ON IMPROVING PARTY GUIDANCE TO THE WORK OF PLANNING THE NATIONAL ECONOMY

Talk to the Senior Officials of the Economic Departments of the Central Committee of the Workers Party of Korea October 11, 1971

Not a year has passed since the Fifth Congress of our Party, yet already a great upsurge is taking place in the building of socialism. Whichever factory, construction site or farm village I visit, I find them toiling hard to carry out their first-year target of the Six-Year Plan put forward by the Party Congress. The revolutionary enthusi?asm of our Party members and the working people, who are inspired by the decisions of the Party Congress, is very high. If we struggle on in the same spirit as now, I think we can carry out the Six-Year Plan far ahead of schedule.

As we all know, the basic task of the Six-Year Plan put forward by the Fifth Congress of our Party is to strengthen the material and technical foundations of socialism and free the working people from heavy labour in all fields of national economy by consolidating and developing the successes gained in industrialization and advancing the technical revolution to a new, higher stage. If the Six-Year Plan is carried out, the foundation of our socialist independent national economy will be incomparably stronger, and a great change will come about in our people. s work and in their material and cultural lives.

The most important thing for success in carrying out the programme of building socialism, put forward by the Fifth Party Congress, is for the economic executives to organize economic work in keeping with the high revolutionary enthusiasm of Party members and other working people. It is particularly important to plan the national economy well in accordance with the leader is intentions. But the planners are not mapping out the national economy in con?formity with the leader is intentions and the Party is political require?ments. They are failing to take prompt planning measures to ensure success in carrying out the tasks of socialist construction put forward by the Party Congress.

After the Fifth Party Congress the great leader took the helm in the struggle to implement the magnificent programme of the Six-Year Plan adopted at the Party Congress. Immediately after the Party Congress he convened the plenary meeting of the Cabinet and clear?ly indicated the ways to implement the Six-Year Plan without fail, stressing the need to direct the main efforts to the three major tasks of the technical revolution. And then, at the consultative meeting of the heads of the departments of the Party Central Committee, he also said that the main direction of the Six-Year Plan was to advance the technical revolution to a higher stage. He

instructed that, under the slogan of the three major tasks of the technical revolution, we must work hard to carry out these tasks. This is a very good slogan which correctly reflects our people. s desire for independence and the requirements for the development of socialist economy. But it will be impossible to carry them out successfully unless our officials organize economic work properly and give efficient leadership in the struggle to implement them. The technical revolution means precisely a revolution in machin?ery. In order to carry out the three major tasks of the technical revo?lution successfully, we must effect a revolution in machinery and, to this end, we must radically increase the production of machine tools. Only when we have sufficient numbers of machine tools can we nar?row down the differences between heavy and light labour by mecha?nizing the production processes in the industrial sector, narrow down the distinctions between agricultural and industrial labour by accel?erating the technical revolution in agriculture, and free women from the heavy burden of household chores by building factories for turn?ing out single-purpose equipment and developing light industry. It can be said, therefore, that increasing the production of machine tools is the key to carrying out the three major tasks of the technical revolution. The production of these tools is so important to the implementation of the three major tasks of the technical revolution that the leader has given on-the-spot guidance to the Huichon Machine-tool Factory twice this year and urged the workers of this factory to raise high the torch of innovation in their production of machine tools. And yet, while the leader is showing such deep con?cern for the production of machine tools, the planning officials are not giving the operational support they should to this work. The planners have not yet rid themselves of outmoded styles of planning. The officials of the State Planning Commission, merely calculating the capacity of equipment in their office, have drawn up a very con?servative machine-tool production plan for this year, a production plan not at all in keeping with either the high revolutionary zeal of the working masses or the Party 's political requirements.

The officials of the economic departments of the Party Central Committee must naturally take responsibility for these serious mis?takes in economic work.

The basic duty of the departments of the Party Central Commit?tee is to find prompt solutions to the problems over which the leader is concerned, and to assist his work in a responsible manner. If they fail to do this, there is no reason for their existence. The economic departments of the Party Central Committee must supervise and guide planning and all other economic work in a responsible manner so that all the economic policies and economic tasks the leader has put forward are carried out in time and without fail.

Planning is the first process of all economic work. Just as a shrewd combat plan is essential for victory in battle, so efficient planning is indispensable for success in harnessing nature and in the construction of socialist economy. Success in Socialist economic construction

depends on how well we plan it.

In socialist society, in which all means of production are under social ownership?unlike in capitalist society?production, goods distribution, accumulation and consumption are managed in a planned way. In socialist society, economy cannot be run without a design; it can develop only on a planned basis. Planned and balanced development of the national economy is the essential characteristic of socialist economy. This is one of the decisive advantages of socialist economy over capitalist economy. If work is not mapped out in conformity with the specific conditions and essential require?ments of socialist economy, a lot of materials and labour may be wasted and economic work thrown into confusion. Then it will be impossible to display the superiority of the socialist system.

