

SPECIAL NUMBER

Celebration Meeting of the C. E. C. of the Soviet Union.

English Edition.

Unpublished Manuscripts - Please reprint.

- INTERNATIONAL - PRESS CORRESPONDENCE

Vol 7. No. 62

3rd November 1927

Editorial Offices and Central Despatching Department: Berggasse 31, Vienna IX. — Postal Address, to which all remittances should be sent by registered mail: Postamt 66, Schliesfach 213, Vienna IX.
Telegraphic Address: Inprekorr, Vienna.

Manifesto

of the Central Executive Committee of the U. S. S. R.

To All Workers, Toiling Peasants and Red Soldiers of the U. S. S. R.

To the Proletarians of All Countries and Oppressed Nations of the World.

Comrades

The X. Anniversary of the October Revolution marks one of the greatest achievements of the International Revolutionary Movement of the Proletariat.

Ten years ago the capitalist world was embroiled in the throes of imperialist war. The powerful springs of predatory bourgeois interests brought about a butchery unparalleled in history, and the world war drew into its bloody vortex one country after another and raged like a devastating element. The most barbarous, most sordid, bloody, shameful and disgusting pages in the world history fade into insignificance compared with the barbarous imperialist butchery let loose by the piratical imperialist clique of Britain, the militarism of Kaiser Wilhelm, the usurers of France, the autocratic gendarme imperial Russia, and the young but tenacious Japanese imperialism. The shrewd and calculated entry into the war of the American bourgeoisie, who distilled the blood that bedewed the corpse bestrewn fields of Europe into pure gold to fill the strong-rooms of American bankers, provided the monstrous bloody butchery with the last word in American technique.

In this way the domination of capitalism for the first time brought humanity to the very brink of the precipice of inglorious destruction, ruin and cultural extinction.

In this sea of blood, amidst the dense fog of poisonous gases, and the perpetual roar of cannon, when the destructive war machine, lauded to the skies by the bourgeois press, supported by the Social Democratic Parties who betrayed Socialism, was working in full blast — amidst this monstrous chaos of war ascended the rocket signal of the Russian Revolution. When the proletariat, led by the struggle against its enemy was at its height, the steel Bolshevik cohorts commanded by the immortal genius Lenin mobilised its forces and in Oc-

tober 1917, ten years ago, like an avalanche the proletariat, the soldiers and peasants poured forth in revolt against the ruling classes. Assuming the leadership over all the toilers, the Russian proletariat smashed a serious breach in the imperialist front.

This great upheaval of the oppressed classes, this first durable victory of the Proletarian Revolution will undoubtedly be regarded by future generations as the dividing line marking the beginning of a new epoch in the history of mankind; for amidst the vampire imperialist and large capitalist States which suck the blood of the proletariat, ruin the peasantry and squeeze the last drop of blood out of the colonial peoples, arose a Workers State, the dictatorship of the most oppressed class, the dictatorship of the proletarian revolution. The Communist banner was unfurled, the tocsin rang out calling upon the proletarians of all countries to fight for freedom, a great proletarian State arose to lead the people to Socialism.

For centuries the Russian Peasantry tried to free itself from the yoke of the landlords. Not once, but many times did it rise in rebellion against the nobility, many a time did it make desperate attempts to throw the tsarist-aristocratic horde from its shoulders, to take the land, thoroughly saturated with its own sweat and blood, from the landlords. But each time the landlord government sent its "Christian" troops against the peasants. It riddled the body of the Russian peasantry with grape-shot; it drenched the cornfields with blood, it destroyed the rebellious villages and hamlets by fire and torch

In tsarist Russia Stepan Razin was beheaded. In imperial Russia Emelian Pugachov was imprisoned and then ordered to be quartered. In imperial Russia the heroes of the peasant wars were not merely put to death they were slanderously branded after death as "thieves" and "robbers". Then after the

Revolution of 1905 the government of imperial Russia, flayed the peasantry only because, armed with the axe and pitchfork, it again demanded land. "Land" demanded the peasants. Bulls without stint! was the tsarist government's reply.

During the imperialist war rifles were put in the peasants' hands. In the town the peasants found a leader, organiser, friend and ally in the proletariat and its Party. The Proletariat, the urban workmen, headed the peasant movement and under this leadership the allied workers and peasants wiped the landlords from the face of the earth and uprooted the nobility so completely that not a single root of them was left. The whole aristocratic and autocratic machinery of state — the generals and the police chiefs, the provincial governors and provincial administrators, the tsars and the nobility, the urban and rural police force, collapsed. The land passed into the hands of the Peasants and the Soviets ruled in what had been the empire of landlord tsars.

For hundreds of years had the oppressed nationalities of imperial Russia tried to free themselves from the hated yoke of the tsars. More than a hundred different nationalities inhabited the country held in the war talons of the double-headed eagle, the symbol of autocracy. All the so-called "glorious campaigns", "conquests", "subjugations", etc., were acts of savage plunder that desolated entire districts. Poverty, torment, disfranchised peoples, national oppression such were the points of the landlords' domination of Russia. All peoples conquered by the Empire were designated as "foreigners". Every attempt at liberation, every protest, the very idea of equality, called forth cruel and bloody repressions on the part of the autocrat. The Baltic punitive expeditions and shootings of 1905, the vengeance meted out in Poland, Finland, Georgia and Turkestan, the Jewish pogroms, the robberies in all Russian colonies are still fresh in the memory of all. Every nationality bears terrible wounds and scars as souvenirs of the cursed autocratic regime.

The Proletarian Revolution emancipated all these nationalities. The Soviet Government transformed imperial Russia from a prison and torture-chamber of nations into a voluntary, fraternal alliance of nations, as durable as steel. Equality of nations, freedom of national development, cultural advancement, elimination of national oppression, brotherhood of nations, — such were the slogans under which the Proletariat led the oppressed nations of old Russia in the battle for freedom.

The leader of the insurrection, the organiser of the victory and the guide in the new constructive work was the Working Class, the Proletariat.

The working class which grew up as large scale industry developed, from the very beginning was exposed to the blows of the autocratic regime and the tsarist gendarmerie. Mercilessly exploited by the bourgeoisie, despoiled by the government, deprived of every vestige of political rights, the working class early came to blows with its enemies and the numerous battles it fought forged its class-consciousness, and tempered its will, gradually brick by brick built its organisations and founded its revolutionary fighting Bolshevik Party, a model of proletarian courage, heroism, discipline and revolutionary determination. In 1905 the proletariat showed the world marvels of mass struggle, — the general strike and proletarian insurrection. In February 1917, the proletariat was the pioneer and leader of the victorious insurrection. But, after overthrowing the autocracy, establishing the Soviets of Workers' Deputies, and in October taking the leadership over the peasantry and overthrowing the bourgeoisie, the proletariat, for the first time in history, laid its hands on the palaces, mills and factories, houses, mines and banks, stock-exchanges, offices and warehouses, railways and grain elevators. The proletariat took from the bourgeoisie the means of production; it "expropriated the expropriators".

Thus, the dictatorship of the bourgeoisie gave way to the Dictatorship of the Proletariat and important bourgeois property became the property of the Workers' State.

Old Russia was the international gendarme and bulwark of counter-revolution. At the beginning of the 19th century it stood at the head of the "Holy Alliance" of the feudal States against bourgeois revolutionary France, and the armies of Alexander I occupied Paris. In 1848 the armies of Nicolas I. crushed the Hungarian revolution. In 1863 imperial armies crushed the Polish revolution. At the beginning of the 20th century the

Russian troops crushed the spontaneous rebellion of the Chinese peasantry. There was not a single liberation movement that did not regard the Russian autocracy as its most vicious, most furious opponent and foe. The Prussian monarchist clique was more liberal than the Romanov gang. The British throttlers of the labour movement were a model of liberalism compared with the Oriental despotism of the tsars. The October Revolution of the Proletariat transformed Russia from an international gendarme and executioner into a shield for all the oppressed, into the principal fortress of the International Revolution, into a herald of peace and victory over the exploiters.

The revolutionary avalanche swept away mediaeval, feudal and capitalist relations in Russia, and by that very act roused the fury and hatred of the landlords and capitalists of all countries, of all nations and of all colours.

All the forces of the old world united against the workers and peasants of the U. S. S. R.; — the out and out counter-revolutionary landlords and the "Democratic Socialists" — the Socialist Revolutionaries and Menshevik parties, the generals and speculators, the bishops and stock-brokers, the foreign imperialists and the jingoes at home, all joined the ranks of the active counter-revolutionary forces against the Soviet Government. Every method of struggle was tried: blockades and interventions, sabotage and terror. They tried every possible battle cry: Monarchy and Constituent Assembly, Republic and "Soviets without Communists". Yet every attempt to restore the old order was frustrated and shattered by the Proletarian and Peasant Masses.

The internal counter-revolutionary forces joined with the foreign forces. Besides the Kolchaks and Denikins, the Yudenitchs and Krasnovs, Wrangels and Bulak-Balakhovitchs, these scoundrelly barons, counts and generals on Soviet territory, a military ring was formed outside by the armies of the foreign capitalist governments, democratic republics and monarchies — from Europe, Asia and America. The United States and England, Germany and France, Japan and Czecho-Slovakia, Poland and Roumania, plundered the Soviet territories from all directions and supported the armies of the landlords and the pseudo-democratic generals — the hangmen of the workers and peasants. All these armies however were forced to retreat before the onslaught of the Red Army of Workers and Peasants. The counter-revolution was thrown back and crushed.

Cut off from all the main sources of supply — the coal of Donbas, Baku oil, Ukrainian and Siberian grain — encircled by a ring of white armies, reduced to a few provinces, naked and bare-footed, hungry and weary, Soviet Russia fought desperately to keep at bay the counter-revolutionary forces that swarmed around her like locusts. But neither cold, nor hunger, typhoid nor the gallows could daunt the workers or discourage the peasant poor.

The Soviet Government passed to an impetuous counter-offensive against the bourgeoisie, against the rural rich, against the propertied classes. With the Cheka frustrating plots and uprisings in the interior and the Red Army keeping the enemy at bay at the front the government commenced a crusade against the parasites, profiteers, rural rich, usurers and the wealthy classes. It established poor peasant committees; it requisitioned grain and footstuffs in the sternest manner. It was compelled to requisition all surplus food in order to sustain the army and the hungry workers. The sufferings were innumerable and unprecedented. The demands made upon everyone were very severe. Deserters and cowards were treated mercilessly. The punishment meted out to traitors was stern. This iron proletarian discipline coupled with the heroic enthusiasm of the masses is the very thing that gave the world proletariat victory in what had been previously the Russian Empire.

During this time, the enormous international importance of the Bolshevik revolution began to assert itself. Kaiser Wilhelm lost his crown. The Austrian Emperor lost his. Soviet Republics arose in Finland, in Bavaria and in Hungary. The semi-colonial and oppressed countries were roused from their slumber and numerous revolutions broke out in the East. Some of these revolutions stopped half-way, due to the treachery of the Social Democrats. Some of them were mercilessly crushed by the infuriated shopkeepers and bourgeoisie fearful for their property. But these revolutions weakened the force of the ca-

pitalist onslaught on our country and served as a basis for further progress.

This period of civil war and war communism demonstrated and proved that the Proletariat can not only rise in revolt, but that together with the Peasantry it can overcome its numerous enemies, that it is able to consolidate and strengthen its rule, that it is able to build a strong State and crush the resistance of the exploiters with an iron hand.

But that period also proved that victory is possible only under the leadership of the Proletariat and its Party.

With the end of war against the counter-revolution, which was a war of the oppressed against their oppressors, of the slaves against their slave-owners, of the workers and peasants against the landlords and capitalists, and therefore of all wars as alone a just war — the proletariat and the Soviet Government were confronted with new tasks. At first it was necessary to destroy the old. Now that the enemy was beaten, it was necessary to build the new. At first it was necessary to fight. Now it became necessary to build up our industries. But this had to be done in such a manner as, to guarantee the triumph of Socialism, to prevent a return to the old rule of the landlords and capitalists. The land, factories, mills and other means of production were nationalised. Foreign trade was the monopoly of the State, on this basis it was necessary to proceed to organise the constructive work of millions of people, on the economic front. The Military alliance between the proletariat and the poor and middle peasants had to be transformed into a durable economic alliance.

This transition to the New Economic Policy, the cessation of grain requisitions, the introduction of free private trade (primarily with the view of facilitating the economic alliance with the peasantry) on the basis of the consolidation and extension of the economic "key positions", at the beginning encountered great and dangerous obstacles. The mills and factories were almost at a standstill owing to the lack of raw materials and because the best workers had scattered to the villages owing to the famine in the towns. The workers and peasants could not organise their industries all at once, and they had "to learn to trade". Greedy sharks and cunning swindlers rapidly found their way into the government organs and began to deceive the inexperienced leaders and plunder the property of the State. The private businessmen were more capable than the managers of government institutions. These dangers called for the exertion of strenuous and united efforts. The working class, in alliance with the peasantry, set to work successfully.

The successful solution of the extremely difficult problems of economic policy was rendered possible by the fact that the October Revolution had created a basis for the management of the economy of the country according to plan. Having co-ordinated large-scale industry, transport, credit and State finance into a powerful economic weapon; having protected itself from spoilage by foreign capitalists through the monopoly of foreign trade and having freed the country from the terrible burden of the foreign debts of the tsarist and Kerensky regimes, the working class, together with the working peasantry, began to regenerate the economy of the country on new lines. The industry of the country, the principal lever for the Socialisation of the entire economy of the country was turned to the service of the countryside; — the factories and works of the proletarian State were set going not for the production of luxuries, not to supply the needs of capitalists and big landowners, their menials and lackeys, but for the production of the necessities of life. The proletarian nationalisation of these factories and works, the planned distribution of the means of production and labour power, the abolition of the parasitic consumption of the former masters, the close link established between town and country, between Socialist industry and agriculture, between the proletariat and the working peasantry, all this combined served as the principal reason why the country which had been ruined, starved and exhausted more than any other, made the most rapid recovery. The Soviet State form, Proletarian Democracy, secured participation of millions of the masses in the work of constructing Socialism. The heroic efforts of miners, metal workers and textile workers and of other detachments of the proletarian army; the reorganisation of all government organs from the bottom to the top on proletarian Soviet system; the persistent enlistment of the masses

in the work of Socialist construction — in factories and works, in trade unions and economic organs, in voluntary cultural societies and in the Soviets — all this was possible only on the basis of the dictatorship of the working class which is the highest form of democracy. The peasantry were stimulated to exert heroic efforts to improve their methods of farming by the fact that the rule of the landlords had given place to the rule of revolutionary Soviets. The Socialist policy of the Proletariat secured success in the struggle on the economic front in the same way as it secured military victory for the Red Army over the united forces of the counter-revolution.

During the few years the New Economic Policy has been conducted the country has recovered economically, and in regard to productive forces exceeds now the pre-war level. Our Industry, the socialist foundation of national economy has grown and has become consolidated. Co-operative and State trade has developed and now occupies a predominant position in the trade of the country. New forms of socialised agricultural labour are coming to the fore and are becoming firmly established. Each year private capital is driven out more and more and the proletarian key positions are becoming more and more powerful. The deplorable state of affairs when factories and works were almost at a standstill, as was the case only a little while ago, has now passed away and we are now constructing gigantic industrial works. Electrification is making big strides. The Volkhov, Dnieper, Svir, and other powerful electric stations may and should be considered as the greatest achievements of our revolution. The Semiretchensk railway, the Volga-Don canal and other gigantic enterprises will give still greater impetus to the entire national economy and will strengthen more than ever the economic-political struggle for Socialism. In the countryside tractors and the radio have made their appearance for the first time, the old three-field system is being abolished and the electric "Lenin's lamp" now illuminates innumerable villages. Co-operatives are developing and the fight against the fat kulak is being reinforced in the villages by the establishment of poor and middle peasant co-operatives, collective farms and Soviet farms, conducted on model lines.

There is no doubt whatever that the position of the working population is improving from year to year. Workers' wages are increasing and so is the income of the working peasantry; the number of farms which have no horses is rapidly decreasing. The cultural level of the masses is rising. Illiteracy is rapidly declining. A network of workers' and peasants' organisations is spreading throughout the country. Working and peasant women are drawn into the political life of the country. Through the Young Communist League and the Pioneer organisations a new generation is being brought up on a new basis. Trade Unions, the broadest proletarian organisation, educate ever increasing sections of workers in the spirit of Socialism. Soviets are becoming more and more the greatest school of Socialist construction. Worker and Village Correspondents' organisations help to rouse new sections of workers and peasants to conscious life. The Red Army and Navy are not only developing their fighting capacity, they are being transformed into a first-rate cultural force: instead of drunkenness, gambling and venereal diseases, which the soldiers of the tsarist army brought to the villages, the Red Army men bring books, electric light and a modern system of agriculture. The whole of our country is engaged in a great work, we have entered the epoch of strenuous construction. Nevertheless, the Soviet government calls upon all workers and particularly upon the proletarian vanguard not to be blind to our weak points, but to look boldly in the face of all the dangers confronting us on our glorious path.

