in economy? No, we cannot say that. Still less reason would there be for saying that we have overcome the survivals of capitalism in the minds of men. This cannot be said, not only because the development of the mind of man lags behind his economic position, but also because the capitalist environment exists, which tries to revive and support the survivals of capitalism in economy and in the minds of the people of the U.S.S.R., and against which we, Bolsheviks, must always keep our powder dry.

It goes without saying that these survivals cannot but create a favourable soil for the revival of the ideology of the defeated anti-Leninist groups in the minds of individual members of our Party. Add to this the not very high theoretical level of the majority of the members of our Party, the weak ideological work of the Party organs, and the fact that our Party workers are overburdened with purely practical work, which deprives them of

the opportunity of augmenting their theoretical knowledge, and you will understand whence comes the confusion on a number of problems of Leninism that exists in the minds of individual members of the Party, which not infrequently penetrates our press, and which helps to revive the survivals of the ideology of the defeated anti-Leninist groups.

That is why we cannot say that the fight is ended, and that there is no longer any need for the policy of the socialist offensive.

A number of problems of Leninism could be taken to demonstrate how tenacious the survivals of the ideology of the defeated anti-Leninist groups are in the minds of certain Party members.

Take for example the question of building *classless socialist society*. The Seventeenth Party Conference declared that we are marching towards classless socialist society. It goes without saying that classless society cannot come by itself. It has to be won and built by the efforts of all the toilers, by strengthening the organs of the dictatorship of the proletariat, by extending the class struggle, by abolishing classes, by liquidating the remnants of the capitalist classes and fighting against the enemies both internal and external.

The thing is clear, one would think.

And yet, who does not know that the promulgation of this clear and elementary thesis of Leninism has given rise to not a little confusion and unhealthy moods among a certain section of Party members? The theses—advanced as a slogan—about our advancing towards classless society is interpreted by them as a spontaneous process. And they begin to reason in the following way: if it is classless society, then we can relax the class struggle, we can relax the dictatorship of the proletariat and generally abolish the State, which in any case has got to die out soon. And they dropped into a state of moon-calf ecstasy in the expectation that soon there will be no classes and therefore no class struggle, and therefore no cares and worries, and therefore it is possible to lay down our arms and retire—to sleep and to wait for the advent of classless society. (Laughter.)

There can be no doubt that this confusion of mind and these moods are as like as two peas to the well-known views of the Right deviationists who believed that the old must automatically grow into the new, and that one fine day we shall wake up and find ourselves in socialist society.

As you see, the remnants of the ideology of the defeated anti-Leninist groups can be revived, and have not lost their tenacity by a long way.

It goes without saying that, if this confusion of mind and these non-Bolshevik moods overcame the majority of our Party, the Party would find itself demobilised and disarmed.

Now take the question of the agricultural *artel* and the agricultural *commune*. Everybody now admits that under present conditions the *artel* is the only proper form of the collective farm movement. And this is quite understandable:—

(a) The *artel* properly combines the personal, everyday interests of the collective farmers with their public interests; (b) the *artel* successfully adapts the personal everyday interests to public interests, and thereby helps to educate the individual farmer of yesterday in the spirit of collectivism.

Unlike the *artel*, where only the means of production are socialised, in the *communes*, until recently, not only were the means of production socialised, but so also was the everyday life of every member of the *commune*; that is to say, the members of the *commune*, unlike the members of an *artel*, did not personally own domestic poultry, small livestock, a cow, some grain or a kitchen garden. This means that in the *commune* the personal everyday interests of the members are not so much taken into account and combined with the public interests but eclipsed by the latter in the pursuit of petty-bourgeois equalitarianism. It goes without saying that this is the weakest side of the *commune*. This, properly speaking, explains why the *Commune* is not widespread, and why there are so few of them. For the same reason, in order to preserve their existence and prevent their collapse, the *communes* were compelled to abandon the system of socialised everyday life and are beginning to work on the work-day principle, have begun to distribute grain among the members, to permit their members to own their own poultry, small livestock, a cow, etc. But from this it follows that, actually, the *commune* has passed over to the position of the *artel*. And there is nothing bad in this, because the sound development of the mass collective farm movement demands this.

This does not mean, of course, that the *commune* is not needed

at all, that it does not represent the highest form of the collective farm movement. No, the *commune* is needed, and, of course, it is the highest form of the collective farm movement. But this applies, not to the present *commune*, which arose on the basis of undeveloped technique and of a shortage of products, and which is itself passing to the position of the *artel*, but to the *commune* of the future which will arise on the basis of a more developed technique and of an abundance of products. The present agricultural *commune* arose on the basis of an under-developed technique and shortage of products. This, properly speaking, explains why it practised equalitarianism and showed little concern for the personal everyday interests of its members, as a result of which it is now being compelled to pass to the position of the *artel*, in which the personal and public interests of the collective farmers are sensibly combined. The future *commune* will arise out of the developed and well-to-do *artels*. The future agricultural *commune* will arise when the fields and farms of the *artel* will be replete with grain, with cattle, with poultry, with vegetables, and all other produce; when the *artels* will have their mechanised laundries, modern dining-rooms, bakeries, etc.; when the collective farmer will see that it is more to his advantage to receive his meat and milk from the farm than to have his own cow and small livestock; when the woman collective farmer will see that it is to her advantage to take her meals in a dining-room, to get her bread from the public bakery, and to get the linen washed in the public laundry than to prepare all these things herself. The future *commune* will arise on the basis of a more developed technique and of a more developed *artel*, on the basis of an abundance of products. When will that be? Not soon, of course. But it will be. It would be a crime to accelerate the process of transition from the *artel* to the *commune* artificially. That would confuse the whole issue, and would facilitate the task of our enemies. The process of transition from the *artel* to the future *commune* must be gradual and to the extent that all the collective farmers are convinced that such a transition is necessary.