In view of the duty of the economic departments of the Party Central Committee and the importance of planning in socialist eco?nomic construction, you must pay close attention to the work of planning the national economy. But the officials of the economic departments of the Party Central Committee do not supervise or guide the work of planning to ensure that projects are formed in con?formity with Party policy, nor do they combat the practice of plan?ning the national economy by rule of thumb. If the economic depart?ments of the Party Central Committee work this way, you cannot assist the leader properly in his guidance of socialist construction. The economic departments of the Party Central Committee must dis?cover within themselves the cause for the shortcomings revealed in planning the national economy. They must improve Party leadership to the work of planning and effect a change in this work.

Your first job is to see to it that the leader spolicy of unified and detailed planning is implemented to the letter.

As is well known, unified planning is a system that ensures the unity of planning under the single guidance of the state, and detailed planning is a method which coordinates down to the last detail pro?duction and business operations in all sectors of the national econo?my, as well as in all factories and enterprises. Unified planning strengthens centralized discipline and enables the socialist state to enhance its function as economic organizer decisively, and detailed planning ensures the concreteness and balance of the plan of nation?al economy.

Unified and detailed planning are inseparably correlated with each other. Detailed planning cannot be realized without unified planning; and without detailed planning unified planning cannot dis?play its advantages. Unified and detailed planning must be effected as an integral process. Only then can the socialist economy develop in a planned and balanced way in accordance with its natural requirements.

Unified and detailed planning is an original planning system and method, proposed for the first time in history by the great leader. It has been long recognized that the law of planned and balanced development in the national economy is an important law in socialist economy, but no one has clarified a proper planning system and

method that can properly meet the requirements of this law. The textbook of Marxist-Leninist political economy does not give a cor?rect answer to this question. It is the great leader who found a bril?liant solution to the problem of the planning system and method to develop the national economy in a planned and balanced way after the establishment of the socialist system. Drawing on his rich experi?ence in giving leadership to socialist construction, he has evolved the policy of unified and detailed planning which accords both with the intrinsic nature of the socialist economic system and with the lawful requirements of the building of socialism and communism. Thus he has made a great contribution to the development of social?ist economic theory.

The validity and superiority of his policy of unified and detailed planning have been verified through practice. You must clearly understand the originality and superiority of this policy and improve Party leadership to the work of planning so that it is implemented to the letter.

You must ensure that the requirement of unity is thoroughly met in planning.

The unity of planning demands that the officials of the state plan?ning bodies have a clear understanding of the intentions of the Party and the state and draw up plans after consultation with the broad producer masses at the grassroots level. State planning officials are well informed of national economic life and the prospects of eco?nomic development, but not of the specific local conditions and reserves for production. By contrast, the officials directly in charge of production as well as the working people do not have a clear understanding of national economic life, whereas they are familiar with local conditions and reserves for production in their own enter?prises. Therefore, the officials of the state planning bodies are liable to subjectivism, while the producers may fall prey to departmental?ism and localism. In order to eliminate these contradictions, the offi?cials of the state planning bodies must implement the mass line thor?oughly in the work of planning. They must acquire a correct under?standing of the Party spolicies and intentions and go deep among the producer masses to hold discussions with them before planning. But the officials of the State Planning Commission and other plan?ning bodies do not go into the realities as they should. To ensure the unity of planning by unified planning does not mean that you may ignore the opinions of the producing masses and local initiative. Unified planning cannot be fully realized if planning officials do not go out among the masses by implementing the prin?ciples of the mass line. Only when they go out into the real world can the officials of the state planning bodies get to know correctly how good the producing masses technical skills are, where pieces of equipment are located, how many there are, and how they are being operated, what the conditions of material supply are and what the standards are of material consumption. The masses are more familiar with their specific situation than anyone else. So if you rouse the officials in charge of production and the working masses to

action, you will be perfectly able to tap all the reserves for increased pro?duction. The officials of the state planning bodies must draw up real?istic and dynamic plans on the basis of extensive discussions with the producing masses, going deep into the realities of their situation. They must make it a rule to do so in planning. Plans must be made in great detail.