Our poverty must be abolished once and for all, but on this path we have only taken the first steps. The technique of our industry must be modernised and made powerful, but we have only just set to work in this direction. The countryside must be reorganised on the bases of electrification, co-operation and collective farms, but we have won only the initial battles on this front. We must drive private traders and kulaks out of the economic life of the country. We must entirely eliminate bureaucracy by patient steady work. We must cut out the canker of illiteracy, ignorance, backwardness, drunkenness and lack of culture once and for all. We must in fact bring about a state of affairs which will enable us to proceed along the

road which leads to the "communal state". In a word we must do our utmost to make our country a socialist country in the full sense of the word.

We are confronted by very difficult problems. By fighting for their solution, by continuous class struggle against the bourgeoisie, the kulaks and bureaucracy, by enlisting the support of large sections of workers and of the poor peasantry and in close union with the middle peasantry, the Soviet Government will solve these tasks, because it will have the mass of workers to help it.

The land of the proletarian dictatorship has enough of everything required for the construction of socialism, — so said Lenin, the proletarian leader and international revolutionist, the genius of the labour movement.

The country possesses inexhaustible natural wealth. Its proletariat holds all the economic key positions. The dictatorship of the glorious revolutionary proletarian class is firmly established. Its alliance with the working peasantry is unshakable. But the country is surrounded by capitalist enemies. The imperialists of all countries gnash their teeth at it. Its growth fills them with animal dread. Its revolutionary influence on the workers of the world and on colonial peoples infuriates them. They can see that far from giving way to the new bourgeoisie it systematically and steadily captures one position after the other. They can see how pitiful, unfounded and ridiculous are the hopes for the "degeneration" of our State. Hence the change in the policy of the bourgeoisie. Hence their renewed attacks on the proletarian State. Hence renewed war danger energetically fomented by oil kings and bankers, by the generals of imperialist armies and diplomats, by Tsarist emigres and their henchmen. Hence the despicable conspiracies and assassinations to which foreign capitalist agents are resorting.

Therefore, our foremost task is to consolidate the armed strength of our Union. But military strength must rest on economic and political strength.

The Central Executive Committee of the U. S. S. R. calls upon all workers to do their utmost to help in this consolidation.

Socialist rationalisation of our economy, development of its technique and organisation, growth of labour culture, abolition of slave habits and slave speed of work must beat the enemy. Then the dictatorship of the working class will, with the help of the international proletariat, be able to repulse any attack imperialism may make against us.

For ten years has the proletarian dictatorship existed in our country. For ten years it has been championing the cause of peace and fraternity of peoples. For ten years its enemies have been prophesying its downfall. For ten years it has resounded through the world as the death knell to the old world. For ten years it has been the beacon of oppressed mankind.

On the eve of the tenth anniversary of the October Revolution, the Central Executive Committee of the U. S. S. R., completely in accordance with the entire policy of the Soviet power, declares:

The aim of the Proletarian State, is to raise the standard of living of the working and peasant masses. Unlike all capitalist countries without exception, where the working class and the peasantry are the exploited classes, and not only exploited but oppressed and deprived of all rights; unlike capitalism which deprives workers of the most important achievements of their struggle, which tramples under foot trade union rights, raids and destroys labour organisations, cuts down wages, lengthens the working day, delivers the peasantry over to the tender mercies of trusts, speculators and usurers and condemns millions of workers to destitution, — the Union of Socialist Soviet Republics deems it to be its vital duty to develop all the forces of the proletariat and to the utmost raise the well-being of the urban and rural masses to the maximum.

On the eve of the Tenth Anniversary of the October Revolution the Central Executive Committee of U. S. S. R. declares:

1. In regard to industrial workers, to guarantee in the course of the next few years transition from the eight-hour to the seven-hour day without wage reduction, for which

purpose to charge the Presidium of the Central Executive Committee and the Council of Peoples Commissars of the U. S. S. R. with the duty to begin not later than one year from this date, gradually to put this decision into practice in the various branches of industry correspondingly with the progress of re-equipment and rationalisation of industrial enterprises and with the growth of the productivity of labour.

2. To increase the grant in the state budget for the construction of workingmen's dwellings by fifty million roubles over and above the sum granted in last year's budget in order to supply the needs of localities which are particularly affected by the housing crisis.

3. In order to improve the economic conditions of the poor and needy peasants generally, to relieve from the agricultural tax, 10% of peasant households in addition to the 25% of peasant households already relieved from it.

4. To forego the loans granted by the state to peasant households in connection with the bad harvest in 1924/25. To forego the arrears in taxation due from the poorest peasantry and to give relief in regard to arrears of the agricultural tax due from middle peasants for previous years. To give relief in regard to the arrears and fines due from the poor sections of the urban and rural population in connection with other forms of taxation. To charge the Presidium of the Central Executive Committee of the U. S. S. R. with the duty of issuing regulations to this effect by the Tenth Anniversary of the October Revolution.

5. To undertake at the expense of the State to redistribute the holdings of poor farmers and small middle farmers, for which purpose ten million roubles shall be assigned in addition to the grant made for this purpose in the budget of 1927/28.

6. To instruct the Presidium of the Central Executive Committee and the Council of Peoples commissars of the U. S. S. R. to gradual pensioning at the expense of the State of aged poor, to draft an act providing old age pensions to be introduced gradually to aged persons of the poor peasant class, to be submitted to the next U. S. S. R. congress of Soviets.

7. To grant fifteen million roubles for the building of schools in villages and factory and works settlements over and above the sum assigned for this purpose in the state budget for 1927/28.

8. To increase the disabled soldiers' insurance funds to at least double the present size of the fund.

9. To eliminate from the criminal codes now in operation in the Federated Republics the death penalty as a measure of social defence in regard to all cases except crimes against the State and the armed forces and also robbery under arms.

10. To instruct the Presidium of the Central Executive Committee of the U. S. S. R. to reduce sentences to measures of social defence imposed by courts or administratively in regard to all persons now undergoing sentences, except those convicted as active members of political parties aiming at the destruction of the Soviet system and malicious embezzlers and takers of bribes.

M. Kalinin,
President of the Central Executive
Committee of the U. S. S. R.

A. Yenukidze,
Secretary of the Central Executive
Committee of the U. S. S. R.

Leningrad, October 15, 1927.

Ten Years of Struggle and Construction.

Comrade Rykov's Report.

I. The Historical Importance of October.

Comrades! The historical importance of October — the mightiest social revolution in history — extends far beyond the frontiers of the Union of Socialist Soviet Republics which it created. October opened out a new epoch in the history of humanity, the epoch of socialist revolution.

The report issued by the government of the country of the first victorious proletarian revolution on the tenth anniversary of October cannot be devoted to a description of those various questions of the current year which are not likely to be of any great or independent significance for the historical development of the October Revolution.

OCTOBER — THE CULMINATION OF THE REVOLUTIONARY STRUGGLE.

October is the victory of the idea of proletarian revolution and the realisation of the goal of long years of heroic struggle on the part of the workers and peasants. Internationally, October is at the present time the culminating point of the development of the revolutionary struggle all over the world. The working class has conquered one sixth of the globe. October is the first victorious result of the long and intense ideological struggle of the working class of the whole world for the creation of a revolutionary socialist programme, and of revolutionary methods for its realisation. October is the immediate successor of such world-important, revolutionary explosions as the Paris Commune, the first germ of the proletarian state.

The October Revolution is the greatest event which has ever happened in the world in the struggle for the emancipation of the oppressed classes. The report which I here give you, issued by the Government of the Soviet Union on the results of the first ten years of the struggle for the building up of socialism in our State, does not afford me adequate opportunity of showing the importance of October for the oppressed classes and peoples of the whole earth. I cannot, however, quite pass over in my report the question of the international significance of our victorious revolution. This I cannot do, for the reason that the October Revolution is the first link in the chain of the victorious struggle of the working class of the whole world (Applause).

I am giving my report here in Leningrad, in the town which gave the first signal for the socialist revolution. Offence is sometimes taken abroad that members of the Soviet Government deliver revolutionary speeches. I should like to state here clearly that I give this report in my capacity as chairman of the Revolutionary Council of the People's Commissaries, at the highest revolutionary legislative assembly of the first workers' state (Prolonged applause).

The October Revolution took place during an epoch of acutest aggravation of the antagonisms in the capitalist system, glaringly expressed in the imperialist war 1914/1918. This epoch is the epoch of tremendous collisions between masses of the peoples in class struggles, on a scale hitherto unknown in history. The October Revolution, which took place at the weakest sector of the imperialist front, naturally provided the impetus for the further development of the revolutionary proletarian struggle. The importance of the October Revolution, and of the ten years' existence of the proletarian state, for the international movement lies further in the fact that October and the ten years of experience gained by the dictatorship of the proletariat in the building up of a socialist state of society is the first and greatest experience of its kind, and the working class of the whole world has been able to take it into account and utilise it. This experience is of great advantage to the next divisions of the working class coming forward to fight for power and for socialism.

WHY WE WERE VICTORIOUS.

The remarkable point about October is the fact that the proletarian revolution began, and was victorious, in one of the most backward countries of Europe — Tsarist Russia. In the epoch of imperialism — this last phase of the evolution of capitalism — a series of specific antagonisms in the economic and political structure of Russia during the imperialist war brought about the victory of the working class. The peculiarity of the position at that time lay substantially in the fact that a comparatively high development of big industry, and a considerable concentration of capital and of the working class, were accompanied by a retardation of the development of the productive forces of the country, caused by the pressure of the remnants of serfdom, by the poverty of the majority of the peasantry, and by the feudal methods of state administration. The Russian bourgeoisie, fearing the development of revolution, formed a bloc with the class of the landowners and the nobility, and was incapable of solving the problems of the bourgeois and agrarian revolution which had long been maturing.

These objective antagonisms, which determined a whole period of the heroic mass struggle during the war, became frightfully acute. The criminal imperialist war which was torturing the masses of the people, and the approach of a general economic crisis, brought about a gigantic surging up of the revolutionary wave, and faced the Russian working class with the historical task of not only conducting the bourgeois democratic revolution to an end, but of passing onward to the socialist revolution.

One of the main causes conditioning the victory of the working class in October was the fact that in our country the proletarian revolution synchronised with the gigantic peasants' revolution, the simultaneous struggle of the consistently revolutionary working class, fighting for the highest ideals of humanity, and the struggle of the broadest masses of the people against the remnants of serfdom, feudalism, and despotism. The leadership of the working class alone enabled the soil to be given to the peasants, and it was only the alliance of the proletariat and the peasantry which rendered it possible to carry out the bourgeois revolution to an end. The international situation, too, favoured the victory of the revolution in Tsarist Russia, for the imperialist war had exhausted all the peoples of Europe, and created a tense revolutionary situation in all the countries of Europe.

The existence of the tried Marxist and consistently revolutionary Bolshevik Party ensured the steadfastness and reliability of the revolutionary movement and of the leadership necessary for it. And finally, the victory of the October Revolution was greatly promoted by the circumstance that the leadership of the Bolsheviks was in the hands of Comrade Lenin. All these circumstances resulted in victory going into the hands of the proletariat — the bearer of the socialist revolution — in October.

LENIN, THE ORGANISER OF THE OCTOBER VICTORY.

As I have just said, the victorious development of the October Revolution was to a great extent due to the leadership of the October rising by a Bolshevik Party headed by Comrade Lenin. We can never speak of the October victory without laying emphasis on the importance of the rôle played by Lenin in all events of October.

At the very beginning of the war he foresaw the course of historical events, and he prepared for the proletarian revolution with the unwearied perseverance of the consistent revolutionist and Marxist. Lenin put his whole soul, his whole genius, his whole talent of organisation, into the work of

preparing for October. In these preparatory struggles for October he made not the slightest ideological compromise, nor did he shrink before the greatest obstacle.

The common action of the working class and the peasantry ensured the complete success of the October upheaval which was carried out over the whole territory of the vast country by the millions of the workers and peasants.

THE COMPARATIVE FORCES OF REVOLUTION AND COUNTER-REVOLUTION.

Comrades! So far I have not mentioned the February revolution, for the reason that the February revolution was no more than a preparation for October. Between February and October — from the fall of Tsarism to the dictatorship of the proletariat — there lay but a few months, needful for the preparation of the workers and peasants for the seizure of power and for the undermining of the forces of the bourgeoisie and the petty bourgeois parties. It was during this period that the working class and the peasantry freed themselves from those parties from whose treachery they had suffered, but to whom they had hitherto held: the Social Revolutionaries, the Mensheviks, the Narodniki (socialist people's party), the Cadets, etc.

Eight months, February to October, were required for the regrouping of the whole of the decisive forces on the side of the revolution. October already had on its side the whole mass of the working class, the overwhelming majority of the peasantry, and of the soldiers in the army. The enemies of October were the Cadets, the Mensheviks, the Social Revolutionaries, and the commanding officers of the army. An alliance against October was made by the big bourgeoisie and its party, the petty bourgeois parties and their press, the remnants of the State apparatus, and the church. But despite this alliance the revolution was bound to be victorious and was victorious, for the masses were on its side.

Immediately after the February revolution, the Liberal bourgeois and "socialist" parties began to offer decided resistance to the satisfaction of the most urgent needs of the people. They opposed the immediate and uncompensated transference of the land to the peasants, the conclusion of peace, and the rupture with the imperialists; they carried on the imperialist war to a "victorious" end; they opposed shorter working hours, workers' control, etc., and proved themselves by all these actions to be the willing servants of counter-revolution. Within the course of a few months after the February revolution the relation of forces altered rapidly in favour of the proletarian revolution. The masses gained revolutionary experience, and passed through the revolutionary school of immediate struggle against the bourgeoisie and the policy of the provisional Government. The masses learned to distinguish between the friends and foes of revolution.

During the period between February and October the active and leading staff of the revolution, the Bolshevik Party, developed its strength in the active struggle against the bourgeoisie and against the spirit of compromise; the whole system of the Soviets grew in strength and extent, mobilised ever greater masses, and rose to the importance of government organs. The whole course of events between February and October, — the period of double rule (that of the Soviets and of the Provisional Government) — led to a strengthening of the Soviet system which greatly facilitated the victory of the working class.

THE FIRST LAWS OF THE REVOLUTION.

During this period the most urgent demands of the masses of the people were for peace, land, the eight-hour day, and workers' control. It was not until the whole state power had passed to the Soviets that these questions could be completely solved. Ten years have already passed since the October Revolution. Some of the details of that struggle are already beginning to fade from the memoirs of even its immediate participants. The October Revolution and the tasks with which it was confronted at that period are best characterised in the political records issued by the Soviet government directly after the October upheaval. I append a passage from the peace decree (passed by the II. Congress of the Soviets on 26. October 1917):

"The workers' and peasants' government set up by the revolution of 24th and 25th October, supported by the

Soviets of the Workers', Soldiers', and Peasants' Deputies, proposes to all the belligerent peoples and their governments that negotiations for a just and democratic peace be commenced at once."... "The Government considers it to be a monstrous crime against humanity for this war to be continued for the purpose of dividing among the rich and powerful nations those weaker peoples which they subdue, and solemnly declares its readiness to sign peace conditions ending this war on the above-mentioned conditions, dealing with equal justice with every country without exception."

The most important task of the October Revolution was the decisive break with all imperialism and imperialists, and the conclusion of the reactionary war by revolutionary methods. Only the Party of the Bolsheviks was capable of wresting the gigantic country from the imperialist camp. All the other parties were at this time in favour of continuing the struggle in alliance with the imperialists.

The working class, having seized power, carried out the most decisive agrarian revolution which the world has ever witnessed. The land decree (passed by the II. Congress of the Soviets on 26th October 1917, at 2 o'clock in the morning), is as follows:

"1. The ownership of land by the landowners is abolished, without compensation.

2. All estates and the whole of the land — domains, monasteries and church property —, with all live stock and fixtures, farm buildings and all appurtenances, become the property of the district land committee and of the district Soviet of the peasants' deputies..."

With this law an end was put to the century-long oppression on the part of the landowners and nobility.

The October revolution, whilst destroying the old state system, created a new form of state organisation on the basis of real democracy among the working masses, and of free union of the nationalities.

"The declaration of the rights of the working and exploited people" (submitted in the name of the Central Executive Committee to the Constituent Assembly, at its first session on 5th January 1918) reads as follows:

"1. Russia is declared to be a Republic of the Soviets of the Workers', Soldiers', and Peasants' Deputies. The whole power, both in the metropolis and in all other places, is in the hands of these Soviets.

2. The Russian Soviet Republic is established on the foundation of the free alliance of free nations, as a Federation of National Soviet Republics."

The second part of this declaration defines the main tasks and final goal of the proletarian revolution:

"...The abolition of all exploitation of human beings by human beings, the complete removal of all division of society into classes, the relentless suppression of the exploiters, the establishment of the socialist organisation of society, and the attainment of the victory of socialism in all countries."