That is the position in regard to the question of the *artel* and the *commune*.

One would think that it was clear and almost elementary.

And yet among a section of the members of the Party there is a fair amount of confusion on this question. They are of the opinion that by declaring the *artel* to be the fundamental form of the collective farm movement, the Party had removed itself from socialism, had retreated from the *commune*, from the higher form of the collective farm movement, to the lower form. The question arises—why? Because, it appears, there is no equality in the *artel*, because differences in the requirements and in the personal life of the members of the *artel* are preserved, whereas in the *commune* there is equality, in the *commune* the requirements and the personal position of all the members are equal. But, in the first place, there are no longer any *communes* in which there is equality, equalitarianism in requirements and in personal life. Practice has shown that the *communes* would certainly have died out had they not abandoned equality and had they not actually passed to the position of an *artel*. Hence, it is useless talking about what no longer exists. Secondly, every Leninist knows—that is, if he is a real Leninist—that equality in the sphere of requirements and personal life is a piece of reactionary petty-bourgeois stupidity worthy of a primitive sect of ascetics, but not of socialist society organised on Marxian lines, because we cannot demand that all people should have the same requirements and tastes, that all people shall live their individual lives in the same way. And, finally, are not differences in requirements and in personal life preserved among the workers? Does that mean that the workers are more remote from socialism than the members of an agricultural *commune*?

These people evidently think that socialism calls for equality, for levelling the requirements and the personal lives of the members of society. Needless to say, such an assumption has nothing in common with Marxism, with Leninism. By equality Marxism means, not equality in personal requirements and personal life, but the abolition of classes, i.e.: (a) the equal emancipation of all toilers from exploitation after the capitalists have been overthrown and expropriated, (b) the equal abolition for all of private property in the means of production after they have been transformed into the property of the whole of society, (c) the equal duty of all to work according to their ability and the equal right of all toilers to receive according to the amount of work they have

done (socialist society), (d) the equal duty of all to work according to their ability and the equal right of all toilers to receive according to their requirements (Communist society). And Marxism starts out with the assumption that people's tastes and requirements are not, and cannot be, equal in quality or in quantity, either in the period of socialism or in the period of Communism.

That is the Marxian conception of equality.

Marxism has not recognised, nor does it recognise any other equality.

To draw from this the conclusion that socialism calls for equality, for the levelling of the requirements of the members of society, for the levelling of their tastes and of their personal lives, that according to Marxism all should wear the same clothes and eat the same dishes and in the same quantity—means talking banalities and slandering Marxism.

It is time it was understood that Marxism is opposed to levelling. Even in the *Manifesto of the Communist Party* Marx and Engels scoured primitive utopian socialism and described it as reactionary because it preached "universal asceticism and social levelling in the crudest form." In his *Mr. Dühring Revolutionises Science*, Engels devotes a whole chapter to the withering criticism of the "radical equalitarian socialism" proposed by Dühring to counteract Marxian socialism. And Engels wrote:—

"... the real content of the proletarian demand for equality is the demand for the abolition of classes. Any demand for equality which goes beyond that of necessity passes into absurdity."

Lenin said the same thing:—

"Engels was a thousand times right when he wrote: Any demand for equality which goes beyond the demand for the abolition of classes is a stupid and absurd prejudice. Bourgeois professors tried to use the argument about equality in order to expose us by saying that we wanted to make all men equal. They tried to accuse the socialists of an absurdity that they themselves invented. But owing to their ignorance they did not know that the socialists—and precisely the founders of modern scientific socialism, Marx and Engels—said: Equality is an empty phrase unless by equality is meant the abolition of classes. We want to abolish classes, and in that respect we are in favour of equality. But the claim that we want to make all men equal to each other is an empty phrase and a stupid invention of the intellectuals." (Lenin's speech *On Deceiving the People with Slogans About Liberty and Equality*.)

Clear, one would think.

Bourgeois writers are fond of depicting Marxian socialism like the old tsarist barracks, where everything was subordinated to the "principle" of equality. Marxists cannot be responsible for the ignorance and stupidity of bourgeois writers.

There cannot be any doubt that the confusion in the minds of individual members of the Party concerning Marxian socialism, and their infatuation with the equalitarian tendencies of agricultural communes, are as like as two peas to the petty bourgeois views of our "Leftist" blockheads who at one time idealised the agricultural commune to such an extent that they even tried to implant the commune in the factories where skilled and unskilled workers, each working at his trade, had to put his wages into the common fund which was then shared out equally. We know what harm these infantile equalitarian exercises of our "Leftist" blockheads caused our industry.

As you see, the remnants of the ideology of the defeated anti-Party groups still display rather considerable tenacity.

It goes without saying that if these "Leftist" views were to triumph in the Party, the Party would cease to be Marxian, and the collective farm movement would finally be disorganised.

Or take, for example, the question of the slogan: "**Make every collective farmer well-to-do.**" This slogan not only affects collective farmers; it affects the workers to a far larger extent, because we want to make all the workers well-to-do, to enable them to lead a well-to-do and cultured existence.

One would think the point was clear. There would have been no use overthrowing capitalism in October, 1917, and building socialism for a number of years if we are not going to secure a life of plenty for our people. Socialism means: not poverty and privation, but the abolition of poverty and privation, the organisation of a well-to-do and cultured life for all members of society.

And yet, this clear and essentially elementary slogan has caused perplexity, muddle and confusion among a certain section

of our Party members. Is not this slogan, they ask, a reversion to the old slogan "enrich yourselves" that was rejected by the Party? If everyone becomes well-to-do, they continue to argue, and the poor cease to be with us, whom can we Bolsheviks rely upon in our work? How shall we be able to work without the poor?

This may sound funny, but the existence of such naive and anti-Leninist views among a section of the members of the Party is an undoubted fact, which we must take note of.

