Comrades,

Our Party, always guided by triumphant Marxism-Leninism, has fought continuously for the realization of the noblest and most humane aims in the world, to build socialism and communism, to make the life of man, the life of the people, as happy and prosperous as possible. And in this struggle it has scored colossal victories. But in the struggle for socialism and communism, for the good of the people, which is a protracted struggle, after each citadel is taken we must move on to take new ones. This is the

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1 Principal leading cadres of the Party and state in the districts, cadres from the central departments and institutions, chairmen of people’s councils of localities, chairmen of agricultural cooperatives, workers of education, culture, the health service, trade, representatives of the press, etc., were also present at the plenum.
aim of today's meeting of the plenum of the Central Committee of the PLA, too, in which, besides its members, a great number of other interested cadres are participating.

This meeting of the plenum is being held to examine the further improvement of the economic, social and cultural situation in the countryside on the basis of the utilization of the many reserves which emerge from a more rational management of the material values created by the working people of our country.

Appreciating the great importance of this problem for the complete construction of socialist society, the Central Committee of the Party carried out a detailed and all-round study. As always, over this question, too, the Party organized a broad people's consultation, in which the party organizations, the organs of the state power, the mass organizations, the leaderships of agricultural cooperatives, the working peasantry and many different specialists took an active part. The creative collective opinion of the working masses and the many proposals made by them during the consultation served not only as a basis on which this report was compiled, but also as a very valuable asset which will greatly assist our Party in its future work in the countryside.

In undertaking this study, the Party proceeds from the well-known Marxist-Leninist thesis that the complete construction of socialist society requires that measures should be taken to narrow the essential differences between city and countryside, proceeds from the place the countryside occupies and the role it plays in the overall development of the people's economy, as well as from the need for further improvement in socialist relations in the countryside.

The main purpose of this study is to define, on the basis of the results achieved in the socialist construction in the countryside and the new premises and conditions that have been created, how we can accelerate the rate of in-
crease of the well-being and the rise in the cultural level of the peasantry, by utilizing the many possibilities which our social system creates in a more rational and effective manner.

The teachings of Marxism-Leninism and the struggle waged up to date by the Party to put them into practice give us the right to affirm that the socialist construction in the countryside is a protracted process, which includes a series of revolutionary transformations of a social, economic, technical, cultural and ideological character. Following a correct and consistent Marxist-Leninist general line, the Party has worked to ensure that the task of the complete construction of socialism in the countryside is carried out hand in hand with the creation of the premises which this revolutionary process requires.

In the past Albania was an extremely backward agrarian country. This is why the Party, right from its founding and especially following the establishment of the people's state power, paid special attention to the correct and rapid solution of the agrarian question. The correctness of Lenin's thesis on the need to transform the peasantry into a faithful ally of the working class, both in the seizure of political power and during the construction of socialism, has been fully confirmed in the activity of our Party, too, in all the stages of the solution of the agrarian question and in its whole economic policy in the countryside, which has always been crowned with success.

In the process of the solution of economic problems, the Land Reform marked the first revolution in the socio-economic relations in the countryside. The principal feature of this revolution was the democratic transformation of the relations on land ownership, the final sweeping from the face of the earth of the remnants of feudalism in the economy, the liquidation of the big landowners as a class, the distribution of the land to the peasantry free of charge, according to the principle «the land belongs to him who
As a result of the implementation of the Land Reform, the great majority of poor peasant economies were raised to the level of those of middle peasants, from the point of view of the size of land owned, thus starting the process of the transformation of the middle peasant into a central figure in the countryside. With the prohibition of the buying and selling, renting out, or transferring of ownership of land, as well as with the other measures the Party and the state have taken, the polarization of the peasantry into rich and poor has been greatly restricted. The nationalization of industry and banks, the establishment of the state monopoly in foreign trade, and other measures of this kind put an end to the exploitation of the countryside by the town, and freed the peasantry from its heavy burden of debt and the interest it was obliged to pay. As a result, for the first time, the working peasantry became the masters of the land and started to work and produce for themselves, to feed themselves and live better, to improve their economic, social and cultural situation.

But the Party has always seen clearly that the only road for the construction of socialism in the countryside was the creation of new socialist relations of production through turning the small-scale individual property of the peasantry into large-scale collective property. For this reason, relying on the revolutionary spirit of the peasantry and the conditions created following the establishment of the people's power, the Party called on the peasantry to set out voluntarily on the road of co-operation in agriculture, the road of socialism.

And our peasantry responded to this call with enthusiasm. Now socialist relations of production have been established in the countryside, too. The collectivization of agriculture was the second revolution, the most radical revolutionary change in the socio-economic relations in the countryside. The replacement of small-scale peasant pro-
duction with large-scale socialist production, which is able to ensure extended reproduction, has opened the way for the rapid development of the countryside.