This document which I here read shows clearly the historical stage reached by humanity at the moment of the October upheaval.

At the moment of the October Revolution the representatives of the bourgeois and petty bourgeois socialist parties were still holding their meetings at Smolny and in this hall. Even on the day of the October Revolution, the leader of the Mensheviks, Dan, declared that

"...the power organised by the Bolsheviks will be speedily swept away by the extreme dissatisfaction of the masses. The victory of the Bolsheviks will be no lasting one, the victors will be crushed, and the proletariat will suffer a defeat".

Somewhat later than two months after the October Revolution the Constituent Assembly met. The Social Revolutionaries had the majority. Today some of the members of the Central Executive Committee here present pointed out the seats upon which they sat at the meetings of the Constituent Assembly.

It was at these sessions that the late Jacob Michaylovitch Sverdlov moved in the name of the Central Executive Committee that the Constituent Assembly should recognise the declaration on the rights of the workers, the Soviet system, the land decree, and the workers' control. At the very sitting it became plain that the Constituent Assembly represented the "yesterday" of the revolution. It refused to recognise these achievements of the working masses, and was dissolved.

TWO TACTICS: REVOLUTION AND COMPROMISE.

Despite all the prophecies of Dan and the bourgeois parties, the Soviet power has already existed for ten years. But to this very day there is still proceeding in the ranks of the West European proletariat the dispute as to who was in the right: The Bolsheviki with their revolutionary tactics, the tactics of insurrection, of seizure of power, of setting up the proletarian dictatorship, or the leaders of the II. International and the Amsterdam International, with their reformist tactics.

The ten years which have passed since October have tested our tactics, the tactics of the Leninist Party, and also the tactics of the MacDonalds, of Amsterdam, the II. International. Situations have developed repeatedly in various countries, in which the working class would have had the opportunity of becoming the ruling class, and of taking State power into its hands, had it not been for the social traitors.

Ten years of profound historical experience now enable us to judge which tactics were right. All over the globe, in every country, the bourgeois dictatorship is supported by the MacDonalds, by the Second and Amsterdam Internationals. Everywhere, except in our country, the results of these ten years of reformist tactics are being revealed in the capitalist offensive. The bourgeois States are one and all preparing for fresh imperialist wars; and there is only one country, the country in which the working class applied the method of the armed insurrection, in which the working class was able to seize power thanks to revolutionary tactics — there is only this one country in which the new socialist state of society is being built up, and a real and positive struggle for peace is being carried on. (Applause.)

One of the most important fundamental questions involved in the results of the tenth anniversary of October is the question of the means to be employed by the working class for the seizure of power and the building up of the new society. The October Revolution and the tenth anniversary of the Soviet Union are the most convincing object lesson for every worker, showing him that it is not only possible to overthrow the bourgeoisie, but that, under present conditions — under the conditions imposed by the collapse of capitalism — it is a duty to fight for the realisation of the proletarian dictatorship. (Applause.)

THE DICTATORSHIP OF THE PROLETARIAT SECURES TRUE DEMOCRACY FOR THE WORKERS.

The experience gained in October and in the period following it prove that the realisation of the working class dictatorship secures real democracy, in the sense that all workers, down to those belonging to the most oppressed classes of the population, are ensured participation in the state administration, the legislature, and the development of the new society.

The main difference between the Soviet system and any bourgeois system consists of the fact that the broad masses of the people, and the millions of representatives of the workers and peasants, take part daily in the whole of the work of the State, all over the territory of the Soviet Union. At the moment I have no exact data to hand on the number of workers and peasants taking part in the governmental, municipal, district, and rural Soviets, the immediate organs of State administration. But the number is certainly over a million. The workers of our Union are enabled to participate in the whole of the work of the Soviet State, thanks to the system of the Soviets, the system of the trade unions, the co-operatives, the production consultations in the factories and workshops, the women's organisations, and a great number of other organisations.

Nothing of this kind exists in any of the capitalist countries, even in the most democratic republic. In the capitalist countries democracy is only a cloak for the dictatorship of the bourgeoisie. The assertion that millionaires and paupers, factory owners and factory hands, bankers and agricultural labourers, have all equal rights, is a sheer mockery. Given con-

ditions under which the whole press, all organs of power, and all influence in every department of life, are in the hands of a small group of capitalists, the resulting bourgeois democracy is merely a form of artificial, most harmful and contemptible deception of the workers.

Without weapons, oppressed, condemned to material and cultural poverty, without experience in the administration of the State, the working class, the peasantry, and the oppressed nationalities rose with irresistible "democratic" force against the educated, armed, cultivated States, practised in the art of suppressing peoples, and defeated them in an open struggle. (Applause.) The October Revolution as such was in itself the highest expression of democracy.

The Soviet regime can only stand so long as the whole system of the Soviet State, from its highest to its lowest member, from the chairman of the Central Executive Committee to the members of the village Soviets, form a homogeneous organic whole, following common aims and inspired by a common will. The Soviet state possesses none of those weapons for the oppression and exploitation of the people, so beloved of the ruling class in the bourgeois States, nor can it possess such.

It suffices to raise the question of whether the Soviet power can continue to exist when surrounded by capitalist foes, unless it is supported on all sides by the workers and the main mass of the peasantry, in order to realise the absurdity of contrasting the dictatorship of the proletariat and the Soviet system with democracy — that is of course, not bourgeois capitalist democracy, but the democracy of the workers. The participation of broad masses of the workers in the administration of the State and the organisation of the new society is one of the essential causes of our victory. In order to ensure the maintenance of the real democracy of the workers, the dictatorship of the proletariat will and must decisively crush any attempt at the restoration of the bourgeois state.

THE INTERNATIONAL IMPORTANCE OF THE OCTOBER REVOLUTION.

The October Revolution created a State based on principles differing from and pursuing aims other, than those of all the other countries of the world. Here our State differs definitely from the capitalist states. The Soviet State is an organisation of workers and peasants, aiming at building up a socialist state of society. Whether we want it or not, whether it is agreeable to our enemies or not the rise of the State of the proletarian dictatorship is in itself an enormous revolutionary factor.

At first the international bourgeoisie was but little disquieted by October. The capitalist world was of the opinion that the October Revolution was merely a transient episode, and historical "misunderstanding". Some Lenin or other — a new Pugatschev or Stenka Rasin had raised a "riot", in Petrograd and Moscow. They calculated on the speedy subsidence of this "riot". But it presently appeared that this was no small "riot", but the beginning of a great international "revolt", and the bourgeoisie hastened to intervene to suppress the October Revolution.

When the State in which this "revolt" commenced was not only not overthrown after a few days or months, as the bourgeoisie had prophesied, but continued to exist for a number of years, becoming more powerful and more firmly established from year to year, and penetrating like some foreign body into the international capitalist system, the capitalist world began to adopt a more "serious" attitude towards October and the Union of Republics which it had created. The bourgeoisie of the whole world cannot observe with pleasure the growth and increasing power of the Soviet state, bearing witness to the strength of the working class, and its ability to organise a state of society on a completely new socialist basis.

Up to October Russia was a pillar of world reaction. At that time it was called the "international gendarme". Now the Soviet Union is the banner of the revolutionary movement all over the world. Up to October Tsarist Russia enslaved its own people, and aided other imperialist States to enslave their peoples. Russia was a sort of knout to be used against the colonial and semi-colonial peoples of the East. In the Soviet Union the working class of the capitalist countries sees its socialist Fatherland, and the oppressed peoples see in it the Fatherland of the emancipation movement. It is only natural that this should be so, for in the Soviet Union the power of the landowners and capitalists has been destroyed, and a

socialist society is being built up. Herein lies the international importance of the October Revolution, and it is this which makes the workers and oppressed nations of the whole world support the Soviet Union.

Every failure which we encounter in our work of constructive socialism is a failure for the whole international working class. Every failure in the international labour movement is again a failure for us. The defeat of the labour movement in Great Britain and France, for instance, or of the revolutionary movement in China, takes immediate effect in an altered attitude of international capital towards the Soviet Union. At every juncture the attitude of the capitalist world towards us is determined, not only by the national interests of this or that country, but mainly by the comparative strength of the classes. From the very beginning the victory of the October Revolution

was a victory for the international working class, and the continued existence of the Soviet Union is due not only to the relation of class forces in Russia, but all over the world.

Whether we will it or not, we cannot ascribe a merely national significance to the October Revolution, however much the bourgeois parties may wish to do so. "Do what you like with yourselves" they say "but it must not react upon other countries or upon the international labour movement". We have repeatedly declared that we guarantee the complete non-interference of the government of the Soviet Union, its representatives and the collaborators in its undertakings in the internal affairs of other States. But no means can be invented for securing any bourgeois State against the ideological influence of the proletarian struggle and of the building up of socialism in the first state of the proletarian dictatorship.

II. The Building up of Socialism amid Capitalist Surroundings.

Comrades! The decade which has passed since the October Revolution has been an exceptionally hard one. The difficulties have arisen for the most part from the fact that the proletarian revolution was victorious in a backward country, and then again from the fact that it took place in one country only, whilst all other countries maintained the capitalist state of society. Therefore we are thrown almost entirely upon our own internal resources for the solution of the problem of building up socialism.

It may be asked here whether it is not hopeless, in these circumstances, to attempt the realisation of the final aims of October, the socialist transformation of society. The successes won by the working class in conjunction with the peasantry during the last few years, both in economics and in culture, and the progress made in the face of all difficulties towards the strengthening of the socialist elements in our economics, are a confirmation of Lenin's thesis that the internal premises form no insurmountable obstacle to a successful realisation of a socialist state of society, and that only an armed intervention from outside can prevent that.

THE FOREIGN POLICY OF THE SOVIET UNION.

In the course of the last 10 years the international situation of the Soviet Union has undergone many great changes. During the period immediately following October the Soviet Union was exposed to the attack of the German imperialists, who, after occupying a part of the Ukraine, forced the Soviet Republic to accept the degrading conditions of the "ignominious" (as Lenin named it) Brest peace. This gave us a pause for breath of about one year. After this came a period of armed conflicts with the capitalist Entente states, with whose help the armies of Koltchak, Denikin, Yudenitsch, and Wrangel sprang into being. In this direct struggle our workers and peasants defeated the armies of the imperialists and white guards, and forced them to leave the territory of our Union.

The civil war came to an end, and a pause for breath of longer duration began, the while our representatives met the representatives of the capitalist states at the Hague and Genoa. During this period we endeavoured to prolong the pause for breath as far as possible by means of concessions, and to secure conditions ensuring a peaceful existence for our State amidst its hostile surroundings. At Genoa and the Hague our proposals were rejected by the representatives of the leading capitalist States.

Now we have some years of peaceful relations behind us. At the present time our relations to a number of states are normal and peaceful, and with others we are carrying on negotiations for the settlement of debt questions and other contentions. I am confident that the session of the Central Executive Committee will agree with the government that the inner security and international importance of the Soviet Union have now reached a point rendering it entirely unnecessary to accede to such conditions as those proposed by us at Genoa and the Hague (Applause). At that time we were ten times weaker than we are now, on the tenth anniversary of the October revolution. At that time our weakness induced us to agree to pay large sums. We are still ready to pay ourselves free, but the purchase money has fallen considerably since the time of our first meeting with the

representatives of the capitalist world at Genoa and the Hague. (Applause.)

Our attitude in the negotiations with France and other countries is determined by the same considerations. In these negotiations we assume that the development of normal economic relations between the Soviet Union and the capitalist world is necessary, not only for us, but for the capitalist countries.

Our foreign trade returns have increased steadily during the last few years. In the economic year 1921/22 the foreign trade of the Soviet Union amounted to 330 million prewar roubles: by 1926 it exceeded 1 milliard pre-war roubles. Thus we see that foreign trade has increased more than threefold in the course of five years. Foreign trade relations have, however, so far not kept pace with the general development of national economics, and this will grow considerably during the next few years. The further development of economic relations is one of the most important factors for securing peace.

THE FIGHT FOR PEACE.

Our foreign policy is wholly directed towards the utmost possible prolongation of the peaceful pause for breath.

You are aware that some severe blows have been dealt of late against this pause for breath. The few years of peaceful constructive work in the Soviet Union have been followed by fresh war danger. The rupture between the Soviet Union and Great Britain, and many other indications, bear witness to the attempts being made to form a hostile bloc for a fresh attack on the Soviet Union.

We shall continue to oppose this policy, in the future as in the last decade, by a policy of peace and understanding, but without making any concessions regarding the principles involved in the achievements of the October Revolution. We have never overstepped the frontiers of the principles, and never shall. (Applause.) We shall continue to strive to the utmost limit of our powers for peace, and against all wars. (Applause.)

The Development of National Economy in the past Ten Years.

Comrades. The ten years which we have lived through are unparalleled in history in their depth and extent of heroic self-sacrifice, steadfastness and courage, shown by the broad masses of the workers. We ourselves do not always observe and appreciate the tremendous significance of our struggle, and of the social, political, and cultural transformations which it causes.

The millions of workers in the Soviet Union, who have borne on their shoulders the whole burden of the civil war, of the intervention, of devastation, famine, and cold, of the hardships of the period of radical rupture with the old social relations, of the destruction of the old State apparatus and the throwing overboard of the traditions of centuries, went forward after all this to the laborious peaceful work of reconstructing national economics and reorganising them on socialist principles. From the enthusiasm of barricade fights, from the victory won over the enemy at the point of the sword, to a gigantic development of creative work — this is the path which the working masses have trod in the decade since October.

HOW WE BEGAN THE CONSTRUCTIVE WORK.

Now, after ten years of struggle at different fronts, we are apt to forget, in the midst of what has been actually accomplished, what were the actual beginnings of the creative work done by the working class in the reorganisation of economics, and what have been the principles upon which the task of constructive socialism has been based.

According to calculations made by co-workers in the State Commission for planned economics (I quote from Comrade Krshishanovsky's booklet, to be published shortly), the expenditure during the war period (1914 to 1920) amounted to the value of the total production of the whole population of the country during a space of seven years. Expressed in gold values, the loss suffered by national economics during the imperialist war amounted to about 40 milliard roubles; the civil war and the blockade cost over 50 milliard roubles.

It need not be said that these calculations are approximate, and merely serve to give an idea of the values involved. But they show very plainly the greatness of the devastation wrought by the imperialist and civil wars. These gaping wounds have to a great extent been healed by the working class during the last few years, and the progress towards socialism has been begun.

DECLINE AND REVIVAL OF NATIONAL ECONOMICS.

In 1913 the value of the total agricultural production was 11,790 million roubles, in 1907 9500 million roubles, and in 1921 6900 million roubles (or somewhat more than one half of the pre-war production). In the present year agriculture, gauged by the total production, has passed the pre-war level, reaching a value of 12,776 million roubles. According to approximate calculations, the possible production of agriculture will have risen by next year, should there be no failures of crops, to 13.186 million roubles, or 109% of the pre-war figure.

The value of the total production of the so-called census industry (big industry) amounted to 6391 million roubles in 1913, to 4468 million roubles in 1917, whilst at the beginning of the reconstructive period in 1921 the figure fell to 1344 million roubles, or somewhat over one fifth of the pre-war level. After 1921 there was a sharp upward curve, and now at our Tenth Anniversary we have already exceeded the pre-war level (over 6637 million roubles). For next year provision is made for increasing production to 7592 million roubles, or 15% over pre-war level. These figures give a general idea of the economic development of the most important branches of economics during the last decade.

The process of abrupt and catastrophic decline followed by extraordinarily rapid growth is the characteristic feature of the period just passed through.

AGRICULTURE.

It will be gathered from the above data that agriculture has suffered less than industry, for the level of its total production has never sunk below 50% of the pre-war output, whilst industrial production fell to almost 20% of pre-war production. In 1914 the area under cultivation was 109 million desyatines, in 1922 75 million desyatines, and in 1927 it approached closely to the pre-war figures.

The extent of the decline and growth of agriculture may be further gauged by the following: During the imperialist and civil wars the peasantry (according to statistical calculations) lost 30% of their male workers, live stock and farm fixtures were greatly reduced, cattle breeding sank to 40%, and agricultural reserves diminished to about one quarter. In 1927 we see a very different picture. The area cultivated is almost as large as before the war, whilst cattle-breeding has reached the figure of 101%.

The circumstance that an increase of the total production is to be observed, in spite of the smaller area cultivated, shows that the quantitative process is being accompanied, if only in a very insufficient degree at present, by qualitative changes in agriculture. This is due to the many improvements introduced in agricultural methods, the scientific rotation of crops, the greater use of machinery, etc.

The fresh capital invested in agriculture increases in proportion to the firmer foothold gained by agricultural enterprise. These investments, derived from various sources (budget, agri-

cultural credits), amounted in 1926/27 to 418 million roubles, and it is intended to expend 520 million roubles next year in support of important agricultural undertakings.

INDUSTRY.