Apparently, these people do not understand that a wide gulf lies between the slogan "enrich yourselves" and the slogan "make the collective farmers well-to-do." In the first place only **individual** persons or groups can enrich themselves, whereas the slogan concerning a well-to-do existence affects, not individual persons or groups, but **all** collective farmers. Secondly, **individual** persons or groups, enrich themselves for the purpose of subjecting other people, and of **exploiting** them, whereas the slogan concerning the well-to-do existence of **all** collective farmers—with the means of production in the collective farms socialised—**excludes** all possibility of the exploitation of some persons by others. Thirdly, the slogan "enrich yourselves" was issued in the period of the initial stage of New Economic Policy when capitalism was partly restored, when the kulak was strong, when individual peasant farming predominated in the country, and collective farming was in a rudimentary state, whereas the slogan "make every collective farmer well-to-do" was issued in the last stage of N.E.P., when the capitalist elements in industry had been destroyed, the kulaks in the countryside crushed, individual peasant farming forced into the background and the collective farms transformed into the predominant form of agriculture. I need not mention that the slogan, "make all collective farmers well-to-do," is not isolated, but is inseparably connected with the slogan, "make all collective farms Bolshevik farms."

Is it not clear that in essence the slogan, "enrich yourselves," was a call for the **restoration** of capitalism, whereas the slogan, "make all collective farmers well-to-do," is a call to **crush finally** the last remnants of capitalism by increasing the economic power of the collective farms and by transforming all collective farmers into well-to-do toilers? (**Voices: Quite true!**)

Is it not clear that there is not, nor can there be, anything in common between these two slogans? (**Voices: Quite true!**)

The argument that Bolshevik work and socialism are inconceivable without the existence of the poor is so stupid that one finds it embarrassing to talk about it. The Leninists rely upon the poor when there are capitalist elements and the poor who are exploited by the capitalists. But when the capitalist elements are crushed and the poor are emancipated from exploitation, the task of the Leninists is not to perpetuate and preserve poverty and the poor—the premises of whose existence have already been destroyed—but to abolish poverty and to raise the poor to a well-to-do standard of living. It would be absurd to think that socialism can be built on the basis of poverty and privation, on the basis of reducing personal requirements and the standard of living to the level of the poor who, moreover, refuse to remain poor any longer and are pushing their way upward to a well-to-do standard of living. Who wants this sort of socialism (sic)? This would not be socialism, but a caricature of socialism. Socialism can only be built up on the basis of a rapid growth of the productive forces of society, on the basis of an abundance of products and goods, on the basis of a well-to-do standard of living of the toilers and on the basis of the rapid growth of culture. For socialism, Marxism socialism, means not the cutting down of personal requirements, but their universal expansion; not the restriction, or the abstention from satisfying these requirements, but the all-sided and full satisfaction of all the requirements of culturally-developed working people.

There cannot be any doubt that this confusion in the minds of certain members of the Party concerning poverty and prosperity is a reflection of the views of our "Leftist" blockheads, who idealise the poor as the eternal bulwark of Bolshevism under all conditions, and who regard the collective farms as the arena of fierce class struggle.

As you see, here too, on this question, the remnants of the ideology of the defeated anti-Party groups have not yet lost their tenacity.

It goes without saying that had such blockheaded views achieved victory in our Party the collective farms would not have

achieved the successes they achieved during the past two years, and they would have fallen to pieces in a very short time.

Or take, for example, the *national question*. Here too, in the sphere of the national question as in other questions, there is confusion in the minds of a certain section of the Party, which creates a certain danger. I have spoken of the tenacity of the survivals of capitalism. It should be observed that the survivals of capitalism in the minds of men are much more tenacious in the sphere of the national question than in any other sphere. They are more tenacious because they are able to disguise themselves in national costumes. Many think that Skrypnik's fall was an individual case, an exception to the rule. That is not true. The fall of Skrypnik and his group in the Ukraine is not an exception. Similar "dislocations" are observed among certain comrades in other national republics.

What does a deviation towards nationalism mean—irrespective of whether it is a deviation towards Great Russian nationalism or towards local nationalism? The deviation towards nationalism is the adaptation of the internationalist policy of the working class to the nationalist policy of the bourgeoisie. The deviation towards nationalism reflects the attempts of "one's own" "national" bourgeoisie to undermine the Soviet system and to restore capitalism. As you see, both these deviations have a common source. This source is *departure* from Leninist internationalism. If you want to keep both these deviations under fire, then aim primarily against this source, against those who depart from internationalism—irrespective of whether the deviation is towards local nationalism, or towards Great Russian nationalism. (Loud applause.)

There is a controversy as to which deviation represents the major danger, the deviation towards Great Russian nationalism, or the deviation towards local nationalism? Under present conditions this is a formal and therefore a purposeless controversy. It would be absurd to attempt to give ready-made recipes for the major and minor danger that would be suitable for all times and for all conditions. Such recipes do not exist. The major danger is the deviation against which we have ceased to fight and thereby enabled it to grow into a danger to the State. (Loud applause.)

Only very recently, in the Ukraine, the deviation towards Ukrainian nationalism did not represent the major danger; but when we ceased to fight against it and enabled it to grow to the extent that it joined up with the interventionists, this deviation became the major danger. The question as to which is the major danger in the sphere of the national question is determined, not by futile and formal controversies, but by a Marxian analysis of the situation at the given moment, and by the study of the mistakes that have been committed in this sphere.

The same thing must be said about the *Right and "Left" deviation* in the sphere of general policy. Here too, as in other spheres, there is no little confusion in the minds of certain members of the Party. Sometimes, while fighting the Right deviation they take their hands off the "Left" deviation and relax the fight against it on the assumption that it is not dangerous, or only slightly dangerous. This is a very serious and dangerous mistake. This is a concession to the "Left" deviation, which is impermissible for a member of the Party. It is all the more impermissible for the reason that recently the "Lefts" have completely slipped to the positions of the Rights, so that there is no longer any essential difference between them.