The triumph of socialism also brought about profound social changes. The exploiting class of kulaks was liquidated. The nature of the working peasantry itself changed: instead of the individual peasantry, a new class, the co-operativeist peasantry, emerged and is growing stronger. As a result of the establishment of social ownership in city and countryside, the centuries-old antagonistic contradiction between town and countryside which, as Marx wrote, can exist «only in the context of private ownership», and which constituted one of the most deeply entrenched causes of the economic and cultural backwardness of our countryside in the past, was liquidated.

On the basis of the increase in production, the incomes of the peasantry have steadily increased and its material situation has been improved. The cultural revolution continues to develop and extend deeper and deeper in the countryside. The number of schools, pupils, houses and centres of culture, health institutions and qualified cadres is incessantly increasing there.

The concealed agrarian unemployment, which before the establishment of the people's power, was a major social ulcer of our country, has been eliminated once and for all. In the past, each year thousands of peasants, driven by poverty and hunger, were forced to take the road of emigration seeking work far from their Homeland, their families and relations, subjecting themselves to savage, merciless exploitation by foreign capitalists. Today, however, in the new socialist countryside not only is there work for everybody and life is becoming more and more beautiful and happier, but the further development of the productive forces is accompanied by an ever increasing need for new labour force.
In conformity with the new economic, social and cultural conditions, our cooperativist peasantry has begun, gradually, to transform its old way of life, too, adopting a new, more cultured life. It has started to build new, beautiful and comfortable houses, to strive for cleanliness and the maintenance of hygiene, to improve its eating habits and the structure of its diet, to change the old ways of dressing, etc. In the new cooperativist countryside creches and kindergartens have been built, and these are of great help for the sound and cultured upbringing of the new generation in a collective spirit, and at the same time, facilitate the participation of women in production.

Obvious changes have taken place also in the ideology and mentality of the peasant. Today an unceasing struggle, using methods of conviction, is being carried out against religious prejudices and backward customs, and many of them are being eliminated. In the consciousness of the cooperativist peasant the new socialist world outlook is becoming implanted, new customs and attitudes towards social and family problems are being formed.

These are some of the most important successes in the socialist transformation of the countryside, and this is how the situation looks in general. These successes are the result of the policy of our Party and the great work carried out by the labouring peasantry. In the course of carrying out this policy the Party has had to wage a determined and uncompromising struggle against all opportunist, revisionist and sectarian manifestations within and outside its ranks to defend its political, ideological and economic general line. Therefore, we have every reason to say that the policy followed by the Party in regard to the countryside during the process of its socialist transformation has been a correct Marxist-Leninist one, carefully weighed up and applied in a creative manner, in conformity with the real situation in the countryside and in the country as a whole. However
much the imperialists, the modern revisionists, Nikita Khrushchev, Tito and their lackeys, and all the other enemies of our Party and people may slander, the results of this policy are more brilliant than ever, and can never be obscured by anyone.

But the study of the present situation in the countryside also raises some important questions and problems, to the solution of which the organs of the Party and state, all the masses of our working people, must devote more thought and effort. These problems are closely linked with the new situation and conditions created in our country, with the possibilities and wealth which the peasantry has today, with a better and more appropriate utilization of this wealth for the further improvement of the well-being in the countryside.

The question arises: Why are we putting forward this problem today in all its entirety and so forcefully?

First, as we pointed out above, with us socialist relations of production have been established in both town and countryside. Their establishment eliminated the bases of antagonistic contradictions between countryside and town. Nevertheless, big and essential differences still exist between town and countryside which have to do with the level of development of the productive forces, with the degree of socialization of the means of work and the work itself, with the conditions and mode of living, the development of culture, education, the health service, etc. Of course, the elimination of these differences will take a long time, but the complete construction of socialist society demands that they should be steadily reduced. In this case we proceed from Lenin’s thesis that for the construction of communism «the difference between town and countryside must be eliminated...»

Second, the complete construction of socialism in the

* V. I. Lenin, Collected Works, vol. 29, p. 467 (Alb. ed.).
countryside is closely linked with the further improvement of the relations of production. The creation of the material-technical base of socialism implies a great development of the productive forces in the countryside. That is why, besides this development, we must be careful to take measures to improve the relations of production in all their various aspects so that they play their true historic role as a motive force to drive the forces of production forward.

Third, the great tasks laid down for the complete construction of socialist society, for the development and intensification of agriculture, cannot be carried out successfully if we do not take the necessary measures to raise the economic, social and cultural condition of the countryside to a higher level. It is known that the socialist economy advances on its two feet, industry and agriculture. Hence, the development of industry also depends to a great extent on the state and development of agriculture. Therefore, the complete construction of socialist society requires that the countryside should progress at a rapid pace in all directions.