The imperialist and civil wars had a very severe effect upon industry. The full burden of the "costs of revolution", of the expenditure in the struggle for the dictatorship of the proletariat, fell during the civil war much more heavily upon industry than upon any other branch of national economics.

In 1921/22 the total production of industry dropped to an extremely low level, 28% of pre-war production. The number of workers employed in industry sank by 1,918,000 as compared with 1913, so that only 1,294,000 workers, or less than one half, remained in the process of production. None of us has yet forgotten the shortage of raw materials and fuel, the destruction of the traffic service, the closing down of so many factories.

But with the end of the civil war the recovery began, and its speed proved no slower than that of the decline. Comrade Kuybyshev will give a special report on industry, and will delineate more accurately the successes attained by industry after ten years of development. I shall adduce only two figures, giving a graphic conception of the immense work which has been accomplished, thanks to the energy and will of the working class. In 1921 production was at one fifth of the pre-war standard. In 1927 it exceeds the pre-war standard by 9%. And all this has been attained in five years. No country has ever experienced such a feverish period of reconstruction. We realise this more clearly when we remember that in our country the period of reconstruction began four years later than in the other countries.

After October, we found our transport service the miserable ruin left by the imperialist war. The civil war reduced it to an even more hopeless condition. During our worst period our transport service could only accomplish one-fifth of its pre-war work. At the present time our railway transport service has already regained its pre-war level, and exceeds it in a number of districts.

During the civil war wages were mere starvation rations, as all workers are well aware; now wages are higher than before the war. In 1921 and 1922 the monthly wage of a worker according to the budget index figures was only 8.84 roubles; this wage is now more than 28 roubles (pre-war 25 roubles). In 1924/25 the share of the working class in our national income was 24.1%, in 1925/26 it was 29.4%.

WAS THE POLICY OF THE PROLETARIAN STATE CORRECT?

These results are the answer to the question of whether the policy of the proletarian State, the policy of the Communist Party, has been right during these last few years. I do not wish to maintain that a number of partial errors have not been made, or even more or less grave errors at times. There is no doubt that such errors have been committed. But on the whole the main lines of the policy pursued have proved right, and the successes of these ten years of work are the best demonstration of this.

It is customary to divide this last decade into two main parts: the period of War Communism and the period of the New Economic Policy.

The system of War Communism corresponded with the period in which it was imperative to support the immediate defence of the proletarian State by all available means, to exert every effort in aid of the proletarian Soviet State. All other interests, and the whole policy of our Union, were subordinated to the solution of this imperative problem. The workers and peasants defended the mere existence of the Soviet State against the attacks of the world bourgeoisie. They defended the Union in the certainty that when the new State and economic system should be established, and the period of direct organic work begun, all the costs of the revolution would be richly repaid.

And it seems to me that the period of the New Economic Policy following that of War Communism has justified these hopes of the workers and peasants. The progress that I have described shows that the "costs of revolution" have already

been repaid to a considerable extent in a large number of cases (and in many cases to their full extent).

The policy of War Communism, again, was the right one at the time of its application, for it enabled us to win that victory over our class enemy without which all socialist construction would have been impossible.

It was during the period of War Communism that the fighting alliance between the workers and peasants was welded. In the period of the New Economic Policy this alliance has become the economic foundation for our new society.

WHICH WILL WIN: SOCIALISM OR CAPITALISM?

This period is generally called the period of reconstruction, whereby this term is used by some in the sense in which it was applied in all belligerent States in the post-war period. The period of reconstruction in the Soviet Union has an entirely different import, and pursues entirely different aims from those of the corresponding period in the capitalist countries. France, Germany, and Great Britain have reconstructed their economics on the old lines of the social-economic relations of capitalist society. Our period of reconstruction has been a creative period, forming new economic relations and economic organisations on new principles: on the basis of the abolition of the private ownership of factories, works, railways, land, etc.

Our industry has been rebuilt as a consistently socialist element of our economics. The circulation of commodities has been developed with a deliberate view to bringing the markets more and more into the hands of the State and the Co-operatives. The economic progress of the peasantry has been made under the steady influence of a socialised industry and of the other commanding positions of the proletarian dictatorship. Under the dictatorship of the proletariat, the period of reconstruction has been at the same time a period of struggle for the strengthening of the role played by the socialist elements in national economics, a period of overcoming the capitalist elements in the economic system.

There can be no doubt that classes will continue to exist in our country until we have accomplished the organisation of the socialist state of society, and that the struggle of the classes for influence in economics and politics will continue, entailing corresponding changes in mutual relations.

It is therefore necessary, when summing up results and comparing the growth of various branches of economics, to regard these from the standpoint of class relations, and to accord due consideration to the part played by the socialist elements. I give here a few figures, characterising the results from the class standpoint: In 1924/25 the socialised section held 72.6% of the trade turnover; by 1927/28 this percentage of turnover had risen to 84.5%, and the share of the private capitalist section was 15.5%. Wage work is practically concentrated (80%) in the socialised section. If the data are compared from year to year, this proportion will be found to have increased gradually. These figures afford a striking representation of the success won in the socialisation of national economics.

At the same time these figures furnish the answer to the question of whether socialism or capitalism will win. Some comrades are inclined to believe that we could reply more favourably to this question two or three years ago than now. These comrades are of the opinion that at that time the whole advantage lay on the side of the socialist elements, but that now conditions are less favourable in this respect.

The present data on the development of our economics show, in my opinion, the obvious untenability of this standpoint. In 1921/22 the working class numbered something over a million; most of the factories were lying idle, and their production dropped to one-fifth of prewar production. The private dealer held sway over trade. Out in the country, co-operatives, or any other beginnings of socialised economics, were practically unknown. It is only necessary to compare our present fully occupied industries, the number of workers employed, the development of the co-operative network, the present position of the workers and peasants, and our general progress, with the general situation in the country four or five years ago, to be fully convinced of the utter lack of foundation for those opinions which estimate so pessimistically our possibilities of constructive socialism and our present achievements.

The past decade proves the capacity of the working class, after seizing state power, to ensure a rapid economic advance,

to guide this advance into socialist channels, and at the same time to overcome the capitalist conditions in production and trade. It is an established fact that the proletariat, allied with the peasantry, has accomplished this gigantic task, and this although the starting point was the utterly shattered economics of a backward country just emerging from imperialist and civil war, although the work had to be carried on not only without the slightest aid, but even in face of the resistance of the capitalist countries.

WE ARE BUILDING WITH OUR OWN FORCES.

I remember that Lenin pointed out how in all capitalist countries, and in Tsarist Russia in particular, heavy industry had only been able to develop with the aid of foreign capital. It is a fact that in 1915 the West European capital invested in Russian industries amounted to several milliard roubles. At the time of which Lenin spoke, we all under-estimated somewhat the possibility of economic development under the conditions given by the dictatorship of the proletariat. We all under-estimated the possibility of overcoming those difficulties which are insuperable to the economics of bourgeois countries. The successes which I have mentioned here have been attained solely with the forces in our own country, for neither Genoa nor the Hague lent us any assistance.

Comprehensive rationalisation has been carried out in heavy industry, and in the exploitation of mineral fuel resources, but we cannot yet record adequate success in the metallurgic industry. Russia's fuel budget has always shown a deficit, and fuel has been imported from abroad to make up the shortage. The fuel crisis has been a permanent phenomenon during the development of our economics. Our success in winning coal, petroleum, and peat, combined with the erection of great electric stations, will form a firm foundation for the production of energy in our Union. At the present time the pig iron smelting and rolling mill production is only 70 to 73% of the prewar output. However, special efforts are being made at the present time in metallurgy, and the situation will improve here during the next few years.

ON THE THRESHOLD OF THE SECOND DECADE.

Now, in the new decade, we shall be obliged to tackle problems greater both in extent and importance. I shall not deal in detail here with the fundamental tasks of the industrialisation of the country. This question has been dealt with exhaustively, and you are all familiar with its aspects. The successes of the "period of reconstruction" have reacted powerfully upon the position of the people, and upon the growth of the socialist elements and of economics in general. Every year will bring fresh advances on the improved technical basis which ensures both quantitative and qualitative progress, and will lead us to further and often unexpected successes.

The main point on our agenda for the coming decade is the reorganisation and re-equipment of our whole economics, both agricultural and industrial. The next ten years of economic development will differ from the last in the radical changes which they will bring in the technics of production and of the organisation of the workers. The working class and the peasantry have up to now struggled against starvation and misery aided only by the inheritance left them by the old Russia of the Tsar. In the future the working class and the peasantry will have at their disposal, to an ever increasing extent, all the mental and technical achievements which humanity has yet attained.

In this connection all cultural questions acquire special importance. The tasks of rationalising and reconstructing our economics cannot be carried out without a great cultural advance of the whole mass of the population in our Union. The importance of culture, of technics, of knowledge, must be better recognised and exploited in the coming period.

The coming period of economic development will differ from that we have just passed through in the increased importance of the system of planned economics. The drawing up of the five years' plan, at present occupying our organs for Planned Economics, represents a turning point in this direction. Under the conditions given by the proletarian dictatorship, the five years' plan for the development of economics is a plan of socialist construction for five years.

The greatest difficulty in the laying down of plans for economic development under the given conditions is the impossibility of certain estimates in agriculture (good and bad crops). In the sphere of laying down plans for industry and transport the State Planning Commission has confined itself to the systematic utilisation of the resources of those works and factories and the railway lines left behind by bourgeois, feudal, Tsarist Russia. The enormous work involved in regulating for several years ahead the development of the various branches of economic life in the sphere of fresh construction, of the reconstruction of industry and transport, of the supplanting of private capital in the circulation of commodities, and of the growth of the co-operatives in the rural districts, increases the possibility of systematic guidance, and demands more of planned economics than has hitherto been the case. The first attempt at a general and systematic comprehension of our collective economics in a five years' plan is of such extreme importance that it must be submitted to the session of the Central Executive Committee or to the Soviet Congress for re-examination.

THE DIFFICULTIES IN BUILDING UP SOCIALISM.

It is not by any means possible to draw the conclusion, from what I have said above, that all difficulties and mistakes have been overcome, and that the path now lies fair and smooth before us.

It is unavoidable that we shall encounter further considerable difficulties on our onward path. The main difficulty remains that our country is the only one in the world building up its life on a basis entirely different from all the other countries. The workers of the Soviet Union are forced to take up the work of realising the new society with their own unaided forces and means, without any help from outside. There are still many unsound spots in our constructive work. It suffices to remember our unemployment, our homeless children, the illiteracy, the housing crisis, and the continued existence of a very great disparity between the material and cultural levels of town and country, etc.

Although we conduct our State much better than was formerly the case, our failures and errors are still frequent enough. This applies equally to questions of economic constructive work. We are still far behind the capitalist States in the organisation of work, and even in the organisation of production. In many departments our country is technically extremely backward as compared with bourgeois countries. We have taken up constructive socialism on a gigantic scale, and we are expending enormous amounts, but we have not learnt how to build cheaply, economically, and rapidly. When we compare the time and money expended by us on a building with those of West European or American undertakings, we find that our expenditure is immeasurably greater. We must not close our eyes to the difficulties and defects in our works, nor must we attempt to belittle them. These defects must not be glossed over, they must be exposed to the full light of day in order that means for their speedy removal may be found.

The greatest defects and difficulties of this kind — unemployment, housing crisis, etc. — must be taken into full consideration when the five years' economic plan is drafted, and measures must be carefully elaborated for their complete removal or alleviation.

When we speak of the immediate prospects of our economic development, we must not succumb to the illusion that our further progress is going to be smooth and easy, and that no great exertion will be required to overcome the main difficulties hampering our work, and arising from internal or external causes. We must not, for instance, overlook the fact that there is a possibility of another such failure of crops as that experienced in 1924 and 1925. This possibility must be accorded due consideration when planning our economic advance and measures must be taken in good time in order to be prepared for a possible bad harvest.

Further, we must not forget the difficulties connected with the increased active hostility of the capitalist world against the Soviet Union, nor the possibility of an armed attack upon our country. Whilst taking every step for the maintenance of friendly relations with other States, we must at the same time be prepared for a possible attack.

The first necessity for the overcoming of these difficulties is the acceleration of our economic development at any price,

and the pursuance of a policy which, whilst holding steadfastly to our efforts for peace, still devotes adequate attention to the question of increasing the defensive powers of the Soviet State.

TWO OF THE TASKS OF OCTOBER.

The October Revolution was set two tasks of different kinds: one destructive and one constructive. October had two aspects, two faces, one turned to the past, one to the future. During the initial stage of the October Revolution the work of destruction was of paramount importance. The war had to be ended, the last relics of the monarchy swept away, the old state apparatus abolished, rank and privileges done away with, national oppression exterminated. The second, the constructive task of the October Revolution, is expressed in the building up of the new classless state of socialist society.

Our first duty was to exterminate, down to its very roots, the abominable inheritance bequeathed the proletariat by Tsarist Russia. If I were to be asked, on the eve of the celebration of the tenth anniversary of the October Revolution, whether this task of destroying the last traces of slavery, of ignorance, of lack of culture, etc. has been fully accomplished, I should have to admit that this is not the case. This task is not yet completed in its fullest extent.

I may give one instance. You are all aware that the complete equality of all the nations of our Union was established by law immediately after the October Revolution. But have we really realised this complete equality of all nations living on the territory of the Soviet Union, in respect to economic progress, culture, well-being of the population, etc.? No one will contend that we have attained this, although the revolutionary period has already lasted ten years. Of course no nationality amongst us is without legal rights, but the economic and cultural inequality in the position of the various nationalities of our Soviet Union was not yet been done away with, and until this is done there can be no complete and actual equality among the nationalities.

Further, we have introduced laws giving women perfectly equal rights, such equal rights as are completely unknown in any bourgeois country. But if we inquire into the actual position of women in our Union, and ask if they lead lives of perfect equality with the men, we are forced to the conclusion that women are still at a great disadvantage. The speeches delivered at the Congress of Working and Peasant Women being held in Moscow have given us many proofs that in real life equal rights for women have not yet been attained.

We have abolished all the privileges of officialdom, and created a new system — the system of the Soviets — for conducting the State. But are not certain traces of the old routine still observable in our State apparatus, reversion to the customs and traditions of the former officialdom? It seems to me that even here, where we took such drastic measures, we have not yet fully accomplished the task set us by the October Revolution. Remnants of and relapses into old habits still prevail widely in many of our state administrative organs.

The same may be said of the influence of religion and of a number of other factors, and this all goes to show that the aims of the October Revolution, as far as the liquidation of the past and the struggle against the remnants of our old inheritance, have not yet been fully realised.

October, starting with a legacy of customs, traditions, and capitalist habits accumulated in the course of centuries, has only been able to sweep away the premises and causes of the profound ignorance and lack of culture of the majority of the population. The burden of the historical inheritance of backwardness will still be felt in many cases in the future, and for a certain period. The last traces of this inheritance will not vanish until we have gone much farther on the road of economic and cultural construction.

The second face of the October Revolution is turned towards the future, toward the building up of the new society. We are obliged to tackle both tasks at once, and hence the difficulties of which I have spoken demand tremendous exertions on the part of the working class and the peasantry, and will doubtless in the approaching years call for struggles as intense as those of the civil war.

"SINK, OR FULL STEAM AHEAD."

The enthusiasm shown by the working class and the peasantry in fighting for the mere existence of the Soviet power against Denikin, Koltchak, and Yudenitsch, must now be transferred to the sphere of immediate socialist construction. Many fields of economic and cultural work have only just been mapped out. Before us there lies a still untouched field of work for the organisation of the new society. In 1917 Lenin wrote:

"The revolution has succeeded in enabling Russia to overtake, within a few months, the most advanced countries, as regards its political order.

But this is little, for war is inexorable, and relentlessly puts the alternative — either sink or full steam ahead and overtake the most advanced countries, overtake them in economics as well...

Sink or full steam ahead.

This is how the question stands, historically." (Lenin, Sept. 1917.)

The purport of our work during the next ten years must be the accomplishment of this task.

III. The Manifesto.

Comrades! The Tenth Anniversary of the October revolution is a red letter date in history, not only for our Soviet Union, but in the history of the international labour movement, and therefore the Government has proposed to the session of the Central Executive Committee of the Union of Socialist Soviet Republics that a special manifesto be issued on this occasion to all the workers and peasants of all countries. The manifesto contains many of the thoughts which I have already expressed in my report. For this reason I shall confine myself to a brief recapitulation of the practical measures which the Government proposes to take in connection with the tenth anniversary of the October revolution.

ONE RESULT OF THE FIRST DECADE — THE SEVEN-HOUR DAY.

With respect to labour the most important measure proposed by the manifesto is the gradual transition to the seven-hour day. Regarded from the standpoint of the workers' State, there is no need to justify the principle of shorter working hours accompanied by the improved material position of the working class. This is one of the fundamental points of our programme. The moment fixed for beginning with the shorter working day depends on the extent to which the progress of industry makes this transition possible, and on the extent to which the step tends to secure the continued economic and cultural advance of the country. The government is of the opinion that the rationalisation and mechanisation of industrial production, the erection of new factories and works, the projected and already realised re-equipment of the industries, are factors rendering the transition to the seven hour day not only practicable, but necessary in the near future.