We have always said that the "Lefts" are the Rights who mask their Rightness with Left phrases. Now the "Lefts" themselves confirm the correctness of our statement. Take last year's issues of the Trotskyist "*Bulletin*." What do Messieurs the Trotskyists demand, what do they write about, in what does their "Left" programme express itself? They demand: *the dissolution of the Soviet farms* because they are unprofitable; *the dissolution of the majority of the collective farms* because they are fictitious; *the abandonment of the policy of liquidating the kulaks*; *reversion to the policy of concessions*, and *the leaving of a number of our industrial enterprises to concessionaires*, because they are unprofitable.

Such is the programme of the contemptible cowards and capitulators, a counter-revolutionary programme of restoring capitalism in the U.S.S.R.!

In what way does it differ from the programme of the extreme Rights? Clearly, it differs in no way. It follows then that the "Lefts" have openly associated themselves with the counter-

revolutionary programme of the Rights in order to enter into a *bloc* with them and to wage a joint struggle against the Party.

After this, how can anyone say that the "Lefts" are not dangerous, or are only slightly dangerous? Is it not clear that those who talk such rubbish bring grist to the mill of the bitter enemies of Leninism?

As you see, here too, in the sphere of deviations from the line of the Party—irrespective of whether they are deviations on general policy, or deviations on the national question—the survivals of capitalism in the minds of men, including the minds of certain members of our Party, are fairly tenacious.

These, then, are a few serious and urgent questions concerning our ideological and political work on which lack of clarity, confusion and even direct deviation from Leninism exist among certain strata of the Party. And these are not the only questions which could serve to demonstrate the confusion of mind among certain members of the Party.

After this, can it be said that all is well in the Party?

Clearly, it cannot.

Our tasks in the sphere of ideological and political work are:

- (1) To raise the theoretical level of the Party to the required standard;
- (2) To intensify ideological work in all the links of the Party;
- (3) To carry on unceasing propaganda of Leninism in the ranks of the Party;
- (4) To train the Party organisations and the non-Party *actives* which surrounds them in the spirit of Leninist internationalism;
- (5) Not to gloss over, but boldly to criticise the deviations of certain comrades from Marxism-Leninism;
- (6) Systematically to expose the ideology and remnants of the ideology of trends that are hostile to Leninism.

2. Problems of Organisational Leadership

I have spoken about our successes. I have spoken about the victory of the Party line in the sphere of national economy and culture as well as in the sphere of overcoming anti-Leninist groups in the Party. I have spoken of the world historical significance of our victories. But this does not mean that victory has been achieved in all things, and that all problems have been solved. Such successes and such victories never occur in real life. Not a few unsolved problems and defects have remained. We are confronted by a heap of problems demanding solution. But it does undoubtedly mean that the major part of the urgent problems are already solved, and, in this sense, the great victory of our Party is beyond question.

But here the question arises: how were those victories achieved, how were they obtained in fact, what fight was put up for them, what efforts were exerted for them?

Some people think that it is sufficient to draw up a correct Party line, proclaim it from the housetops, enunciate it in the form of general theses and resolutions and carry them unanimously in order to make victory come of itself, automatically, so to speak. This, of course, is wrong. Those who think like that are greatly mistaken. Only incorrigible bureaucrats and quill drivers can think that. As a matter of fact, these successes and victories were obtained, not automatically, but as a result of a fierce struggle to carry out the Party line. Victory never comes by itself—it has to be dragged by the hand. Good resolutions and declarations in favour of the general line of the Party are only a beginning, they merely express the desire to win, but it is not victory. After the correct line has been given, after a correct solution of the problem has been found, success depends on the manner in which the work is organised, on the organisation of the struggle for the application of the line of the Party, on the proper selection of workers, on supervising the fulfilment of the decisions of the leading organs. Without this the correct line of the Party and the correct solutions are in danger of being severely damaged. More than that, after the correct political line has been given, the organisational work decides everything, including the fate of the political line itself, i.e., its success or failure.

As a matter of fact, victory was achieved and won by a systematic and stern struggle against all sorts of difficulties that lay in the path of carrying out the Party line, by overcoming these difficulties, by mobilising the Party and the working class for the purpose of overcoming these difficulties, by organising the struggle to overcome these difficulties, by removing inefficient workers and

selecting better ones, capable of waging the struggle against difficulties.

What are these difficulties, and where are they concealed?

These difficulties are difficulties of our organisational work, difficulties of our organisational leadership. They are concealed within ourselves, in our leading workers, in our organisation, in the apparatus of our Party, of our Soviets, our economic, trade union, Young Communist League, and all other organisations.

It must be understood that the power and authority of our Party, Soviet, economic and all other organisations and of their leaders have grown to an unprecedented degree. And precisely because their power and authority have grown to an unprecedented degree it is their work that now determines everything, or nearly everything. Reference to so-called objective conditions cannot be justified. After the correctness of the political line of the Party has been confirmed by the experience of a number of years, and after the readiness of the workers and peasants to support this line is no longer doubted, the role of so-called objective conditions has been reduced to a minimum, whereas the role of our organisations and of their leaders has become decisive, exclusive. What does that mean? It means that from now on nine-tenths of the responsibility for the failures and defects in our work lies, not with "objective" conditions, but with ourselves, and with ourselves alone.

We have in our Party more than two million members and candidates. In the Young Communist League we have more than four million members and candidates. We have over three million worker and peasant correspondents. The Aviation, Chemical and Defence League (Ossoaviachino) has more than twelve million members. The trade unions have a membership of over seven-tens millions. It is to these organisations that we are obliged for our successes. And if, notwithstanding the existence of such organisations and of such possibilities which facilitate the achievement of success, we still suffer from a number of defects and not a few failures in our work, then the responsibility for this lies only with ourselves, our organisational work, our bad organisational leadership.