Fourth, we have greater possibilities and more favourable conditions for the solution of the new tasks with which we are faced and to devote all the attention and care of the Party and the state to them. We have completed the collectivization of agriculture successfully and so created a new organizational and economic situation in the countryside for its rapid development. Now we have set up an industrial base which is able to give the village greater help in carrying out new tasks in the economic and cultural fields, in raising the level of well-being and improving the way of life. We have set up a broad network of cultural and educational institutions. Finally, we have created a whole army of cadres of higher and middle training, who, under the leadership of the Party, are ready to put all their strength and knowledge in the service of the complete construction of socialism in our country.
It is self-evident that the solution of the great tasks with which we are faced as a result of the further improvement of the economic, social and cultural condition of the countryside, will strengthen and consolidate the alliance between the working class and the peasantry even further.

In conclusion, we can say that the Party is raising this great problem so forcefully because its solution is an objective necessity, dictated by the new stage of the historical development of our country — the complete construction of socialist society.

Of course, we believe and are convinced that the growth of production will play the decisive role in the successful solution of the problems which present themselves today concerning the improvement of the well-being of the peasantry. However, the uninterrupted growth of production cannot be achieved without, at the same time, assuring a correct distribution of the social product, without improving the way of life, education, culture, communal and health services. Between production, on the one hand, and distribution and material and cultural needs, on the other, there exists an organic connection and permanent reciprocal interaction. The establishment of a correct distribution of the product increases consumption, which is an essential prerequisite for the uninterrupted development of production. The introduction of modern equipment and the application of advanced agrotechnical science in agriculture, without which there can be no rapid development of agricultural production, depends to a great degree on the educational and cultural level of the masses of the peasants.

We also believe and are convinced that the subjective factor, the leading role of the Party and state, all their political, economic, cultural and organizational activity, is of great importance in raising the level of production and well-being in the countryside further.

In putting forward this problem at this time and in
such a manner, our Party is implementing Marxism-Leninism creatively, scientifically combining the general truth of our triumphant doctrine with the concrete conditions of our country.

In this plenum we shall not dwell on the agrotechnical problems, which have to do with the rapid development of agricultural production, for they were defined in detail at the meeting of the October 1962 Plenum on the intensification of agriculture, but we shall examine the economic, social and cultural situation of the countryside and the measures for its further improvement. The tasks which this plenum will lay down will further enrich the great experience accumulated by our Party in the creative implementation of Marxism-Leninism for the construction of socialism in the countryside.

I

THE DEVELOPMENT OF THE FORCES OF PRODUCTION ON THE BASIS OF SOCIALIST RELATIONS OF PRODUCTION — THE MAIN FACTOR IN RAISING THE LEVEL OF WELL-BEING IN THE COUNTRYSIDE

As is known, our country inherited from the past a very great backwardness in all fields of social life. Semi-feudal relations prevailed in the countryside. Agriculture had a primitive character. Monoculture prevailed in it and it was carried on in an extensive manner, entirely on the basis of small, fragmental economies. The land was worked with primitive methods and tools. There were no modern mechanized means, chemical fertilizers and selected seeds; irrigation was very limited, while the number of specialists was totally inadequate. As a result, the yield rates of
agricultural crops and the productivity of livestock and of agricultural production as a whole were low.

This state of things and the socio-economic policy of the ruling classes inhibited the free development of productive forces in the countryside. The working peasantry had want, poverty, hunger, disease and ignorance as inseparable fellow-travellers. At the same time it was oppressed by heavy taxation, fleeced by money-lenders and a victim of the utter despotism of the state and big landowners. The Party saw clearly that with the inherited level of productive forces and the old relations of production it was impossible to advance to a radical improvement of the material and cultural situation of the countryside. Therefore, immediately after the establishment of the people's power, it devoted special and incessant attention to the problems of the economic, social and cultural development of the countryside. From the Land Reform to the collectivization of agriculture, from the introduction of agricultural machinery to major works of drainage and irrigation, from assistance with selected seeds and chemical fertilizers to the wide-ranging support through the financial policy and credits, from the training of cadres to the uplift of the educational and agrotechnical level of the peasantry, and many other steps — such are the innumerable links of the long chain of the measures taken by the Party for the socialist transformation of the countryside.

Now the collectivization of agriculture has been accomplished in general; the agricultural cooperatives include 86 per cent of the arable land owned by the peasantry, and 71.4 per cent of peasant households. They have become the main base of agricultural production and have increased their level of production for the market. The productive forces in the countryside have undergone further development, as a result of which the wealth in the hands of the peasantry today has increased, too.
The area of land under crops, which is the main means of production in agriculture, had increased by 196,000 hectares in 1962 in comparison with 1938.