The shortening of the working day must form the counterpart of the process of rationalisation and reconstruction. Rationalisation in a capitalist state of society means increased exploitation of the working class and increased profits for the capitalists, but the rationalisation of production in our State means a simultaneous improvement in working conditions and in the material position of the working class. The introduction of the seven-hour day signifies, where the supplies of raw materials permit this, the employment of more workers. Fresh cadres of workers are drawn into the process of production, and unemployment reduced.

The proposed measures are so radical that the government suggests that the term of one year be set for the practical consideration of the means for their execution, on the condition that this actual execution be commenced not later than after the lapse of one year.

Ten years ago, after October, the working class introduced the eight hour day on the basis of an old, backward, and ruined industry, in which the workers had worked for 10

In fulfilling this task, in catching up to and passing the capitalist countries in their development, we realise not only a national aim, but an international one. The development of the revolutionary movement of the world proletariat has allotted to the proletariat of the Soviet Union the historical rôle of advance-guard in establishing socialism. But the decision of the question of "Who whom?" will in the last resort have to be made on an international scale. At the present time the question of the victory of socialism over capitalism is bound up to a great extent with the successes of our socialist development, which is for the time being territorially restricted. Our further development signifies an aggravation of the competitive struggle between socialism in the form of the first Soviet Republic and the capitalist economic system. Therefore our success or defeat determines to a great extent the development and results of the struggle between capitalism and socialism.

The working class and the peasantry are the immediate bearers of the practical building up of socialism. But we must not forget for a moment that in this work of constructive socialism we are closely bound up with the working class and the oppressed peoples of the whole earth. We must bear in mind the services these have rendered us at the most difficult moments of the fight for the existence of the Soviet Republic.

13 hours daily. With these shorter hours the working class has nevertheless been able to record the successes of which I have reported. The thorough re-equipment of industry, combined with the enormous increase in the productivity of labour, determines the inevitability of the transition to the seven-hour day in the coming period.

The government proposes a further expenditure of 50 million roubles for house building. In view of the admitted shortage of dwelling houses, it is perhaps necessary to justify the restriction of the further outlay for house building to only 50 million roubles. The government fixes this sum because it is the highest that can be expended for this object at the present time, bearing in mind the possibilities of the budget for the economic year just begun. The greater part of the sums expended on house building does not appear in the budget, but is contained in the plans for building activity, or in special funds. The sum total of the various subsidies for house building in this year is 500 million roubles. The additional subvention of 50 million roubles from the budget is of course insufficient; but when this sum is concentrated in the working class districts, where the housing crisis is acutest, it can yield considerable results.

WHAT THE MANIFESTO MEANS FOR THE PEASANTRY.

For the improvement of the position of the peasantry the government proposes the following measures to the session of the Central Executive Committee:

1. 10% of the peasant farms to be released from the agricultural single tax, besides the 25% of all peasant farms already freed from this tax, and forming the poorest stratum of the rural population.
2. The granting of favourable terms to the less well-to-do strata of the peasant population with respect to the collection of arrears of taxes.
3. A subsidy of 10 million roubles from the budget resources, for the tillage of new land.
4. A bill to be submitted to the next Soviet Congress, ensuring a subsistence from state revenues for aged persons belonging to the poorest peasantry.

All these measures aim at helping the less well-to-do peasantry as far as possible, and at securing the continued development of agriculture. Up to the present 25% of all peasant farming undertakings have been freed from taxation. The release of further 10% from taxation will mean that this exemption includes not only the whole of the poor peasantry, but a part of the weaker middle peasantry, whose undertakings cannot make sufficiently rapid progress without this aid.

The grant of 10 million roubles for the needs of the land, beyond the sum already allotted for this purpose, ensures the provision of land for the farms of the poor peasantry, and of many of the middle peasantry. The government proposes the grant of this amount, considering that at the present time the efficient regulation of the land is the first prerequisite for the reconstruction of agriculture as a whole. Without this agricultural production cannot improve in the least, and it then naturally follows that the transition to the socialist methods of production cannot be brought about with proper success.

A new principle is represented in the government's proposal to submit to the next Soviet Congress a bill on the partial extension of the social insurance to persons incapable of work who live in rural districts. The government proposes to extend this measure at first only to the insurance of aged persons, between 60 and 70, at the cost of the State, the insurance to apply to the families of the less well to do peasants. Before the next Soviet Congress is held an inquiry will be made into the exact amounts which would be required by this plan, and the government will be able to inform the Congress what sums from budget revenues could be put at the disposal of this extended insurance.

The grants of additional sums for the erection of schools require as little justification as the grants for building purposes. The cultural growth of the country is so rapid that the government and the local Soviet cannot keep pace with even the most pressing needs of the rapidly developing network of schools. The grant of 15 million roubles, in addition to the sums already set aside for the building of schools, will considerably alleviate present requirements.

The question of aid to the war disabled has frequently occupied the sessions of the Central Executive Committee. Many members of the last Soviet Congress raised this question. The government proposes to increase the fund in aid of the war disabled, doubling it at least. This will permit of tangible help being given to those groups of disabled who to a great extent have lost their working capacity.

THE AMNESTY.

The consolidation of the Soviet State, the better organisation of the masses of the workers and peasants, and the strengthening of the whole Soviet system, permit of a restricted application of the severest measures of social defence, enable their enforcement to be confined to offences of a state and military character, and to armed attacks. In view of this, the government proposes a mitigation of the measures of social defence with reference to all persons under sentence, with the exception of those persons who are, or have been, active members of political parties striving to overthrow the Soviet power, and with the further exception of recipients of bribes and of embezzlers.

In our opinion these exceptions are necessary, for we must make no concessions to the open and active enemies of the Soviet State of the workers and peasants, defending its existence and its right to organise a socialist state of society in the midst of its capitalist enemies. The government further considers it to be impossible to extend the amnesty to those guilty of malicious waste and embezzlement, for it is precisely this kind of offence which forms the greatest source of danger and obstacle to the building up of the new socialist society.

* * *

(Comrade Rykov reads the manifesto, which is received with enthusiastic applause.)

I believe that the measures which I have proposed on behalf of the government are in the spirit of the achievements of October, and form the most convincing proof of the maintenance and consolidation of those most important positions gained by the working class and the peasantry in the October revolution. I believe, too, that they will contribute to the further strengthening of the Soviet power and to the consolidation of its international importance. (Prolonged applause. The delegates rise and sing the "International.")

Cultural Development in Ten Years.

Comrade Lunatscharsky's Report.

The subject of this report, the cultural development of the past ten years, is a very extensive one, and can scarcely be fully dealt with under the heading of the education of the people.

POLITICS, ECONOMICS, AND EDUCATION ARE INDIVISIBLE.

Lenin was right when he asserted that political achievements can only be secured by raising the cultural level of the masses. In his essay on the co-operatives he writes as follows:

"The Soviet power once established, all we need is culture among the masses, in order to realise socialism."

This method of treating the question accords due importance to the cultural development of the country.

The enthusiasm for economic and cultural progress, to which Comrade Rykov referred in his report, is observable everywhere. But this enthusiasm is not only peculiar to the present stage of our cultural and economic development. This enthusiasm could be seen at the very beginning of the October revolution. Our network of schools extended enormously in 1917, 1918, and 1919. We witnessed an elementary growth of the number of universities. This increase in the number of schools and colleges during the initial stage of the October revolution expressed indeed our wishes and strivings towards education, but it was little in accord with our material possibilities. This continued until 1921. At this time we fell short of means enabling us to realise our wishes, and many of the schools had to be closed again.

In 1923 the foundation was laid for the education of the people in the R. S. F. S. R. In the other republics of the Union this foundation was laid somewhat later in accordance with the establishment of their education commissaries. In 1923 the

positions on the field of education were permanently reconquered. The enthusiasm of the masses for education grows from year to year, and the material basis for the realisation of these strivings is becoming more and more secure.

Above all, the population of the Union is thirsting for a general elementary education. The grant by the government of the Union of 15 million roubles for schools on the occasion of the tenth anniversary of the October revolution, as proclaimed in the manifesto, will therefore be welcomed with special appreciation by the population. The population is however equally demanding that more second grade schools be established. The slogan of the masses is: "Give us schools!"

We observe a great urge of the people for education. This urge is moving millions of workers and peasants.

THE STRUGGLE TO STAMP OUT ILLITERACY; EDUCATION.

The latest data issued by the Statistic Central Administration show incontestable progress in stamping out illiteracy in our country. In 1920, in the European part of the R. S. F. S. R., there were 355 persons of both sexes, out of every thousand, who were able to read and write; today this number has increased to 445 out of every thousand of the population. During the last five years we can record a general progress of about 28 to 29 per cent.

The women are behind the men in knowledge of reading and writing. During these last five years, however, the number of men learning to read and write has increased by 25%, and that of the women by 32%. These figures refer to the R. S. F. S. R., with the exception of a few governments.

On the basis of this fundamental knowledge a many-sided cultural building is rising. To this belong the higher Soviet schools of every description, the technical schools, the colleges.

Another branch of these efforts is the widely ramified education of the population by means of the political enlightenment afforded by the reading huts, libraries, and clubs. We are further occupied with the science of working out the fresh problems of science, of spreading the knowledge won, and of applying science to actual practice. And here we have art, which is being made more and more accessible to the masses as we advance towards the realisation of socialism.

THE FINANCIAL BASIS OF EDUCATION.

In 1913 the total sum granted by the state and local budgets for the education of the people was 276.1 million pre-war roubles. In 1925/26 the sum total of the grants for educational purpose drawn from the state and local budgets, and from the resources of the people's Commissary for traffic service (for purposes of education in transport service), amounted to 302.6 million pre-war roubles. In the year just passed, 1926/27 the grants for the education of the people, drawn from these same budgets, amounted to 396.2 million pre-war roubles.

In 1913 the grants for education amounted to 7.76 per cent of the total state budget; in 1925/26 to 10.88 per cent, and in 1926/27 to 10.63 per cent.

The budget has not yet been completely drawn up for the current year, but the grants for the education of the people will be increased all over the Union, both absolutely and relatively.

The expenditure for education per head of the population, in the years above mentioned, is as follows: 1913 2 roubles 8 copecks; 1925/26 3 roubles 86 copecks, and 1926/27 4 roubles 79 copecks.

THE ELEMENTARY SCHOOL, FIRST GRADE.

Before the war, in 1914, the number of schools totalled something over 104,000. During the period of tempestuous increase of educational institutions, immediately after the October revolution, the total number of elementary schools rose to 114,000. In 1923 the number of schools sank to 87,500, rising again by 1926/27 to 108,000, a plus of 3.6 per cent. as compared with 1914. In 1914 the number of scholars was 7.2 million, during the period of rapid extension of the school network 9.2 million, and finally, during the past year, 9.9 million, in the elementary schools of the first grade.

At the present time 65 to 70 per cent. of our children attend our schools. The Soviet government have set themselves the enormous task of extending the network of schools until, by 1933, all children of school age will be attending school.

Qualitatively, our schools still leave much to be desired; the financial support is insufficient, the equipment inadequate, the education of the teachers frequently imperfect.

The schools with four years' course of instruction can however lately record rapid progress. New programmes are being taken up everywhere; there is no doubt that much is being achieved here.

The system of instruction in our schools has been highly approved by foreign pedagogic authorities and scholars who have visited the Soviet Union. This appreciation pronounced by foreigners who are far away from communism shows that the Soviet schools are the leading educational laboratories of the world.

THE REORGANISATION OF THE SCHOOLS ON THE BASIS OF THE NATIONAL LANGUAGES.

The most important factor in the education of the people is the reorganisation of all schools for the respective national languages. For the first classes of the elementary schools this reorganisation is compulsory, even for the nationalities possessing but little culture. This reorganisation of schools for instruction in national languages is an exceedingly difficult task, for before the war such schools did not exist at all, or dragged on a miserable existence. But despite the enormous difficulties of the undertaking, considerable progress can be recorded.

In Ukraine, for instance, the number of schools conducted in the national language increases from year to year. On 1st January 1924 the number of these schools amounted to 66 per cent of all schools, on 1st January 1925 to 77 per cent, and on 1st January 1926 to more than 79. The same increase in the

number of schools teaching in the national languages may be observed in the other republics and autonomous provinces of the Union.

THE EDUCATION OF THE CHILDREN BEFORE THE SCHOOL AGE.

The education of the children before the school age has made noticeable progress in the Soviet Union since the October revolution.

A gigantic extension of the pre-school institutions was observable in the years immediately following the revolution. In 1920/21, for instance, there were 4723 kindergartens and nurseries, accommodating over 245,000 children. When these pre-school institutions ceased to receive state support, and became dependent on the local finances, their number diminished for the time being, but they have increased again in recent years. Whilst there were 1139 kindergarten and nurseries in 1924/25, the number rose to 1364 in the following year, and to 1629 in 1926/27. The number of children increases correspondingly.

The great increase in the network of children's playgrounds in recent years is especially conspicuous. These increased from 1500 in 1924/25 to 4000 in 1926/27. At the present time 200,000 children spend their time in these playgrounds.

THE STRUGGLE AGAINST DESTITUTION.

The struggle against destitution among children is being carried on in various ways. This evil is diminishing gradually. The number of homeless and uncared for children is diminishing, as also the number of children living in children's homes at the expense of the state. The children are being better prepared for life, and take their places in the process of production as young workers.

The peasantry has done much to reduce the number of homeless children, taking many of these children to be brought up in their own families.

THE MIDDLE GRADE SCHOOL.

The chief defect of the middle grade schools is that their network does not extend far enough. They do not reach more than one tenth of the children who have passed through the first grade schools. And yet it is a fact that the Soviet Union has gone far beyond the wretched inheritance bequeathed it by the bourgeois social order. As early as 1923 the number of pupils attending middle grade schools exceeded the number in 1914, and at present the number of children in these schools is already more than 4 per cent. above the prewar figure.

In connection with the middle grade schools it must be pointed out that the system pursued by these schools in the R. S. F. S. R. differs essentially from that in the Ukraine Socialist Soviet Republic. In the R. S. F. S. R. there are two types of school, a second grade school with a five year course and a second grade school with a seven year course. In the Ukraine there is one uniform middle grade school with a seven year course. To this school belongs further the so-called "professional" school with a three year course. The professional school is followed by college.

The existence of two systems of middle grade schools is naturally undesirable. Both types will however have to be maintained for a certain period, in order that experience may show which system best serves the interests of the development of the country.

THE SCHOOLS FOR YOUNG PEASANTS.

A special type of the middle grade schools in the Soviet Union are the schools for "young peasants". The instruction given by these schools is making the peasant an educated man with co-operative knowledge.

The following data give an idea of the development of the schools for peasant youth: In 1924/25 these schools numbered 229, the number of scholars over 20,000; in 1925/26 the number of schools had risen to 491, the number of scholars to more than 36,000; in 1926/27 the schools numbered 686, the scholars approximately 50,000.

THE FACTORY SCHOOLS.

The factory schools are to be classified with the middle grade schools.

We frequently hear the opinion expressed that the factory schools have become superfluous, since the advancement of the industrialisation of the country tends to reduce the work of the qualified worker to the mere superintendence of a machine. This standpoint is wrong. **The factory school has every prospect of successful development.** This is demonstrated by the expansion of its network of schools, and by the enormous increase in the number of scholars. **Whilst there were only 789 factory schools in the Soviet Union in 1923/24, 1678 could be counted in 1926/27. During this period the number of students rose from 60,000 to 110,000.**

VOCATIONAL EDUCATION.

The industrialisation of the country renders vocational education one of the most important departments of our culture. Here a very close co-operation is necessary between economics and the people's commissaries representing them on the one hand, and the people's commissaries for education on the other.

This co-operation does not however exist in reality as yet, and for this reason the work done towards the organisation of professional education is not yet entirely satisfactory. The lower professional schools especially are at a disadvantage. There are but few schools, and these not well adapted to practical needs. Once more a legacy from the Russia of the Tsar. And yet the lower professional schools are essential for the instruction of properly qualified country workers, of which there is a great shortage. Many complaints come from the provinces on the lack of smiths, saddlers, joiners, etc.

THE TECHNICAL SCHOOLS.

The network of technical schools, like that of the professional schools, has been taken over by us to a great extent from old Russia. Neither their number nor their structure correspond to the character of the various districts of our Union and their economic needs. **The opening of a large number of new technical schools is contemplated for the near future, and this will do much to improve matters in this line.**

The expansion of the technical school network and the increase in the number of students are enormous. During the period from 1920/21 to 1926/27 the number of technical schools has risen from 585 to 1017, or almost doubled, whilst the number of scholars has increased from 70,000 to 180,000, or more than 2½ times the number.