Bureaucracy in the administration departments; idle chatter about "leadership in general," instead of real and concrete leadership; the functional system of organisation and the lack of personal responsibility; depersonalisation in work and equalitarianism in the wages system; the lack of systematic supervision over the fulfilment of decisions; fear of self-criticism—these are the sources of our difficulties, that is where our difficulties now lie concealed.

It would be naive to think that it is possible to combat these difficulties by means of resolutions and orders. The bureaucrats have long become pastmasters in the art of demonstrating their loyalty to the decisions of the Party and of the government in words and pigeon-holing them in deed. In order to combat these difficulties it was necessary to abolish the discrepancy between our organisational work and the requirements of the political line of the Party, it was necessary to raise the level of organisational leadership in all spheres of national economy to the level of political leadership, it was necessary to secure that our organisational work guarantees the practical application of the political slogans and decisions of the Party.

In order to combat these difficulties and achieve success it was necessary to **organise** the struggle to overcome these difficulties, it was necessary to draw the masses of the workers and peasants into this struggle, it was necessary to mobilise the Party itself, it was necessary to purge the Party and the economic organisations of unreliable, unstable and demoralised elements.

What was required for that?

We had to organise:—

(1) Extensive self-criticism and the exposure of the defects in our work;

(2) the mobilisation of the Party, Soviet, business, trade union and Young Communist League organisations for the struggle against difficulties;

(3) the mobilisation of the masses of the workers and peasants for the fight to apply the slogans and decisions of the Party and of the government;

(4) the extension of competition and shock brigade work among the toilers;

(5) a wide network of political departments of machine and tractor stations and Soviet farms and the bringing of the Party and Soviet leadership nearer to the villages;

(6) the splitting up of the Commissariats, the Chief Boards and Trusts and bringing the business leadership nearer to the enterprises;

(7) the abolition of depersonalisation in work and the liquidation of equalitarianism in the wages system;

(8) the abolition of the "functional" system, increasing personal responsibility and taking the line towards liquidating collegiates;

(9) increasing supervision of fulfilment of decisions and taking the line towards the reorganisation of the Central Control Commission and Workers' and Peasants' Inspection in the direction of still further increasing supervision of the fulfilment of decisions;

(10) the transferring of skilled workers from the offices to bring them nearer to production;

(11) the exposure and expulsion from the management departments of incorrigible bureaucrats and of quill drivers.

(12) removing from their posts of those who violate the decisions of the Party and the government, of "window-dressers" and idle chatters and the promotion to their place of new people—business-like people, people capable of securing concrete leadership of the work entrusted to them and the tightening of Party and Soviet discipline;

(13) the purging of Soviet and business organisations and reduction of their staffs;

(14) lastly, the purging of the Party of unreliable and demoralised persons.

These, in the main, are the means which the Party had to propose in order to combat difficulties, to raise our organisational work to the level of political leadership and in this way to secure the application of the Party line.

You know that this is exactly the way the Central Committee of the Party carried on its organisational work during the period under review.

In this, the Central Committee was guided by the great thought uttered by Lenin, namely that the main thing in organisational work is—the selection of people and supervision of fulfilment of decisions.

In regard to the selection of people and the dismissal of those who failed to justify the confidence placed in them, I would like to say a few words.

Apart from incorrigible bureaucrats and quill drivers, about the removal of whom there are no differences of opinion among us, there are two other types of workers who retard our work, hinder our work, and prevent us from advancing.

One of these types of workers are those who have rendered certain services in the past, people who have become "aristocrats" as it were, who consider that the laws of the Party and Soviets were not written for them, but for fools. These are the people who do not think it is their duty to fulfil the decisions of the Party and of the government, and who thus destroy the foundations of Party and state discipline. What do they base their calculations on when they violate Party and Soviet laws? They hope that the Soviet government will not dare touch them because of the services they have rendered in the past. These swelled-headed aristocrats think that they are irreplaceable, and that they can flaunt the decisions of the leading bodies with impunity. What is to be done with workers like that? They must without hesitation be removed from their leading posts, irrespective of the services they have rendered in the past. (Voices: Quite right!) They must be degraded to lower positions, and this must be announced in the press. (Voices: Quite right!) This must be done in order to knock the pride out of these swelled-headed aristocrat-bureaucrats, and to put them in their proper place. This must be done in order to tighten up Party and Soviet discipline in the whole of our work. (Voices: Quite right! Applause.)

And now about the second type of workers. I have in mind the chatterboxes, I would say, honest chatterboxes (Laughter), people who are honest and loyal to the Soviet government, but who are incapable leaders, who are incapable of organising anything. Last year I had a conversation with such a comrade, a very respected comrade, but an incorrigible chatterbox, who was capable of submerging any living cause in a flood of talk. Well, here is the conversation:—

I: How are you getting on with the sowing?

He: With the sowing, Comrade Stalin? We have mobilised ourselves. (Laughter.)

I: Well, and what then?

He: We have put the question bluntly. (Laughter.)

I: And what next?

He: There is a turn, Comrade Stalin; soon there will be a turn. (Laughter.)

I: But still?

He: We can observe some progress. (Laughter.)

I: But for all that, how are you getting on with the sowing?

He: Nothing has come of the sowing as yet, Comrade Stalin. (General laughter.)

Here you have the physiognomy of the chatterbox. They have mobilised themselves, they have put the question bluntly, they have a turn and some progress, but things remain as they were.

This is exactly the way in which a Ukrainian worker once described the state of a certain organisation when he was asked whether this organisation had any definite line: "Well," he said, "they have a line all right, but they do not seem to be doing any work." (Laughter.) Evidently there are honest chatterboxes in that organisation as well.