The area of land under cultivation has increased absolutely as a Republic and per head of population, regardless of the fact that the population, too, has increased greatly: from 1,040,353 inhabitants in 1938 to 1,727,945 inhabitants in 1962. Thus, for example, in 1938 there were 2.81 dynyms$^2$ of cultivated land per head of population, whereas at the end of 1962 this had risen to 2.85 dynyms per head.

In animal husbandry, too, good results have been achieved in breed improvement, in increasing the number of cows, sheep, goats, and particularly, in raising pigs. In comparison with 1938, in 1961 there were 30 per cent more cows, over 8 times more pigs, 23 per cent more goats, while the number of the sheep prior to the war has been surpassed by 12,000 head. The number of beehives has risen, too, and now there are nearly twice as many as before the war.

The results achieved in the development of livestock are even more important if we bear in mind the very great damage it suffered from the foreign occupiers and the local traitors. During the occupation period, 20 to 30 per cent of all the livestock was slaughtered or stolen, and the loss in draft oxen was particularly grave.

Special attention must be paid to the development of animal husbandry in the future, because this branch of agriculture not only carries great weight in total agricultural production but it provides the peasantry with a relatively more stable income.

An especially big increase has been achieved in the number of fruit-trees. In 1961 as against 1938, the number

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2 One dynym is equal to 1,000 square metres.
of olive-trees increased 62.2 per cent, the area of vineyards 148.8 per cent, and the number of vines in pergola about 5 times, while in 1961 as against 1947, the number of fruit-trees had increased 3.6 fold and citrus-trees more than 6 fold.

Here we mentioned only an important part of the assets which the peasantry has today. Besides this, the state has put many other very great assets at the disposal of the peasantry and at its service. From Liberation to the end of the 2nd Five-year Plan, the state invested about 6 billion leks for land improvement and irrigation projects alone, and the 3rd Five-year Plan provides about another 4 billion leks for this purpose. As a result of these investments, large areas of land in Myzeqe, Maliq, Vurg, Thumana and elsewhere, which were formerly swamps, have been turned into some of the most fertile land in our country. At the same time, the irrigation capacity has been increased from 29,100 hectares in 1938 to 166,900 hectares in 1962, or 4.7 times more.

In the years of the people's power the setting up and extension of the state farms, which now cover about 15 per cent of the total cultivated land, has also been an important measure for the development of agriculture. Being provided with all the necessary means and specialists, they are giving the working peasantry all-round aid, and are a splendid support in supplying industry with raw materials and the population with agricultural and live-stock products. In 1962 the state sector of agriculture produced 14 per cent of the total production of bread grain, 32 per cent of the sugar-beet, 27 per cent of the vegetables, 19 per cent of the grapes, and 11 per cent of the milk.

A great change has taken place especially in the mechanization of farm work. The number of tractors (rec-

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3 In 1978 the irrigation capacity was 356,800 hectares.
koned in 15 HP units) has increased from 30 in 1938 to 6,207 in 1962, and the number of self-propelled combines, which prior to Liberation were quite unknown here, has now reached about 400. The increase in mechanical power has brought about perceptible qualitative changes in the total power balance of agriculture. If in 1938 the draft power of work animals represented 99.2 per cent of the total power balance of agriculture, in 1961 it made up 21.3 per cent of it.

In order to increase the wealth of the peasantry, the state has provided it with effective aid in other directions as well. In 1962 as against 1950, agriculture was provided with 2.6 times more selected seeds, over 4 times more fertilizers, 8.3 times more insecticides, over 4 times more animal-drawn agricultural implements. Since 1945, the state has provided the peasantry with over 7.5 billion leks in agrarian credits.

As can be seen, over the 18 years since the establishment of the people's power, a considerable development of the productive forces has been achieved in agriculture. On the basis of these profound changes, there has been a rise in the productivity of labour and in total agricultural production, the structure of which has improved. According to preliminary figures, in 1962 total agricultural production reached 28,400,000,000 leks, or 117 per cent more than in 1938.

All of us are rightly pleased about these great results achieved in the development of the countryside, these brilliant successes which the general line of the Party has scored in the correct solution of the agrarian question.

However, the Party is aware that the results achieved are still insufficient and far from what the complete con-

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4 In 1978 there were 18,300 tractors and 1,392 combines and self-propelled combines.
struction of socialist society requires. Today we have all the possibilities to accelerate the rise of the well-being and the cultural level of the countryside, where the bulk of the population of our country lives. In October 1962 the population of the countryside with 963,000 people and that of the work centres that do not rank as towns with 205,000 inhabitants together made up 1,168,000 people, or 67.6 per cent of the total population of the country.