COLLEGES AND WORKERS' FACULTIES.

Tsarist Russia has here left us an inheritance which requires much remodelling. The syllabus of instruction and the college system have had to be changed, and above all the country has been faced by the highly important task of proletarianising these higher schools.

At the present time the colleges are predominantly workers' and peasants' colleges. This is due in no small measure to the workers' faculties, which act as preparatory schools bringing the more talented of the young workers and peasants into the colleges.

At present all possible steps are being taken to improve the instruction in the workers' faculties, without interrupting the connection of the worker students with production. **For this reason the people's Commissary for Education arranges the instruction for the evenings.**

Our task is not the increase in the number of colleges, but the improvement of the instruction which they give. The period of the rapid increase of colleges in our country is ended, and has been succeeded by a period of selection of the best colleges, and of improved instruction. **The present network of colleges comprises 160,000 more students than that of the prewar colleges.**

The following figures show the social strata from which the students are recruited. As compared with 1924, the proportion of workers studying in the colleges has risen from 10% to over 25%, the proportion of peasants from 22 per cent. to 26 per cent.

In spite of the higher demands made by the syllabus, the percentage of Party members and young workers enrolling at the colleges has greatly increased. The students differ from those of former years by taking a profound interest in the subjects of their study. The teaching staff is adapting itself gradually to the modern conditions of teaching, and to the activity of the youth. Young scientifically educated teachers are being prepared to take up this work in place of the older professors.

POLITICAL ENLIGHTENMENT.

The organs of the People's Commissariat for education, both central and local, are working with the intensest energy in the field of political enlightenment.

The first step in this direction is the abolition of illiteracy among adults. A comprehensive network of centres for liquidation of illiteracy has been created. **The number of these centres has increased from 41,000 in 1921 to almost 47,000 at the present moment, whilst the number of pupils has risen from 1 million to 1½ millions. During the last seven years about 7 million adults have been taught reading and writing.**

The general public takes an active part in the struggle against illiteracy. At present the association, "Away with illiteracy!" comprises about 27,000 nuclei, reaching 1.2 million men and women, of whom about 65 per cent belong to the country and 35 per cent to the towns.

The general educational institutions (schools, courses, etc.) must also be classified under political enlightenment. Whilst in 1921 there were 780 such institutions, the present number is 866, the number of students about 100,000. Parallel with this runs the extension of the network of workers' universities. At the present time we possess 31 workers' universities with 7868 students, who are at the same time working at the bench.

Apart from these general educational institutions, an eminent rôle is played by the men and women workers teaching in the reading huts in the country. This army of young workers gives instruction in 22,000 reading huts.

The workers' clubs find their sphere of activity in drawing the working masses into centres in which it is possible for them to pass their leisure hours in the clubs. It happens at times that the club functionaries rather overdo in activity of instruction and organisation, providing a superfluity of general courses of instruction, sections, etc., and thereby frightening away from the clubs many of the workers, too tired for such exertions after their day's work. These clubs must be made into real places of recreation and sensible entertainment for the workers. The women must take a leading part in this work, in which they have proved the best organisers and leaders.

The cause of political enlightenment has lately found a mighty ally in the radio. Only four years ago very few people had any clear idea of the wireless, and the reports from America sounded like fairy tales — that the wireless could be simply switched in at any time, and concerts, lectures, etc. heard at will. Today almost every house in the towns has its wireless set. There are 47 broadcasting stations, supplying almost one quarter of the population of the whole Union.

The cinema has developed with equal rapidity.

Before the revolution 75 per cent of the films were imported from abroad whilst the other 25 per cent was fairly worthless stuff. At present our production and quality have reached a high level, and the foreign films are being gradually ousted.

PRESS.

Clear witness of our cultural progress is borne by the data referring to our press and publishing works. **We issue 556 newspapers, the total of their editions running to 8 million copies.** This greatly exceeds the pre-war standard in newspaper circulation. As compared with the time before the war, the influence exercised over the masses has increased immeasurably.

The publication of scientific works has made equal progress. The number of editions published of scientific works, as also various other data, show an undoubted increase of interest in the population for the scientific book. Whilst the year 1910, an especially favourable year for this type of publication, brought 464 new publications, this year's assortment of new publications numbers 945.

SCIENCE.

The status of science is of immense importance for the building up of socialism. The advancement of scientific work in the Soviet Union synchronises, as we are informed by the Secretary of the Academy of Sciences of the Soviet Union, S. F. Oldenburg, with the founding of the central committee for the improvement of the material position of the scientists, in 1920. Since this time science has been enabled to develop on systematic lines. The scientists work not only in the colleges and scientific institutions, but to a considerable extent in the state institutions, beginning with the Commission for Planned Economics of the Union. They are thus incontestably able to contribute greatly to the progress of the construction of socialism.

The growth of Marxism in our science is of paramount importance. Here we must emphasise the increased publication of the works of great Marxists, the development of general Marxist literature and journalist work, and on the other hand the rapprochement of various leading scientists and entire scientific institutes to the principles of the Marxist standpoint.

The first place is here occupied by the Marxist institutions established by the revolution, for instance the Marx-Engels Institute, which can claim thanks to the leadership of Comrade Ryasanov to be, in its organisation and scientific labours, the leading institution of scientific Marxism in the world.

Mention must also be made of the enormous amount of work done by the Communist Academy, the Lenin Institute, and a great number of other scientific institutions, which are working indefatigably for the penetration of the Marxist principles into every department of scientific research.

The Academy of Science of the Soviet Union has increased its activities to a colossal extent during this period.

ART.

The public, the Party, and the authorities, are beginning to take an interest in art. We have been able to observe a general increase of creative artistic activity on the one hand, and a tendency in art to express our ideology on the other. A purely proletarian literature has sprung up, of which we have already some striking and beautiful examples, worthy of a permanent place in the history of our literature.

Our theatre, which we guarded carefully even during the hardest periods since the revolution, has been kept supplied with fresh forces, and at the present time is undoubtedly the best in the world, both with respect to management and acting. There is a strong tendency towards the representation of real

life in our theatre, an impetus towards participation in the general trend of cultural development.

Just after the revolution our painters and sculptors lost their heads slightly after being freed from the influence of their former patrons. During the first period most of the futuristic painters went over to our side, but failed to produce what the revolutionary proletariat was seeking. It is only just lately that painting and sculpture have struck the right note for the masses. The artist who succeeds in responding to the real needs of the people, whether by brush or chisel finds himself gratefully accepted by the masses.

The art of music can also record great progress.

NATIONAL CULTURE.

Whilst the Tsarist regime enforced the use of the Russian language in all national territories, the October revolution proclaimed absolutely equal rights for all the languages and dialects of the national minorities. At present the children in the backward national districts are being instructed in schools, vast amounts of work are being done for the distribution of national literature, and in training women for public Soviet work.

Human society can only be formed on the basis of harmonious reforms if we first ensure the cultural development of the national minorities, the development of national culture on the basis of the equal rights of all nations.

THE NEXT GENERATION.

One of the greatest levers of our cultural development is the Young Communist League, whose growth simultaneously signifies the enormous cultural growth of the whole Union.

This generation, already our most active collaborator, is being followed by the younger generation belonging to our Pioneer organisations. Here a powerful auxiliary is developing, a successor in whose hands we can place without fear the great cause of building up the new society of mankind.

* * *

The whole cultural development of the West European States is adapted for the gratification of egoistic interests, whilst our culture pursues the goal of the cultural advance and improved standard of life for the whole of mankind.

We are best made aware of this difference if we visit a foreign country. When we return from a rich foreign land to our poor Soviet Union, we feel a profound sensation of joy, the joy of work, the joy of our own cause in our own country. (Enthusiastic applause.)

The Results and Prospects of the Economic Development of the Soviet Union.

Comrade W. W. Kuybychev's Report.

I. Our Economic System has Proved Correct.

THE PRODUCTIVE FORCES OF THE COUNTRY AT THE CLOSE OF THE CIVIL WAR.

The October Revolution took place at a moment of collapse of the productive forces of the country. If we wish to gain an idea of the extent of the decline of productive forces at that time, we need only remember that practically the whole male population of the villages was in the war, the fields lay fallow, the live stock almost exterminated. In the workshops and factories skilled workers were replaced almost everywhere by unskilled, considerably reducing the productivity of labour.

The proletariat did not fear to take over an economic system thus destroyed by imperialist war, but tackled the task despite the prophecies of the downfall of the proletarian power, spread everywhere by its enemies. These declared at first that the working class would not be able to retain power for even a week, and although week after week passed, still the "heroes"

of the Second International obstinately continued their prophecies of the breakdown of the Soviet power. Our political opponents maintained that in a country where the peasantry forms the greater part of the population, it is impossible to realise socialism. They began to advance the idea of the triumph of socialism without revolution; they began to assert that socialism will not be realised by means of the revolutionary defeat of the bourgeoisie, but by means of the organic development of the productive forces.

The ten years which have passed since the October Revolution demonstrate plainly who was right in this dispute. We who have defeated the power of the bourgeoisie by the revolution, or the leaders of the Second International, who have propagated the idea of the realisation of socialism without revolution. In Germany we see Scheidemann replaced by Hindenburg, around whom all the reactionary forces of the country openly gather. In Great Britain MacDonald is followed by Baldwin, in France the Poincaré government reigns, in Italy the power of Mussolini.

But we have not only had to contend against the theoreticians of the Second International, but against the armed efforts of all the counter-revolutionary forces of the world, including the counter-revolutionary forces still in Russia. The seizure of power by the proletariat was speedily followed by civil war, and the productive forces of the country were destroyed still further.

The years 1920 and 1921 witness the lowest ebb of our productive forces. In these years the output of our industry did not exceed 20 per cent of the pre-war production, and some branches of industry had disappeared altogether. The number of employed workers fell to almost one half, from 2,400,000 to 1,270,000. Wages in 1919 were only one quarter of pre-war wages. Labour productivity sank correspondingly. The former yearly output per worker of 2138 roubles sank to the value of 467 roubles in 1920. Traffic service in 1920 carried only 23 per cent of its pre-war freights. The number of locomotives sank to one third or one quarter. Fuel reserves were on hand for only three or four days, in comparison to fuel reserves sufficient to supply the transport and industrial undertakings from three to twelve months, according to the amount required by each industry for reserve.

Agriculture retrogressed proportionally in 1920. The area under cultivation sank by 32 per cent, the total output of agriculture by 40 per cent. Cattle breeding sank by 40 per cent. The area under cultivation for technical plants fell from a twelfth to a sixteenth of the former area.

These data suffice to show the condition of our country at the end of the civil war.

The country was in a state of agony, and under the rule of the bourgeoisie the sole solution would have been slavery. Into this Russia would surely have fallen. Russia would have been inevitably condemned to become the colony of some capitalist State, which would have taken the initiative in restoring the economics of our country. That our country has escaped this sad fate is due to the circumstance that at the moment of greatest economic decay the power was in the hands of the proletariat, and that this created an economic system enabling all these wounds to be healed with comparative rapidity. At the moment of greatest economic decay, the genius of Lenin brought us economic rebirth in the form of the New Economic Policy. This was not yet a plan worked out for every separate branch of industry, but it was a plan ensuring rapid development for every branch of our industry, a plan which raises our economics from a state of devastation.

THE SUCCESSES OF OUR INDUSTRY AND AGRICULTURE.

Ten years have passed since the October Revolution. What results have we to record? Has the dictatorship of the proletariat proved right in creating a perfectly new economic system, hitherto unknown in the history of the world? It suffices to survey the most important figures and facts in order to reply to this question in the affirmative.

During the current year we have exceeded our pre-war production (calculated in pre-war prices) by 6 per cent. This percentage will rise to 19 in the economic year 1927/28. The number of workers employed in big industry before the war was 2,400,000, but at the present time our census industry is employing 2,469,800, or 2 per cent. more. Counting small industries and local industries, we have in round numbers 7,000,000 workers in the Soviet Union. Counting the employees, in round numbers 10,500,000 proletarians. This is an army which is capable of self-defence at any moment, should the enemy attack us.

Various branches of industry have already considerably exceeded their pre-war standards. The coal mines, for instance, produced 10 per cent. more during the past year than the prewar output. In 1927/28 this increased output will rise to 30 per cent. The output of crude oil will exceed the pre-war production by 30 per cent. in 1927/28. The peat industry has tripled the prewar output. We have specially conspicuous success to record in the progress of electrification. In 1913 the generating capacity of all power stations amounted to 780,000 kilowatts, but in 1927/28 the power works of the Soviet Union will produce 2,100,000 kilowatts.

The period just past has not only witnessed the growth of big industry, but of home industries and handicrafts, if at a somewhat slower rate. In order to give an idea of this growth,

it suffices to state that while in 1923/24 the total production of these industries was estimated at 3 milliard chervonetz roubles, home industries and handicrafts have increased their production by 40 per cent., and that the number of workers in them employed has increased in this time from 2,500,000 to 2,900,000. The home industries and handicrafts are of great importance at the present juncture, for our census industry in itself is not in a position to satisfy all the demands of the population for certain articles of general use. The importance of the home industries and handicrafts has lately induced the government to introduce a system of measures securing their further development.

The turnover of goods has increased with the growth of industry. In 1923/24 the collective wholesale trade of the Soviet Union brought in a turnover of 4 milliard roubles; in 1926/27 this turnover is 15 milliard roubles, or almost fourfold. Retail trade returns have increased during this same period from 6 milliard to 14.8 milliard roubles.

The New Economic Policy has not only promoted the development of industry, but at the same time that of agriculture; in 1927/28 the area cultivated has almost regained the pre-war standard. The number of horned cattle exceeds the pre-war figure. The peasant farms have renewed their agricultural equipment during the last few years, and replaced the implements worn out during the imperialist and civil wars. At the present time the peasantry is devoting much attention to the cultivation of technical plants.

The development of the productive forces of the country is characterised most plainly by the status of foundation capital. When the foundation capital of a country increases, this means that productive forces are growing. The reverse is equally the case, and when foundation capital declines, the productive forces decline also. During the last few years foundation capital has increased in our industries as follows: In 1924/25 the growth of our foundation capital was equal to 0.5 per cent., in 1925/26 to 7 per cent., in 1926/27 to 9.8 per cent., and the year 1927/28 will bring an increase of 12 per cent.

It will be seen from this that our output is not only increasing from year to year, but that every year increases the amounts invested in our industry, expanding the foundations for the further growth of industry.

The foundation capital invested in agriculture has also increased greatly during the last few years. In 1924/25 the increase was 5 per cent., and this rate of increase was maintained during the following two years. In 1927/28 the increase of foundation capital invested in agriculture may be assumed at 4 per cent.

Our system of economics guarantees the necessary speed of development of national economics. In 1923/24, 467 million roubles were expended for the development of economics, in 1925/26 this sum increased to 1485 million roubles, and in the current year the outlay will be 1492 million. In 1927/28 we intend expending 2333 million for the extension of the national economic structure.

We are thus not only increasing our expenditure for economic development from year to year, but also the rate of this development. Our new works play an important part here in reducing the cost prices of production, and cheapening the goods.

Our finances have not permitted us to accord the necessary grants to the railway transport service. It was only during the last economic year 1926/27, that the original capital invested in the railways could be increased by 1.4%. In the economic year just begun an increase of 3% is planned.

THE NEW ECONOMIC STRUCTURE.

The growth of national economy in its various branches is not the sole and final result of the ten years' work of the Soviet government. The task set the government was not merely the attainment of certain statistic standards, but to utilise every means available to us during the restoration period for the purpose of introducing some elements of a fresh structure, ensuring our progress towards the realisation of socialism.

Here the first necessity has been to secure a degree of development for big industry enabling this to attain hegemony over agriculture, compelling the latter to come over to the side of socialism. We have achieved certain results in these endeavours, as may be seen from the following:

In 1924/25 the proportion of municipal industrial production to total production was 53%, in 1926/27, 59%.

We have devoted special attention to the development of machine building, a branch practically neglected before the war. We must build our own machinery, otherwise we remain completely dependent on the capitalist countries. What success we have already gained in this direction may be seen from a few figures from the Leningrad works, the centre of our machine building.

In 1923/24 the Leningrad works supplied 3560 sq. m. boiler area, in 1926/27 27,000 sq. m., or a sevenfold increase in boiler output. Three or four years ago the Leningrad works sent out turbines with a total capacity of 2000 kilowatts, in 1926/27 30,000 kilowatts, equivalent to a fifteenfold increase in turbine production. The manufacture of Diesel engines and other machines has made equally great strides.

Our new departments of industry have further devoted much attention to the manufacture of machinery required by agriculture, and the output of these has been almost doubled during the last two years. The fertiliser industry, which scarcely existed before the war, has been organised. The electrification of agriculture is making rapid progress.

During the last few years both agricultural and workers' co-operatives have made great headway. The agricultural selling co-operatives have already concentrated in their hands 25% of the total commodities produced by agriculture. The co-operative societies concentrate in their hands 51% of the retail trade turnover, whilst before the war the co-operatives had only 4% of this trade. At the present time the co-operative societies count 24 million members.