And when such chatterboxes are dismissed from their posts and are given jobs far removed from operative work, they shrug their shoulders in perplexity and ask: "Why have we been dismissed? Have we not done all that was necessary for the cause? Have we not organised a rally of shock brigade workers? Did we not at conferences of shock brigade workers proclaim the slogans of the Party and of the government? Did we not elect the whole of the Political Bureau of the Central Committee to the honorary Presidium? (Laughter.) Did we not send greetings to Comrade Stalin?—what else do they expect us to do?" (Laughter.)

What is to be done with these incorrigible chatterboxes? If they were allowed to remain on operative work they would submerge every living cause in a flood of watery and endless speeches. Obviously, they must be dismissed from leading posts and given work other than operative work. There is no place for chatterboxes in operative work. (Voices: Quite right! Applause.)

I have already briefly reported how the Central Committee directed the selection of people for the Soviet and business organisations, and how it pursued the work of tightening up supervision of fulfilment of decisions. Comrade Kaganovich will deal with this in greater detail in his report on the third item of the agenda of the Congress.

I would like to say a few words, however, about future work in regard to tightening up supervision of fulfilment of decisions.

The proper organisation of supervision of fulfilment of decisions is of decisive importance in the struggle against bureaucracy and routine. Are the decisions of the leading organisations carried out by the bureaucrats, or do they pigeon-hole them? Are they carried out properly, or are they distorted? Is the apparatus working honestly and in a Bolshevik manner, or is it running at a loose end? These things can be learned in time only if supervision of the fulfilment of decisions is properly organised. The proper organisation of supervision of the fulfilment of decisions is like a searchlight which throws a flood of light on the manner in which the apparatus is working at any time, and drags the bureaucrats into the light of day. We can say with certainty that nine-tenths of our failures and hitches are due to the lack of a properly organised system of supervising the fulfilment of decisions. There cannot be any doubt that had there been such a system of supervising fulfilment the failures and hitches would certainly have been averted.

But, in order that supervision of fulfilment of decisions may achieve its purpose, two conditions at least are necessary; first, that the supervision of fulfilment of decisions be systematic and not sporadic; second, that the work of supervising the fulfilment of decisions in all the links of the Party, Soviet and business organisations shall be in charge, not of second-rate people, but of people with authority, the leaders of the organisations themselves.

The organisation of supervision of the fulfilment of decisions is of supreme importance for the central leading institutions. Owing to its form of organisation, the **Workers' and Peasants' Inspection** cannot satisfy the requirements of a well-organised system of supervising the fulfilment of decisions. Several years ago, when our economic work was simpler and less satisfactory, and when we could expect that it was possible to inspect the work of all the commissariats and of all the business organisations, the **Workers' and Peasants' Inspection** was good enough. But now, when our economic work has grown to an enormous extent and

has become more complicated, and when it is no longer necessary, nor possible, to inspect it from one centre, the **Workers' and Peasants' Inspection** must be reorganised. What we need now is not an inspectorate, but the supervision of the fulfilment of the decisions of the centre—what we need now is the control of the fulfilment of the decisions of the centre. We now need an organisation that will not set itself the universal aim of inspecting everything and everybody, but which will concentrate its attention on the work of control, on the work of supervising the fulfilment of the decisions of the central bodies of the Soviet government. The only organisation that can fulfil this function is a **Commission of Soviet Control** of the Council of People's Commissars of the U.S.S.R., which works under the instructions of the Council of People's Commissars and has its representatives in the districts who will be independent of the local authorities. And in order that this organisation may have sufficient authority and be able, in the event of necessity, to take proceedings against any responsible worker, the candidates for the **Commission of Soviet Control** must be nominated by the Party Congress and endorsed by the Council of People's Commissars and the Central Executive Committee of the U.S.S.R. I think that only such an organisation can tighten up Soviet control and Soviet discipline.

As for the **Central Control Commission**, it is well known that it was set up primarily, and mainly, for the purpose of averting a split in the Party. You know that at one time there really was a danger of a split in the Party. You know that the **Central Control Commission** and its organisations succeeded in averting the danger of a split. Now there is no longer any danger of a split. But there is an imperative need for an organisation that could concentrate its attention mainly on the work of supervising the fulfilment of the decisions of the Party and of its Central Committee. The only organisation that could fulfil this function is a **Commission of Party Control** of the Central Committee of the C.P.S.U. working on the instructions of the Party and of its Central Committee and having its representatives in the districts, who will be independent of the local organisations. It goes without saying that such a responsible organisation must wield great authority. And in order that it may wield sufficient authority, and in order that it may be able to take proceedings against any responsible worker, including members of the Central Committee, who has committed any misdemeanour, the members of this **Commission** must be elected and dismissed only by the supreme organ of the Party, viz., the Party Congress. There cannot be any doubt that such an organisation will be quite capable of securing the control of the fulfilment of the decisions of the central organs of the Party and of tightening up Party discipline.

Such is the position in regard to the problems of organisational leadership.

Our tasks in the sphere of organisational leadership are:—

(1) To continue to make our organisational work commensurate with the requirements of the political line of the Party.

(2) To raise organisational leadership to the level of political leadership.

(3) To secure that organisational leadership shall fully guarantee the application of the political slogans and decisions of the Party.

I have now come to the end of my report, comrades.

What conclusions must be drawn from it?