The results achieved in the development of agriculture and livestock farming were taken up for analysis at the plenum of the Central Committee held in October last year. The conditions created were examined from all aspects there and the ways defined for the further development of agriculture and livestock farming, for the continuous increase of agricultural and livestock production so that the production of grain, meat, milk, vegetables, and potatoes among them, fruit, etc., will fulfil the needs of the population and the economy better. Now all the districts have worked out in detail the measures which must be taken to raise productivity per unit, and we shall not dwell on those measures, but we stress that the main problem for the organs of the Party, the state and the whole peasantry today is that the many measures which the intensification of agricultural and livestock production entails, must be implemented one by one, precisely, and at the proper time. It must be made clear to everybody once again that the implementation of the many measures for the intensification of agricultural and livestock production is the only real and reliable way to resolve the main contradiction which exists in the countryside today between the socialist relations of production and the productive forces which are lagging behind. We are on the way to overcoming this contradiction, but nevertheless we emphasize once again that without its solution any more rapid rise of the material and cultural well-being in the countryside is inconceivable.
ON THE SITUATION OF THE COUNTRYSIDE

Our program is an ambitious one. Our aims are noble, but they cannot be achieved if we content ourselves with what we have done already, if we do not mobilize ourselves with all our forces to carry out the great and important tasks which we have laid down in connection with the increase of agricultural and livestock production. Apart from these, we are also faced with new tasks, which require that, parallel with the economic development of the countryside, we must raise the well-being and cultural level of the countryside to a new, higher stage. The road we have traversed, the high level of consciousness, the determination and patriotism of our working masses, and especially, the enhancement of the leading role of the Party in all the problems of the life of the countryside allow us to say confidently that all these tasks will be fulfilled successfully and that the consistently correct Marxist-Leninist policy of the Party will score new successes in the future, too.

II

ON THE DISTRIBUTION AND REDISTRIBUTION OF AGRICULTURAL PRODUCTION AND INCOMES IN COUNTRYSIDE

While correctly assessing the decisive role of production as the basis for the improvement of well-being, at the same time our Party has also had a proper appreciation of the active influence exercised by distribution on production and consumption, therefore it has always devoted great attention to it. It has striven to bring about the organization, the definition of forms and ratios of distribution which give the maximum impulse to the increase of production and consumption, to ensure the rational utilization of the social product, of manpower
and other means of production, to block the way to all unnecessary material and financial expenditure, and to help strengthen the alliance between the working class and the peasantry.

The triumph of the people's revolution and the establishment of new socialist relations of production overthrew the old relations of distribution in the countryside once and for all. The parasitic appropriation and consumption of a large part of the agricultural production by the feudal lords and the other big landowners, as well as the system of tithes, were done away with. In round figures, in 1938 the state, the feudal lords and big landowners took, without any compensation, about 30 per cent of all the grain produced by the labouring peasantry just in the form of tithes, half shares and third shares of the harvest. This appropriation went as high as 60 per cent of the harvest for serfs and landless share-croppers.

The socialist order not only created entirely new relations of distribution in the countryside, but also created the conditions for the planning and the direct organization of distribution, both within the countryside itself and between countryside and town, making the carrying out of the process itself considerably simpler and improving the forms of distribution.

In 1955 the process of distribution included 140,000 individual economies, from which was secured 89.7 per cent of the total fund of state procurements of grain, whereas from those few agricultural cooperatives existing at that time only 10.3 per cent of this fund was secured. With the merging of innumerable small individual economies into big collective economies, with the increase in number and strengthening of the cooperatives, the process of distribution has become simpler. Now the principal base for state procurements are the 1,353 agricultural cooperatives, which in the year 1961 supplied 90 per cent of the total grain
procured, whereas from the individual economies came only a small quantity which made up only 10 per cent of the volume of grain procured throughout the Republic.

The Central Committee of the Party has followed a correct economic policy in the field of the distribution of production and incomes in the countryside through all the stages of socialist construction. This policy has been put into practice through such measures as the adoption of the model Constitution for agricultural cooperatives, the setting up of a just system of procurement and taxation, the lowering of norms for compulsory deliveries of products, the exemption of some products and certain districts from compulsory deliveries, the increase of procurement prices, the cancellation of arrears in compulsory deliveries and taxes, and other measures of this nature which have increased the products and incomes of the peasantry.

The reduction of taxation and levies has had a great influence on increasing the incomes of the peasantry. In 1955 the peasantry paid 2 billion 116 million leks in cash and kind as taxes and levies, while in 1961 it paid only 874 million leks, or about two-and-a-half times less. This fact alone clearly shows the great benefits the peasantry has enjoyed from the policy of the Party in the field of distribution.