GENERAL RESULTS.

The general results bear witness to the huge successes won by the Soviet power in the field of economics during the last few years.

Pre-war production has been surpassed in almost every branch of industry, with the exception of the production of black metals. The specific importance of heavy industry among the other industries grows from year to year. Industry is beginning to play a more leading rôle among the various departments of national economy. The capital invested in industry, in agriculture, and in the transport service, is increasing. Electrification is achieving great successes.

These general results bring us the conviction that we are on the right road to socialism. And they convince us further that the proletariat, after taking over power in such a backward country as tsarist Russia, and fighting its way forward with unparalleled heroism and enthusiasm, will and can achieve the complete establishment of socialism.

II. "More Quickly, Cheaply, and without Mistakes."

THE REDUCTION OF THE COST PRICES OF PRODUCTION — THE MAIN QUESTION OF THE ENTIRE NATIONAL ECONOMY.

Our economics have some serious defects, and one of these is the high prices.

The high level of the retail prices brought about an extremely abnormal state of affairs in the economic year 1923/24. Despite the great goods shortage all over the country, we had an accumulation of goods. The government took steps against this and caused the prices to be reduced by 25%.

During the economic year just ended a further reduction of retail prices was undertaken on the instructions of the government; this reduction signified for the consumers a saving calculated by the People's Commissary for Trade at 350 millions. The index figures for industrial goods are, however, still higher than the index figures for agricultural products. A further reduction of prices depends mainly on a reduction of the costs of production, and this last question thus becomes the pivot of our national economy.

THE CAUSES OF OUR UNEMPLOYMENT.

Unemployment is one of the most serious phenomena of our economic life. But in our country the causes of unemployment are very different from those of capitalist countries. The number of workers employed in our industrial undertakings increase

from year to year, but still the number of unemployed workers increases even more rapidly.

This symptom is an accursed heritage of the former rule of the large landowners and capitalists in our country. These deliberately checked the cultural development of the rural population, and created a surplus population in order to have cheap labour at their disposal.

This accursed heritage, expressed in the technical backwardness of the rural population, is the cause of our unemployment.

THE RAW MATERIAL BASIS OF INDUSTRY.

One of the most tormenting maladies of our economic life is the low level of the raw material basis of our industries. Many branches of industry are handicapped by the backward development of the raw material basis.

The necessity of providing our industries with raw materials exposes us to foreign influence in respect to technical plants, which are but little cultivated by us. We are still dependent on foreign countries for furnishing our industries with cotton, wool, hides, etc., and this although our own natural wealth is so great.

This again is an accursed heritage bequeathed agriculture by Tsarist policy. Had agriculture been better equipped before the war, we could now better provide our industries with raw materials. Here we have still a strenuous struggle before us.

SHORTCOMINGS IN THE ADMINISTRATIVE AND ECONOMIC APPARATUS.

It cannot be maintained that our working methods have always been perfect during the last ten years, or that our administrative and economic apparatus is free from grave defects. Much energy on the part of the workers and peasants has been required to put our administrative and economic apparatus in order.

In all these years we have been working, under the constant superintendence of the working class, at the task of putting the industries of the country in order, and, under the superintendence of the peasantry, at putting agriculture in order. But there still remain a great many deficiencies in our State apparatus, results of the lack of experience of the working class of our country, the first working class in the world to wield a State apparatus. We must not close our eyes to these defects. On the contrary, we must strive to throw all possible light upon them, to the end that they may be removed.

One of the gravest defects is our inability to utilise the advantages of the Soviet system in our administration. It is a system affording the possibility of the highest degree of systematic procedure in organising the economic structure. For us it is quite possible to execute a plan, whilst the capitalist state structure is inherently unable to do so. This is an advantage which we must fully utilise. It offers us inexhaustible resources for the rapid development of our national economy. But we have not learned to systematize our economic plans. The systematic plan is not sufficiently disciplined. One of our first tasks is strict discipline in the execution of plans.

A second grave defect is the too slow process of rationalisation. We have not yet learned how to rationalise the economic equipment at our disposal. We await rationalisation from the complete reorganisation of our works and factories. To place all hopes on this one solitary source of rationalisation is a great self-deception. In this respect we must learn much from the economic methods of the capitalist countries.

Unskilfulness, conceit, nepotism, disregard of bourgeois technics, non-utilisation of the experience of foreign engineers as advisors or permanent co-workers in our industrial undertakings, inability to utilise raw materials and fuel, inability to organise labour rationally — all this must be fought against determinedly.

Our constructive economics cost disproportionate sums. If we cannot learn to shorten the term of construction, if we are not able to lessen its expense, if we do not make good the errors already committed, then our progress will be much hampered. The great programme of our economic development must be: "More quickly, cheaply, and without mistakes". It is a regrettable fact that amongst us there is still a great disregard for this slogan, a great indifference, a great incapability to be sparing with the pence of the working people.

III. The National Economy of the Soviet Union in the Immediate Future.

A new epoch of national economy is opening out before us. The material and technical auxiliaries at our disposal up to the present are exhausted. Our national economy may be designated as a transition from capitalism to socialism. Our main task is to build up the socialist state of society. The success and speed of socialist development are conditioned by a number of circumstances concerned with the progress of economics. Economic advance must be on the method of systematic planning.

At the first dawn of our economic uplift, whilst Lenin was still alive, the State Planning Commission had already drawn up a plan for the electrification of the country, and a plan for the development of the whole country on this basis. For two or three years the State Planning Commission has been working on a Five Years Plan for organising national economics.

This work is particularly difficult, mainly because we have left the shores of the past in the course of 1927/28, and are striding forward to a fresh structure of economics on a new technical basis. For this reason the method of comparison with former years and with pre-war times cannot be applied to the elaboration of this Five Years Plan. We have to take into consideration a number of factors with which we were not concerned in former years. The present session must place upon the government the obligation to submit an exact plan of economic development to the next Soviet Congress.

The next five years will differ from the period just past in being an epoch of constructive socialism. The Five Years Plan must be founded on principles enabling economics to make intensified progress, all branches of economics to accelerate their development on the basis of up-to-date technics, and our land to be transformed from an agrarian to an industrial country.

At the same time the demands of national defence must not be forgotten. The point of departure of the whole Plan must be the necessity of increasing the material wellbeing of the working masses. For agriculture the Plan must provide for the provision of the necessary technical equipment. The reconstruction of the transport service, the improvement of the work of the co-operatives and small producers, the improvement of road traffic, the firmer establishment of the purchasing capacity of the Soviet rouble, the organisation of a fixed monetary system, the reduction of the disparity in prices of agricultural and industrial products, the further raising of nominal and real wages, the increased productivity of labour — these are main tasks of the Five Years Plan.

A point of special importance is the increased productivity of labour combined with the introduction of the seven-hour day. The Five Years Plan must stand for the highest development of the productive forces of the country on the principle of the new social and economic basis. This Plan must be a Plan for the industrialisation of the country, a plan for the realisation of socialism.

The State Planning Commission, when elaborating the Five Years Plan for the development of national economics, has considered two variants — the one taking the actual situation as starting point, and an optional variant. The former regards the development of national economics without taking into consideration an improvement in the State apparatus, without the cutting down of unproductive expenditure, and without a large number of the extremely important achievements possible in the next five years. The second standpoint, optional (Bestsriante), takes into consideration the achievements named. These two aspects of the question will be submitted to the session for examination and approval.

OUR TOTAL PRODUCTION TO BE DOUBLED.

Both aspects of the Plan assume that the total production of industry will be doubled in the coming five years. The optional variant in particular assumes an increase of production of 112%, the rate of production of the means of production being taken as more rapid than the rate of the production of articles of consumption.

The following average of increased production is taken for the various branches of industry: The production of the electro-technical industry is to be more than tripled, 228%, the machine building industry is to increase its production by 183%, the output of locomotives increases by 148%, of goods trucks by more than 400%, of steam boilers by 430%, of turbines by 1000%, of Diesel engines by 350%, of tractors by 786%, etc.

THE RENEWAL OF THE FOUNDATION CAPITAL OF INDUSTRY.

The renewal of the foundation capital invested in industry is planned to run parallel with this increased production. Special plans are laid down for the erection of machine building plant in Sverdlovsk for building large machines, the erection of a wagon building factory in Nishniy Tagil, the erection of a locomotive works at Lugansk, and of works for the manufacture of motor cars, transformers, measuring instruments, etc., in Moscow.

Besides this, extensive alterations in the existing plant are planned. Not only is the production of the machine building industry to be increased, but of other branches. The chemical industry in particular is to increase by 198%, the production of fertilisers to be increased four and fivefold, the production of the metallurgic industry to increase by 160%. Increased metallurgic production is to be accompanied by the erection of gigantic works (Kertschensk, Krivorog, Magnitogorsk, etc.). These gigantic works will, of course, not be completed before the five years have elapsed, so that the increased metallurgic production dependent on the actual running of these works will only be realised after the next five years.

Textiles are to increase their production by 78%, the paper industry by 143%, the foodstuffs industry by 128%, whilst the fuel industry is expected to be more than doubled by the improved methods of winning fuel, and the industry working up coloured metals is calculated to increase its output by 3 to 3½ times.

LABOUR AND WAGES.

The number of workers employed is to be increased to a lesser extent in comparison with production, about 24%. Both variants of the Plan raise wages by about 25% of the nominal wage, or 45 to 50% of the real wage.

Foundation capital is to be increased from something over 6 milliard roubles to 11.3 milliard roubles, or 70%; the capital invested is to amount to about 7 milliard roubles. The reduction of cost prices is estimated at 23 to 24 per cent., of wholesale prices at 22 per cent., and of retail prices at 25 per cent.

NEW DESCRIPTIONS OF PRODUCTION.

All this will permit the disparity between the prices of agricultural and industrial products to be considerably equalised by the end of the five years.

New descriptions of production will be opened out in all directions. The Plan provides for the establishment of production in various lines hitherto little followed. Artificial fibre, for instance, the manufacture of which has not got beyond the experimental stage. Besides this the production of potash will be taken up, of nitrogenous fertilisers, of high grade steel, and of various technical plants (cotton, hemp, flax, etc.).

IN FIVE YEARS THE CAPACITY OF THE POWER WORKS WILL BE DOUBLE.

Brilliant prospects are opened out by the progress of the electrification of our Soviet Union. This branch of industrial construction will exercise a tremendous influence upon the reorganisation of the whole of our technical economics.

When the Five Years Plan has been carried out, by the end of the economic year 1931/32, the capacity of our power stations will be double the present, and will have reached the 3.5 million kilowatts assumed by the optional Plan. The five years will also see a vast extension of the district power stations. By 1931/32 the energy produced by the district power stations will be more than tripled. This increased capacity will be attained by the erection of gigantic power stations at Dnyeprostroy, Svirstroy,

Tschelyabinsk, Bryansk, Rion, Kilyee Don, Stalingrad, Saratov, and many other places. The erection of most of these power stations will be commenced during the present year.

The importance of the increased production of electric energy may be seen very plainly in Leningrad. The waves of the Volchov river drive the mighty motors running the lathes in the workshops of Leningrad, and these lathes are making machinery for the equipment of the textile factories at Ivanov Vosnessensk. The Volchovstroy, the realisation of Lenin's dream, has saved Leningrad, so to speak. The optional Five Years Plan secures for the whole of our national economics the same achievements of electrification.

TRANSPORT SERVICE.

The great achievements expected of our transport service during the coming five years are indubitably possible of execution.

The length of our railway tracks is to be increased by almost 10% in the next five years, and the amount of goods transported by our railways is to increase one and a half times.

The position of the sea and river shipping will improve. In 1926 the tonnage of the seagoing ships was three times less than in pre-war days, 311,000 tons. Within five years this is to be increased three and a half times, to 1,151,000 tons, so that we shall pass the pre-war level in seagoing tonnage. The tonnage of the river ships will also be increased to double the present.

PROSPECTS OF DEVELOPMENT IN AGRICULTURE.

The development of agriculture must be carried forward in strict accordance with the speed of development of industry. Large investments must be made in agricultural undertakings, so that the standard of living of the peasantry may be improved and the productivity of agriculture increased. The speed of agricultural development must keep pace with the material possibilities. The Five Years Plan opens up the following prospects for agriculture.

The production of grain is to be increased by 30 per cent, that of technical plants by 32 per cent, and that of other products by 36 per cent. Thanks to the growing use of machinery in agriculture, and thanks to the increased production of fertilisers, it is to be made possible to increase greatly the output of agricultural products.

THE GROWTH OF THE SOCIALIST SECTION IN OUR ECONOMICS.

The mere statistical calculation of the growth of our productive forces gives no adequate idea of the socialist aspect of our economics. We must investigate the direction in which this growth is tending, whether in the direction of capitalism or socialism. The direction being taken by our economics may be gathered from the following figures:

Resolution on the Report of Comrade Lunartcharsky.

Ten years have passed since the great October Revolution which freed the working class and the peasantry from the yoke of Tsarism and capitalism, and created the basis for the socialist organisation of economics. This great revolution has had the further effect of causing fundamental changes in the culture and education of the broad masses of the people.

Formerly, the education of the people was entirely in the hands of the propertied class. The empire of the Tsar was a great prison of the peoples. Ruthless Russification was one of the leading methods of Tsarist administration. The peoples oppressed by this great power were deprived of any possibility of cultural development. The nationalities were even prohibited from establishing elementary schools giving instruction in their own languages. The culturally backward countries were in the worst position of all, kept as they were in the profoundest spiritual darkness and lack of culture, enabling them to be exploited and crushed by incredibly brutal methods. The October Revolution put an end to all this, and placed the cultural advancement of the masses among its first aims.

In 1925/26 the proportion of socialised industry to the total industry was 83 per cent. By the end of the five years socialised industry will count 87%.

The trade traffic carried on by the State and co-operative undertakings will amount to 82% by the end of the five years.

In the sphere of agriculture the number of socialised undertakings will increase from 11 to 15 per cent by the end of the five years. The agricultural co-operatives will comprise 13 million members, whilst at the present time there are only 7 millions of the population in our agricultural co-operatives.

By the close of the five years one half of all peasant undertakings in the Soviet Union will be affiliated to the co-operatives.

In the course of the five years we shall have advanced far towards the solution of an extremely important question — that of the building of dwelling houses.

THE INCREASE OF CONSUMPTION PER HEAD OF THE POPULATION.

It will be extremely interesting to note the increase of consumption per head of the population in connection with the growth of our economic production. If we add together the production of our entire industry, we find that in five years there will be 65 to 70 per cent more produced per head of the population than before the war.

The rate of increased consumption of the various industrial products per head of the population may be seen from the following figures: Whilst at the present time our consumption of cotton fabrics is 75% of the pre-war standard, by the end of the five years this consumption will have increased to 145%; the consumption of linen fabrics will have increased to 187% in comparison with before the war, the consumption of sugar will be 118%, that of petroleum 202%, that of matches 130%, etc.

We are confronted with enormous tasks in the sphere of building up our national economy. Their solution can be attained only by the energy and will of the working class and the peasantry.

One of the chief conditions imposed by the realisation of the optional Plan is a maximum of activity among all workers in the struggle for the rationalisation of our economics, and against their deficiencies. Our trade unions must unite the whole working class in the struggle. Every worker and every peasant, the whole proletarian public, must immediately participate in the solution of the tasks set us.

Every obstacle on the road to the development of our national economy must be swept away. Then we shall achieve tremendous results. Then we shall stride rapidly forward on the road to socialism, the road pointed out to us by our great October. (Applause.)

Having seized power, the working class of our country proceeded to prove that it is in truth the bearer of new human progress. The proletariat, while seeking its way to the heights of culture and knowledge, has at the same time worked with intense energy for the development and enlightenment of all workers and all nationalities of the Soviet Union.

The gigantic cultural revolution following as a result of October will be carried forward to a successful finish, for it is based on the activity and creative powers of millions of workers in town and country. It is solely due to the October Revolution that it has been made possible for our country to emancipate itself from the relics of a barbarous past, to appropriate cultural progress, and to clear the way for building up socialism.

No country in the world has proclaimed the complete equality of man and woman so completely nor held to this principle so energetically and consistently, as the Soviet Union.

The Soviet Union occupies the first place in Europe in regard to protecting motherhood and childhood.

During the period of revolutionary struggle against feudalism, the bourgeoisie was drawn into the struggle against the church, forming one of the fundamental pillars of the feudal order, and attempted at times to place the question of the emancipation of culture from religion in the foreground. But in the period then following, in which the revolutionary movement of the proletariat began, the bourgeoisie returned to religion and to the alliance with the priesthood. In the Soviet Union alone, which proclaims the right of every citizen to follow whatsoever religion he will, persevering efforts are being made to clear the minds of adults, and especially of the rising generation, from religious prejudice. Here the Soviet Union, in its fight against religion, employs no methods beyond those of thorough enlightenment. The cultural development of our vast country, released from the prison of religion, is the first human culture based solely upon the foundation of real science.