Everybody now admits that our successes are great and extraordinary. In a relatively short period of time our country has been transferred to the rails of industrialisation and collectivisation. The first Five-Year Plan has been successfully carried out. This rouses a sense of pride and increases the confidence of our workers in their own strength. This is all very good, of course. But successes sometimes have their dark side. They sometimes give rise to certain dangers which, if allowed to develop, may wreck the whole cause. There is, for example, the danger that some of our comrades may have their heads turned by these successes. There have been cases like that, as you know. There is the danger that certain of our comrades, having become intoxicated with success, will get swell-headed and begin to soothe themselves with boastful songs, such as: "We care for nobody," "we'll knock everybody into a cocked hat," etc. This is by no means excluded, comrades. There is nothing more dangerous than moods of this kind, because they disarm the Party and demobilise its ranks. If such moods were to predominate in our Party we would be faced with the danger of all our successes being wrecked. Of course, the first Five-Year Plan has been successfully carried out.

This is true. But this does not, and cannot, end the matter, comrades. Before us is the Second Five-Year Plan, which we must also carry out, and also successfully. You know that plans are carried out in the struggle against difficulties, in the process of overcoming difficulties. That means that there will be difficulties and there will be a struggle against them. Comrades Molotov and Kuibyshev will tell you about the Second Five-Year Plan. From their reports you will see what great difficulties we will have to overcome in order to carry out this great plan. That means that we must not lull the Party but rouse its vigilance, we must not lull it to sleep but keep it in a state of fighting preparedness, not disarm but arm it, not demobilise it but keep it in a state of mobilisation for the purpose of fulfilling the Second Five-Year Plan.

Hence, the first conclusion: *we must not allow ourselves to be carried away by the successes achieved, and must not get swelled-headed.*

We achieved successes because we had the correct guiding line of the Party, and because we were able to organise the masses for the purpose of applying this line. Needless to say, without these conditions we would not have achieved the successes we have achieved, and of which we are quite justly proud. But it is a very rare thing for ruling parties to have a correct line and to be able to apply it. Look at the countries which surround us: are there many ruling parties there that have a correct line and are able to apply it? Strictly speaking, there are no longer any such parties in the world, because they are all living without prospects, are entangled in the chaos of crises, and see no road to lead them out of the swamp. Our Party alone knows where to steer the ship of the State and it is leading it forward successfully. What is our Party's advantage due to? It is due to the fact that it is a Marxian Party, a Leninist Party. It is due to the fact that it is guided in its work by the tenets of Marx, Engels and Lenin. There cannot be any doubt that as long as we remain true to these tenets, as long as we have this compass, we shall achieve successes in our work.

It is said that in the West, in some countries, Marxism has already been destroyed. It is said that it was destroyed by the bourgeois-nationalist trend known as fascism. That is nonsense, of course. Only those who are ignorant of history can talk like that. Marxism is the scientific expression of the fundamental interests of the working class. In order to destroy Marxism the working class must be destroyed. And it is impossible to destroy the working class. More than eighty years have passed since Marxism stepped into the arena. During this time scores and hundreds of bourgeois governments have tried to destroy Marx-

ism. And what happened? Bourgeois governments have come and gone, but Marxism remained. (Loud applause.)

More than that, Marxism has achieved complete victory in one-sixth of the globe and achieved victory in the very country in which Marxism was considered to have been utterly destroyed. (Loud applause.) It is not an accident that the country in which Marxism achieved complete victory is now the only country in the world which knows no crisis and unemployment, whereas in all other countries, including the fascist countries, crisis and unemployment have been reigning for four years. No, comrades, it is not an accident. (Prolonged applause.)

Yes, comrades, our successes are due to the fact that we worked and fought under the banner of Marx, Engels and Lenin.

Hence the second conclusion: *to remain loyal to the end to the great banner of Marx, Engels and Lenin.* (Applause.)

The working class of the U.S.S.R. is strong, not only because it has a Leninist Party that has been tried in battles; it is strong, not only because it enjoys the support of millions of toiling peasants; it is strong also because it is supported and assisted by the world proletariat. The working class of the U.S.S.R. is part of the world proletariat, its vanguard; and our republic—is the offspring of the world proletariat. There can be no doubt that if it had not been supported by the working class in the capitalist countries it would not have been able to retain power, it would not have secured for itself the conditions for socialist construction, and hence it would not have achieved the successes it did achieve. International ties between the working class of the U.S.S.R. and the workers of the capitalist countries, the fraternal alliance between the workers of the U.S.S.R. and the workers of all countries—this is one of the corner-stones of the strength and might of the Republic of the Soviets. The workers in the West say that the working class of the U.S.S.R. is the shock brigade of the world proletariat. That is very good. It shows that the world proletariat is prepared to continue to support the working class of the U.S.S.R. with all the means at its disposal. But this imposes a very serious duty upon us. It means that we must prove worthy of the honourable title of shock brigade of the proletarians of all countries. It imposes upon us the duty to work better, and to fight better, for the final victory of socialism in our country, for the victory of socialism in all countries.

Hence, the third conclusion: *to remain loyal to the end to the cause of proletarian internationalism, to the cause of the fraternal alliance of the proletarians of all countries.* (Applause.)

Such are the conclusions.

Long live the great and invincible banner of Marx, Engels and Lenin! (Loud and prolonged applause.)

Concluding Remarks

At the conclusion of the discussion on the report of the Central Committee, Comrade Stalin was called upon to reply. He said the following:—

“Comrades, the discussion at this Congress has displayed complete unity of opinion among our Party leaders, one can say, on all questions of Party policy. As you know, no objections whatever were raised against the report. Hence, an extraordinary

ideological-political and organisational compactness of the ranks of our Party has been displayed. (Applause.) The question arises is there any need after this for a speech in reply to the discussion? I think there is no need for it. Permit me, therefore, to refrain from making a speech in reply. (Loud applause.)

Voices: Long live Stalin! The delegates, all standing, sing the “Internationale.”

Resolution

The following resolution was then moved:—

Having heard Comrade Stalin's report on the work of the Central Committee of the Communist Party of the Soviet Union, the Seventeenth Congress of the C.P.S.U. resolves:

(1) Wholly and entirely to approve the political line and prac-

tical work of the Central Committee of the C.P.S.U.