The Party observes with satisfaction that, as a result of the above-mentioned changes, the process of distribution of farming and livestock production is being steadily improved.

Now our task is to carry the existing forms of distribution further forward, to eliminate the shortcomings which are observed and, in this way, to ensure a more effective administration of agricultural production and incomes in the countryside.
1 — WE MUST FURTHER DEVELOP THE FORMS OF DISTRIBUTION OF PRODUCTION, ESPECIALLY OF GRAIN, IN THE COUNTRYSIDE

One of the important and complex problems about which both the countryside and the Party are concerned today is the establishment of the most correct proportions possible in the distribution of agricultural and livestock production, and especially of bread grain. This ratio should be such as to ensure the best possible fulfilment of the requirements of extended reproduction, the overall needs of the state, as well as what is required for consumption in the countryside itself.

Life has proved that, in general, the present forms of distribution of agricultural production in the collective economies have been and are correct. They have helped in the implementation of a patient and wise economic policy towards the countryside, which has encouraged the increase of the productive forces and well-being, thus helping to strengthen the alliance between the working class and the peasantry.

The data at our disposal show that, over a span of three years, the state has bought through the channels of distribution about 26 per cent of all the grain produced by the agricultural cooperatives. Comparing the data on the procurement of grain from the countryside today and prior to Liberation, we cannot fail to draw two main conclusions: First, whereas in 1938 about 45 per cent of the total grain the working peasantry produced was taken from it, today, as mentioned above, only about 26 per cent is taken from the countryside.

Second, whereas before Liberation 65 to 70 per cent of the grain taken from the peasants was appropriated without compensation and the remainder was bought by the big
grain merchants and other speculators at low prices, now all the grain taken from the countryside is paid for and partly represents repayment for the work carried out by the Machine and Tractor Stations.

Examination of the existing forms of distribution brings out the problem of the contradiction in the distribution of grain, and the future of the system of procurement. It can be stated with complete confidence that the main and most effective way to tackle this problem is to increase production through the intensification of agriculture. Nevertheless, taking account of the new conditions created, we should undertake studies with a view to improving the present forms of the system of procurement. Meanwhile, the charges to be paid in kind and in money for the work carried out by the Machine and Tractor Stations should be reduced by an average of 19 per cent for about 70 per cent of the work processes done by these stations on lands of the third class and upwards. Likewise, payments in kind for deep ploughing should be replaced by payments in money. In 1963, the agricultural cooperatives will gain about 66 million leks from the reduction of these payments in kind and in money. These concessions will encourage the extension of deep ploughing and the mechanization of agricultural work, will create the possibility of the granting of 2-3 year credits for deep ploughing, and will help influence the increase of agricultural production.

Comrades,

Despite the improvements achieved in the economical use of grain and bread, bearing in mind the particular importance of this problem for our country and economy, we must make further efforts and be even more concerned to eliminate waste of grain during harvesting, storing and consumption...
III. — WE MUST ENSURE A MORE CORRECT RATIO OF DISTRIBUTION OF THE NATIONAL INCOME REALIZED IN THE COUNTRYSIDE INTO THE FUND OF ACCUMULATION AND THE FUND OF CONSUMPTION

As a result of the uninterrupted development of the forces of production, the national income from agriculture has gone up, too. Whereas in 1955 this income amounted to 15 billion 190 million leks, in 1961 it reached 16 billion 330 millions leks, an increase of 7.5 per cent. This increase was achieved especially through the development of livestock farming, with its income in 1961 being 20 per cent higher than in 1955. But the highest rate of increase in the national income was recorded in fruit-growing, with income doubled in 1961 in comparison with 1955. In 1961 the income from livestock farming and fruit-growing represented 50 per cent of the total income from all types of farming, as against 35 per cent in 1955.

Along with the growth of the national income, the process of its distribution has improved as well, especially the ratio between the fund of accumulation and the fund of consumption. In this direction we have always been guided by the principle that this ratio should meet two main objective requirements: to ensure the needs of extended socialist reproduction and to fulfil the requirements of well-being in the countryside.

Rough calculations show that during the 1960-1961 period about 22 per cent of the total income of the agricultural cooperatives all over the country was used in the fund of accumulation of the cooperatives themselves, 10-12 per cent went into the centralized state fund of accumulation, and the remaining 66-68 per cent to the fund of individual consumption. In reality, the fund of individual con-
sumption of the peasantry was larger, as the income from the individual plots of the cooperativists, which is used mainly to meet the consumption needs of the cooperativist peasantry, is not included in the above percentage.