It is only in the Soviet Union that we find a consistent and complete adherence to the principle of the equality of the peoples. The peoples belonging to the Soviet Union are equal, and the development of their national culture is ensured by the power and help of the proletarian dictatorship. They are organised in a free association of the peoples.

The Central Executive Committee of the Soviet Union notes with great satisfaction that, thanks to the efforts of the great masses of the working class and the peasantry, the close of the decade following the October Revolution is able to record most successful results in the raising of the culture and education of the working masses of all nationalities in the Soviet Union. The general elementary knowledge of the population has made great progress; the liquidation of illiteracy among adults is being continued perseveringly; the network of schools has been greatly extended, and the plans drawn up for the year 1933/34 permit us to regard the introduction of general school instruction as secure. Various types of secondary schools meet to an ever increasing extent the requirements of the country for semi-skilled labour, and bring into the colleges young people both well-prepared and socially valuable. The work of political enlightenment is carried on with the aid of a close network of clubs, libraries, reading rooms, people's buildings, theatres, cinemas, wireless, evening courses in the workers' universities, etc., and reaches wide circles of the working class and peasantry.

The October revolution set itself the task of wiping out the line of cultural difference between the population of town and country, and the Soviet Union is applying itself persistently to this task.

Much energetic work is being done towards creating healthy working and living conditions for the workers, and the results are to be seen in the decrease of epidemics, lowered mortality, and especially the greatly lessened infantile mortality.

The cultural growth of the backward nationalities is proceeding rapidly, raising the collective cultural level of our Soviet Union proportionately.

All the cultural work being done is based on the fundamental idea of serving the cause of the emancipation of the workers, and the training of a new generation in the spirit of Communism.

The Soviet press, widely different from the bourgeois press which acts solely as a capable instrument for the exploitation and deception of the masses, is in the service of the workers, and tells them the real truth.

The Soviet press penetrates into the remotest corners of the country, published in the languages of the various nationalities, in tremendous editions far exceeding those of pre war days. Tens of thousands of worker and peasant correspondents contribute to this press, so that it forms a very real point of contact with the actual mass of the people.

The requirements of socialist construction have set the Soviet power the extremely complicated task of creating a worker and peasant intelligentsia which, without being inferior in qualification to the former intelligentsia of our country, or to the specialists of the bourgeois countries, remain at the same time in closest contact with the working classes, and are penetrated to their very marrow with revolutionary consciousness. Here we have again attained great success: For the first time in the history of humanity many tens of thousands of workers and peasants and their children are enabled to receive their

share of the highest knowledge, thanks to our workers' faculties and colleges.

The revolution has proved capable of drawing the scientific forces of the country into its service to the widest extent, and the result has not only been a scientific creative achievement far surpassing the pre-revolutionary standards, but a completer adaptation of science to the concrete needs of life and of the work of building up socialism in the Soviet Union. The greatest achievements have been in the sphere of the social sciences. In the field of the social sciences the bourgeoisie has rejected the foundation stone of this discipline — the scientific methods of Marx; but in the Soviet Union Marxism has been enabled by Lenin's teaching to apply the fundamental principles of Marxist tenets to the most various departments of public life. The first real seat of Marxist thought is in the country of the proletarian dictatorship.

The Soviet Union has done everything conceivable to preserve the art treasures of the past, and render these perfectly accessible to the working masses.

A further task has been the development of a new literature, a new theatre, the furtherance of painting and sculpture, of music and the cinema, and to enable these to reproduce revolutionary reality and to satisfy the demands of our great creative epoch. Here art is no longer the privilege of the rich, but belongs more and more to the working class. It is only since the October Revolution that it has become possible to use art for the furtherance of national culture, or to awaken the creative forces of all the nationalities of the Soviet Union.

The great successes gained in cultural advancement during the last ten years in the Soviet Union are greatly due to the exertions of the public organisations, the trade unions, the Young Communist League, the co-operatives, the voluntary societies, etc.

These are the achievements of ten years of the Soviet system, accomplished in spite of the fact that the first five years of this decade was a period of hardships of civil war, deprivation, famine, and epidemics.

The Central Executive Committee of the Soviet Union, in drawing the balance of the cultural advancement of the peoples of the Soviet Union during the last decade, deems it its duty to express its thanks, on behalf of the working class of the country, to those educational and cultural workers who have held true to their mission during the hardest of years, and have found the way to friendly common work with the proletariat, sweeping away the last relics of the past.

The Central Executive Committee of the Soviet Union, whilst noting with satisfaction the general cultural progress of the country, is of the opinion that, in view of the high aims of the revolution and the demands for education made by the people, that which has been attained is by no means sufficient. The Central Executive Committee of the Soviet Union therefore emphasises, as one of the main tasks of the collective current activity of the Republics of the Union and of the Autonomous Republics, the necessity of continued, unwearying work for the cultural uplift of the country, and commissions the government of the Soviet Union to promote in every possible manner the achievement of this aim. At the present time, on the threshold of the second decade of the Soviet Revolution, the C. E. C. considers it necessary to deal with the whole cause of cultural advancement as an inseparable constituent of the uniform socialist plan for the reorganisation of the country, to be taken as an indivisible part and parcel of the tasks for the industrialisation of the country.

The C. E. C. of the Soviet Union emphasises the right proclaimed by the October Revolution of independent cultural national development for each separate people, a right incorporated in the constitution of the Soviet Union, and declares that the development of the national culture of all peoples will continue to receive the support of the Soviet power in the future.

In accordance with all the foregoing, the Central Executive Committee resolves:

1. To strengthen steadily and systematically the material basis of the social and cultural work in the Soviet Union, so that the speed of development of this work may not fall behind that of the general economic growth of the country.

2. To include among the most important current tasks of the government of the Soviet Union, and of the governments of the Republics of the Union and of the Autonomous Republics,

such tasks as the establishment of general elementary education, the liquidation of illiteracy among adults, the liquidation of child destitution, increased measures for healthy working and living conditions for the population, training to healthy habits and hygiene among the population, professional education on a large scale, general support for the evening courses at the workers' universities and the workers' courses, admittance of broad masses of workers and peasants into the colleges, and the improvement of the higher educational institutions into undertakings worthy of a Soviet country.

3. To carry on with undiminished energy the work of raising the cultural level of the culturally backward countries.

4. To continue the intensified work for the raising of the cultural level of the working woman in town and country.

5. To continue the work for the systematic improvement of the material position of all workers occupied in cultural and scientific work.

6. To continue the work of further increasing artistic culture, and of making this accessible to the working masses (theatre, cinema, music, painting).

7. In order to ensure that all cultural development tends towards socialism, we must:

a) carry on the work of culture, education, and training, in the spirit of collectivism and of the international solidarity of the workers;

b) continue our efforts to induce the participation of broad masses of workers and peasants, and their public organisations, in the work of construction;

c) enlarge the cadres of qualified workers required for the development of socialist industry and the guidance of the village to socialism;

d) continue our work of forming fresh cadres of worker and peasant intelligentsia among the peoples of the Soviet Union, drawing from these sources even our most highly qualified workers, required for scientific work and research.

If the working class of the Soviet Union follows this path, and devotes to the cause of socialist cultural development that same energy with which it carried on the fight during the civil war and the period of economic decay, then it will succeed, with the help of the working peasantry of our country, in securing for our country the final and complete victory of socialism.

Resolution on Comrade Kuybychev's Report.

The October revolution was the point of departure of an upheaval in social relations hitherto unknown in the history of mankind. It destroyed the bourgeois state machinery, realised the dictatorship of the working class, and brought about at the same time profound changes in all forms of ownership. It swept away the feudal slavery still existing in the form of the exploitation of the workers, and energetically expropriated the bourgeoisie, concentrating the means of production, exchange, and distribution in the hands of the proletariat. By this the October revolution created the prerequisites for the complete liquidation of the bourgeois conditions of production, and for the complete realisation of the socialist state of society.

Ten years of heroic economic struggle, carried on under the disadvantages of a relentless struggle against the whole capitalist world, aided only by an industry, agriculture, and transport service utterly shaken by the imperialist and civil wars, have shown the proletariat to be not only capable of retaining the command of all its economic positions, but of concluding the decade with the expansion and consolidation of these positions, developing them into dominating centres controlling the whole economics of the country.

The New Economic Policy has proved by the results of this decade to be correct in every respect. It has helped to consolidate the dictatorship of the proletariat, and to establish a real alliance between town and country.

All the important economic processes of the Soviet Union have been carried on under the conditions created by the constantly growing activity and creative initiative of the broad masses of the workers. In the works and factories, in the mines, in transport service, and in every department of socialist economics, the working masses have been transformed from an object of exploitation into initiators of improved technics and organisation of production, into active and conscious builders up of socialist economics. This colossal activity, the heroism and self sacrifice shown by the working masses in the hardest years of the civil war, famine, and devastation, and still being shown by them, have been, and continue to be, the prerequisites which ensure the victory of proletarian revolution in every sphere of socialist construction.

The C. E. C. of the Soviet Union with great satisfaction places on record, that the economic policy of the Soviet government has secured the alliance between the working class and the peasantry, has made possible the extension of production beyond its prewar limits, has ensured the beginning of a radical socialist reorganisation of the whole economics of the Soviet Union, the realisation of the industrialisation of the country, the increased development of the productive forces of the backward districts of the Soviet Union, and the systematically planned organisation of the decisive factors of national economy, and has, finally, increased the self-defensive powers of the socialist Fatherland.

The most important and incontestible result of the first decade of economic construction in the Soviet Union is the advancement towards socialist economics. The main result of this first decade is the successful penetration of socialism into Soviet economics, and the retreat of the capitalist elements before the advance of socialism.

This result, in itself of historical importance, further shows the obvious advantages of socialism over capitalism. On analysing it, we find the following elements: In industry we see socialist big industry taking the leading role of the whole economics of the country. Socialist industry has not only gained a much higher specific weight in national economy, not only drawn in hundreds of thousands of fresh workers in the process of production and raised wages from year to year (the average wage has already overtaken the pre-war standard), but has at the same time been successful in creating a number of new branches of production, emancipating our economics from dependence on capitalism, and possessing the utmost significance for our new socialist structure.

Our progress towards electrification may be seen in the magnificent power stations whose erection has been begun, representing to a wide extent the realisation of Lenin's electrification plan.

In transport service we have overtaken prewar standards, both with respect to length of rail and to freight traffic.

Prewar standards have been regained in practically every branch of agriculture, and have been exceeded in some departments, for instance the area under cultivation for the most important technical plants, the amount of live stock, etc. Much success has been attained in the regulation and improvement of the soil, in the establishment of a seed fund, etc. The last decade has also witnessed the first steps towards the industrialisation of agriculture, its mechanisation and intensification, which will create the material prerequisites for socialised agriculture on a large scale, and the material and technical basis for the successful development of the collective forms of economics.

We can record both a quantitative and a qualitative growth in the co-operatives of every kind. The tenth anniversary of October finds in our co-operatives a powerful organisation of a purely socialist type, comprising the collective economic activity of dozens of millions of human beings.

The socialist section of our economics already wields complete hegemony in the circulation of commodities. It has grown both relatively and absolutely during the last few years, both with regard to the increased circulation of goods in the country, and to ousting the private capitalist elements. In this connection must be mentioned the better understanding and habits necessary with regard to commerce in our proletarian state, which have already brought about a better working of the commercial network and a noticeable reduction of commercial expenses.

In finance the Soviet economics have been able to place the whole monetary system on a sound basis, and to establish a fixed currency.

The close of the decade witnesses the greatest achievements with regard to the subordination of all the most important economic processes of the country under the planning principle. The tenth anniversary of the October revolution brings us the basic conditions enabling a Five Years Plan to be worked out for the development of national economy. The fact that the Soviet Union is surrounded by capitalist countries has created extremely complicated and difficult conditions hampering the development of socialist economics in the Soviet State during the period just passed, and will doubtless continue to do so. The Soviet State has however been able to repulse all attacks made by international capital on the positions of advancing socialisation, and firmly established these socialised positions in the markets of the world by the application of the foreign trade monopoly.

In spite of the successes in economic construction in the last years we are still confronted with gigantic difficulties. Among these are: unemployment, backwardness in a number of branches of industry, the still low level of agricultural development, the high prices of industrial goods, the high costs of the trading and industrial organisations. We need still years of exertion in order to overcome all these obstacles on the road to a socialist society. The Five Years economic Plan now being worked out must accord with our leading task of strengthening the socialist basis of our economics by means of the industrialisation of the country, and by means of a speedy economic development enabling us to catch up to and pass the most advanced capitalist countries within the shortest possible time.

Industrialisation is the pivot upon which our whole economic policy swings. The C. E. C. of the Soviet Union notes with satisfaction that the government has succeeded in proceeding with the practical realisation of industrialisation during the last few years, of which the milliards invested in industry, transport, electrification, and such undertakings as the water power works on the Dnjepr and the Svin, the Semiretschensk railway, the Volga Don Canal, and the gigantic metallurgic and machine works, bear eloquent witness.

The economic plan must provide for the uninterrupted expansion of the work for our industrialisation and electrification; at the same time it must ensure the attainment of economic independence and the increased self-defensive powers of the Soviet Union against the hostile capitalist environment.

The plan must provide for a distribution of grants for the new construction of industrial and transport undertakings, so that also the economically backward districts of the Soviet territory are included in our economic advance and industrialisation.

Among the tasks resulting from the present period, the C. E. C. of the Soviet Union draws special attention to the following:

1. In industry, the necessity of an energetic reduction of the cost price of production, the rationalisation of production, and the enhancement of the productivity of labour.

2. In transport service, a development corresponding with the growth of the whole of economics, and an increased railway construction for the purpose of drawing fresh territory into the economic life of the country.

3. In the rural districts, our economic policy must be directed towards the greater prosperity of the farming undertakings of the poor and middle peasantry, and their greater participation in the co-operatives, as also to the systematic suppression of the exploiting tendencies and growth of the kulak elements.

The C. E. C. of the Soviet Union is of the opinion that our most important task here is to give more support to the peasantry

by means of increased agricultural credits, of the greater use of machinery for agricultural purposes, the introduction of fertilisers, the transition to rotation of crops, the cultivation of technical plants, the regulation of the soil, the rational distribution of settlements, etc.

The work for the extension of the agricultural and credit co-operatives must be continued, in order that the peasants may be induced to enter the co-operatives down to the last man. In this connection the agricultural co-operatives must intensify their efforts towards the organisation of the peasants undertakings and their participation in the producers' co-operatives.

4. The C. E. C. of the Soviet Union places on record that the chief cause of unemployment is the superfluity of labour in the rural districts. Therefore the systematic increase of the number of workers employed in industry and transport must be supplemented by methods of intensified land tillage, by measures for the industrialisation of agriculture, reorganisation of settlements, and development of the small industrial co-operatives.

5. The industrialisation of the Soviet Union involves a severe call upon all our auxiliary sources, and the proper utilisation of every accumulation in the country. For this purpose we must take energetic steps for the simplification of our administrative apparatus, apply every possible method of saving, and by these means reduce unproductive outlay and release funds for the support of our productive resources.

At the same time we must make a more extensive use of the system of long term credits, as the best means of utilising our accumulation for the benefit of socialist construction. To this end the means in the hands of the population must be mobilised to a greater extent, in state loans, savings banks, agricultural co-operatives, and bank institutes.

6. The successes gained by the State and co-operative organisations in commerce, and the growing accumulation in these organisations, have already given them a decisive preponderance over private capital. At the same time these successes create the preconditions for the transition to a direct connection between socialised industry and the peasant undertakings, by means of these State and co-operative organisations. This transition must be ensured by the qualitative improvement and the rationalisation of the whole State and co-operative commercial apparatus. The struggle for the reduction of retail prices must be carried on with unwavering determination.

7. The economic plan must provide for a further extension of house building.

8. The systematic planning of economics, and their uninterrupted development, must be secured by the formation of reserves in the most important branches of economics (grain, securities, budget and other reserves).

9. The tasks imposed by the industrialisation of the country urgently raise the questions of proper qualifications in the new workers' sections and of creating cadres of highly skilled technical staffs. This is a question of the adequate accomplishment of our work for the development of our professional, technical, and higher special education.

The C. E. C. of the Soviet Union points out that the fulfilment of these tasks is only possible by the utmost exertion of all our forces, the increased activity of our whole State apparatus, its further adaption to the satisfying of the most pressing needs of the broad masses of the workers, the relentless struggle against bureaucratism, and the participation of the workers in the active work for socialist construction.

The Central Executive Committee of the Soviet Union proposes to the Presidium of the Central Executive Committee of the Soviet Union and to the Council of the People's Commissaries of the Soviet Union, to submit the Five Years Plan for the development of national economy of the Soviet Union to the next Soviet Congress for discussion and ratification.

Page 1394

of 1927 Inpreorr
is entirely blank

marty goodman July 2021