(2) To approve Comrade Stalin's report and to instruct all Party organisations to be guided in the whole of their work by the postulates and tasks put forward in Comrade Stalin's report. (The resolution was adopted unanimously.)

Bolshevik Programme of Work of the Second Five Year Plan

The "Pravda" on the Report of Comrade Stalin

The "Pravda" writes:— Moscow, January 30, 1934.

Stalin's report to the Seventeenth Party Congress on the work of the Central Committee of the C.P. of the Soviet Union represents the Bolshevik programme of work of the second Five-Year Plan. With a masterly application of Marx-Leninist dialectics the Party leadership illuminates step by step the complicated maze of the present international situation, the development of the growing crisis in the capitalist countries and, in opposition to this, the uninterrupted economic progress of the great Soviet country. The political and practical work which is sketched in the theses of Molotov, Kuybishev and Kaganovitch, receives an exhaustive philosophical-materialist substantiation in Stalin's report. The Party and the working class of the whole world are richer by a document of world-historical importance which is worthy of our epoch in regard to profoundness, wealth of content and genius. The theoretical elaboration of the problems of scientific Communism has been raised to a higher level by this document.

"As Comrade Stalin pointed out in his report, the period between the Sixteenth and the Seventeenth Party Congresses is the richest period of the last decade. This is true not only in regard to the world situation and the greatly improved international situation of the Soviet Union, but also in regard to the inner problems of the Soviet country. The tremendous progress of Soviet economy is significant not only in regard to the quantitative output. The rapid rate of industrialisation and collectivisation have brought about a fundamental change in the social countenance of the Soviet Union.

The socialist form of economy dominates unrestrictedly and without exception in all spheres of the national economy of the Soviet country.

The work of Stalin's Party has enriched the treasure of Marxism-Leninism with the most valuable contributions. On the basis of Stalin's theoretical conclusions, on the basis of the achievements gained by the Party under his gifted leadership, the proletariat and the toilers of the whole world can be told: the path of socialist transformation of the village is theoretically substantiated and tested in practice.

"In the period under review two economic systems were sub-

mitted to the judgment of millions of toilers. The toilers can draw only one conclusion from this—in economy as well as in the cultural sphere and in the sphere of economic leadership socialism has shown its superiority. The quacks of capitalism are now endeavouring to cure capitalism. It seems to them that it is sufficient to introduce a 'planning commission' into capitalist economy—and then everything is done. The fact that capitalism is vainly trying to borrow from us the idea of planned economy, speaks for itself. It is not only the result of the economic bankruptcy of capitalism, but also of the complete confusion and helplessness of its ideologists. So-called capitalist planning is nothing else but the destruction of the results of production or restriction of production in the interest of the ruling class. The American journalist, Walter Lippmann, wrote in the New York 'Herald-Tribune':—

"The difference between the U.S.A. and the U.S.S.R. consists in the fact that in Russia planned economy serves the collective efforts to increase production . . . whilst regulation of economy in the U.S.A. is the outcome of the collective endeavours to restrict the production of the country. By means of the Five-Year Plan Stalin is aiming at increasing the harvest yield and constructing new factories which will manufacture more goods. Wallace, Minister for Agriculture, and General Johnson propose planned economy with the aim of restricting the harvest yield, of preventing the construction of new factories and producing less goods.'

"This is a splendid admission. It shows the whole fundamental difference between the two economic systems. It also gives an answer as to the result of the rivalry between the two systems. Ten, twenty years of correct relations to the peasantry, said Lenin, and victory will be secured on a world scale, even if the proletarian revolutions, which are growing everywhere, should be delayed. They are growing at an accelerated pace. Capitalism is entering a fresh cycle of revolutions and wars. We achieved successes which, when further developed, will facilitate and secure the victory of the working class. This victory is certain, for the Party stands faithful to the banner of Marx, Engels, Lenin, Stalin, for the Party is homogeneous as never before and loyal to proletarian internationalism right to the end, for the Party is headed by the Leninist Central Committee and such an undomitable steersman as Stalin, who armed the Bolsheviks with the programme of the great work."

The World Press on Comrade Stalin's Report

Shanghai, January 30.

The Chinese press continues to give a good deal of space to comments on Stalin's Report. A number of papers devote leading articles to it. The newspaper "Press" arrives at the following conclusions regarding Stalin's Report:—

"The Soviet Union does not wish to interfere in the affairs of other countries, provided they do not interfere in her affairs. Should, however, any State attack the Soviet Union, they would be embarking on a dangerous enterprise."

The "Press" then expresses the opinion that Stalin "has addressed a very decided warning to Japan." "Le Journal de Shanghai" publishes a leading article in which it states: "Stalin's speech is the speech of Lenin's successor. It contains utterances of a political, historical and economic nature. The leader of the Soviet Union is anxious to maintain peace and to co-operate with those who are against war."

Paris, January 30.

In spite of the Government crisis, which engages the general attention, the French press continues to follow the proceedings of the Party Congress with lively interest. The papers publish long reports of Stalin's speech. "Le Temps" publishes cabled reports from its Moscow correspondent, as well as articles on the results of economic construction in the Soviet Union in 1933 and on the Economic Plan for 1934. "Le Temps" Moscow correspondent writes: "Stalin's speech deserves special attention. The General Secretary of the Party, as is known, is not loquacious, on the contrary, he is a man of few words. This fact lends special weight to his utterances." In its article on the second Five-Year Plan, "Le Temps" deals in detail with the achievements, especially in the industrial sphere.

Published weekly. Single copies, 2d. Subscription rates: Great Britain and Dominions, 12s. per year; U.S.A. and Canada, five dollars per year. Remittance in STERLING per International Money Order, Postal Order or Sight Draft on London.