The ratio of distribution of national income in the countryside shows that the line followed by the Party on this question has, in general, been correct and in conformity with the objective requirements of the development of our economy. It has ensured the development of productive forces in the countryside and, at the same time, has brought about a rise in the well-being of the peasantry.

After the completion of the collectivization of agriculture in general, a task for the future is that greater attention must be paid to the harmonization of the proportions between the fund of accumulation and the fund of consumption, and the shortcomings which are still noticed in some districts and cooperatives must be overcome. If the rate of increase of the accumulation fund is low, the development of the productive forces in the countryside will be slowed down; on the other hand, if the fund of accumulation is increased at a rate and in proportions beyond our real economic possibilities, then the fulfilment of the task laid down by the Party for raising well-being will become more difficult.

In regard to this question, in the practice of the agricultural cooperatives to date three main tendencies are observed which, of course, do not assist either the development of the productive forces in the countryside or the further rise of well-being to the required extent.

1. — One tendency is that in some cooperatives the fund of accumulation is set at a level lower than the economic possibilities they have for extended reproduction.

2. — Another tendency is that some cooperatives set their fund of accumulation at a level higher than their real economic possibilities, and so reduce the fund of consumption.
3. - The final tendency is that in some agricultural cooperatives that part of the fund of accumulation which is spent on non-productive projects is still large, which impairs the efficient utilization of this fund. Extended socialist reproduction requires that the main part of the fund of accumulation should be utilized to increase production, while only a part of it, together with the means provided by the state, should be employed to fulfil the socio-cultural needs of the countryside.

With the aim that the distribution of national income in agricultural cooperatives should serve the better fulfilment of the tasks devolving on us in connection with raising the well-being of the peasantry, the following measures should be taken:

First, in the future, the party organizations, the state organs and the management boards of agricultural cooperatives should pay more attention to the problem of the distribution of income in the countryside. Always keeping in mind the great political and economic importance of this problem, our general orientation not to allocate large funds of accumulation beyond our possibilities, to the detriment of consumption, but, at the same time, not to lag behind in this direction and hinder the process of development of the productive forces in the countryside, has been and still is correct. On this question, we should be guided by the principle that the fund of accumulation should be set on the basis of the level of production and the standard of living attained. In order to avoid reducing the cooperativists' level of income per work day in years which are not good for agriculture, the norm of accumulation set at the start can be reduced in conformity with the results achieved in the fulfilment of the plan of production. In order to ensure uniformity and stability in the increase in the incomes of the cooperativists per work day and to cope with any situation which may cause the reduction of the
fund of consumption, the agricultural cooperatives should strengthen and increase the transferable fund of distribution from year to year.

Second, to avoid premature and excessive investments in the non-productive sphere, measures should be taken to lay down limits for the proportions of the use of accumulated means in the productive and non-productive spheres. In this connection, it should be borne in mind that not all the funds destined for non-productive investments should be spent within a given year if the planned level of income per work day has not been achieved.

Third, bearing in mind the present level of income of the agricultural cooperatives, it seems reasonable to say that, for the time being, it is not opportune to proceed a step further in providing pensions for the members of agricultural cooperatives, but cooperativist families in need should be assisted with the social funds created for this purpose, in accordance with the regulations in force, and we must take all measures to ensure the best possible implementation of the decision of the government on this question.

Fourth, the preservation and better administration of material and monetary values remains a permanent task for the party organizations, the mass organizations, and all the working people in the agricultural cooperatives, in order to raise the level of consciousness of each cooperative member so that nothing is spoiled or damaged.

5 For the further narrowing of distinctions between town and countryside, and the further improvement of the living conditions in the countryside, on April 1, 1976, the CC of the PLA and the Council of Ministers of the PRA decided to raise the percentage of pensions of cooperative members, bringing it up to the level of that of town workers, as well as to pay the allowances for maternity and childbirth leave of cooperativist women from the state social insurance fund and to equalize the percentage of normal earnings paid during maternity and childbirth leave in town and countryside.
that not a single lek of the common property is spent without thinking hard about what benefit it will bring. Higher consciousness of the need to increase and strengthen the common property day by day, to strictly observe the regulations about the proper distribution of the income in money among the members, is the indispensable condition for increasing the fund of accumulation and the fund of consumption.

IV — THE INCOME FROM THE COLLECTIVE ECONOMY — THE BASIS FOR THE IMPROVEMENT OF WELL-BEING IN THE COUNTRYSIDE

As is known, with the triumph of the cooperative system in the countryside, the collective economy is turned into the main source of increasing the income and the well-being of the peasantry. In the recent years, the income from the collective economy of agricultural cooperatives has marked a further increase, despite difficult weather conditions. It is a significant fact that in 1961 the income per work-hand in the cooperatives was, on average, 9 per cent higher than in 1959.

In 1961 the overwhelming majority of agricultural cooperatives distributed more than 80 leks per work-day to their members. But there are cooperatives which distributed less than 80 leks per work day. However, we should be aware that the results achieved do not fully respond to the big tasks the Party has set for the further raising of the well-being of the countryside. Therefore, there is a need for greater efforts in the future to increase income per work-day, especially in those cooperatives that are behind in this respect.

However, as is known, besides income from the collective economy, the members of agricultural cooperatives
also have other sources of income, among which the incomes they take from their personal plots and from work in state enterprises or other institutions occupy an important place.

In the present conditions, the incomes from their personal plots represent a substantial part of the total incomes of the cooperativists.

From studies carried out on the spot it emerges that the incomes from the personal plots of the cooperativists vary with different districts. In the overwhelming majority of agricultural cooperatives the incomes from the personal plots are much less than those from the collective economy, and they play an auxiliary role. This applies to all the areas in the plains and to part of the hilly zones. But there are still cooperatives, especially in the mountainous zones, in which the incomes from the personal plot are equal to or greater than those from the collective economy.

Although the collective economy should be the main source of income and the basis of the well-being of the cooperativist peasantry, while the personal plot should play an auxiliary role, in fact, the opposite occurs in some cooperatives, and this is undoubtedly a contradiction.

The question must be asked: Why does such a thing occur? Does it mean that in the policy for the collectivization of agriculture, the Party has allowed shortcomings on this matter of principle? No, the policy of the Party has been and remains correct on all the problems concerning the collectivization. Then where should the cause of this contradiction, which affects part of our agricultural cooperatives, and mainly those in less productive hilly and mountainous areas, be sought?

It should be stressed right from the start that this contradiction is a temporary phenomenon of our advance, which is linked with a series of factors, such as the still low level of production of those collective economies, the low scale of collectivization of livestock and the formation
of the fund of accumulation entirely from the income from
the collective economy. Apart from these factors, the fact
that here and there, hangovers from the past still exist in
the psychology of the cooperativist peasant, which have
been expressed in the allocation of the best land to personal
plots, in efforts to keep more livestock in the auxiliary
economy than the Constitution allows, as well as in the
greater care which he shows for his auxiliary economy
than for the collective one, has had an influence.

Which is the way out of this situation?

It is clear that time is needed to overcome this con-
tradiction; therefore any undue haste would have harmful
consequences. This contradiction will be overcome, first
of all, through the implementation of the program of the
Party for the intensification of agriculture, through the
expansion and strengthening of the collective economy.
Without carrying out the tasks in this field, no fundamental
change can be expected in the ratio between incomes from
the collective economy and from the personal plot.

But it should be made clear that, when we raise the
problem of changing the ratio between income from the
collective economy and income from the personal plot, we
by no means want the personal plots to be underrated or
neglected. On the contrary, while giving first-rate importan-
tce to the joint economy and increasing their concern and
work to strengthen it, the members of the cooperatives
should make the most rational use of their personal plots,
with the aim of increasing their incomes and raising their
level of well-being. There is no doubt that in the future, too,
within the framework of the rules specified in the Constitu-
tion of agricultural cooperatives, the personal plots will
continue to play an auxiliary role in meeting the needs of
cooperativists’ families, as well as in increasing surplus
production for the market. It is necessary that the organs
concerned should carry out complex studies of other measu-
res which should be taken, especially in the cooperatives in hilly and mountainous zones, in order to improve the ratio between incomes from the collective economy and from the personal plots, and within 1964 present the results to the Political Bureau of the Central Committee of the PLA for examination.

As we mentioned, our peasants also have income from work they do in the state sector, from pensions and other sources.

It can be taken for granted that in the future, too, the income which our peasantry secures from the state sector will continue to be an important source to improve its well-being. But our task is to have this income distributed as fairly as possible among the villages, indeed, even among families of the same village, avoiding a certain spontaneity that has existed up till now, as well as the trend that only some categories of people, who sometimes have less need than others, benefit from it. To this end, we should see to it that in assigning peasants to work in the state sector, we should always take into account the composition and the number of hands in the families, the needs they have, of course, without infringing the principle that all those who are sent to work outside their villages should be volunteers, and fully observing the regulations in force...

III

ON THE STANDARD OF LIVING AND WAY OF LIFE, CRAFTSMAN, COMMUNAL AND HEALTH SERVICES, IN THE COUNTRYSIDE

So far we have spoken about work and production as the source of income, about income as the basis for raising well-being. Now let us see how this income is being used and whether it is being used as effectively as it should