While it is claimed that detailed plans are being drawn up, items are nevertheless not planned down to every detail, nor is their pro?duction accurately coordinated. The state planning bodies directly control and plan basic and major items, but they are not yet com?pletely free from the old practice of making 'tentative plans' ± for some minor items. As a result, some machine factories are unable to turn out finished machine products simply for a lack of a couple of bolts, nuts or bearings, and shops are not regularly supplied with the minor goods they are supposed to stock. In the socialist economy there can be no 'ctentative plans' which might or might not be car?ried out. We must plan for even minor items and ensure their pro?duction, if these are needed for the nation seconomic development or for improvements in people standards of living. If plans are made to coordinate production and business activities at factories and other enterprises down to the last detail, we shall be able to increase production by far with the existing economic foundations and make the people better-off.

In order to effect detailed planning thoroughly, planning officials must first correct their attitude. Some of the officials see only the major planning items as important, but slight the minor ones. They even consider it troublesome to plan the production of minor goods, complaining that they cannot dovetail tens of thousands of items in detail. It is complex and difficult to plan tens of thousands of items, but none of them must be left out in planning. The more the econo?my is developed, the greater the number of items to be planned. If you say that detailed planning is difficult because it takes in too many items, you are actually saying that we can never bring about detailed planning. The officials must thoroughly rid themselves of the tendency to discount the policy of detailed planning. Of course there are great numbers of items to be planned in detail, so it is impossible for the central authorities to deal with them all. There should be drawn a demarcation line between the responsibilities of central and local authorities to deal with detailed planning of items. But no matter on whom the responsibilities rest, the detailed plan?ning of these items should be made legally obligatory. The most important matter in planning is to ensure a proper bal?ance between different sectors of the national economy. Just as you cannot think of the socialist economy without a plan, so

Just as you cannot think of the socialist economy without a plan, so you cannot think of a plan without balance. The main thing in planning is to ensure an accurate balance. The national economy can develop rapidly only when both comprehensive balance and detailed balance are ensured. Proper balance is the prerequisite to the high speed of development of the national economy. In planning, an accurate balance must be kept between accumulation and

consump?tion, between different sectors of the national economy?including industry and agriculture?between different provinces and enterpris?es, between production processes at enterprises, and between pro?duction elements. Among all of these it is most important to ensure an accurate balance between accumulation and consumption, and between the extractive and manufacturing industries.

The balance between accumulation and consumption is important in that it defines the country seconomic life and the whole course of socialist reproduction. It seriously affects the overall development of the national economy and the people 's standard of living. You must not, therefore, attach more importance to one than the other? to either accumulation or consumption. If you overemphasize accumu?lation, allegedly to strengthen the economic foundations of the coun?try, it will badly affect the improvement of the working people. s material and cultural lives and chill their enthusiasm for production. On the other hand, if you overemphasize consumption, it will be impossible to strengthen the economic foundations of the country and. ultimately, to improve the material and cultural standards of the working masses systematically. As matters now stand, officials pay attention only to accumulation for the expansion of production, while neglecting the consumption that satisfies the immediate demands of the people. They must not do so. We must maintain the principle of accumulating while consuming, and of consuming while accumulating. We must draw up plans for increasing accumulation preferentially and rapidly, and for increasing consumption steadily in step with the increase in accumulation.

It is very important in planning at present to balance the extrac?tive and manufacturing industries properly. In order to carry out the enormous tasks set under the Six-Year Plan, we must increase pro?duction capacity by far in all sectors of the national economy. In particular, we must develop the extractive industry, the first process of the national economy, on a large scale. Without giving prece?dence to the development of this industry, it is impossible to devel?op manufacturing. Yet the officials of the state planning bodies are not working to meet the requirements of the realities. This year, for instance, the extractive industry has not been given priority to keep pace with the increase in the capacity of the manufacturing indus?try. In consequence, the manufacturing industry is suffering the shortage of raw materials and other necessities and cannot increase production, even though it is capable of doing so. In order to smooth over this difficulty we must implement first in planning the principle of giving priority to the development of the extractive industry in step with the increase in the capacity of the manufactur?ing industry. How the formulated national economic plan is implemented depends on how the producing masses are roused to action. If they are roused and make energetic efforts, they can successfully carry out any tasks, no matter how difficult. It is necessary, therefore, to give the working masses a clear understanding of the politico-eco?nomic significance of the national economic plan and the ways in which to implement it,

rather than doing nothing after the plan has been made. With this understanding they will display high revolu?tionary zeal and creative activity in their struggle to carry it out.

You must establish a strict discipline of implementing the nation?al economic plan without fail.

The national economic plan is an order issued by the Party and a law of the state, representing the requirements of the revolution and the interests of the people. No one is entitled to violate the national economic plan, and all the economic establishments and enterprises are duty-bound to implement it without fail. The failure to imple?ment it is a violation of plan discipline and state discipline, regard?less of the reasons or conditions for the violation. Various indisciplined practices are now in evidence in implementing the national economic plan. Certain factories and enterprises are neglecting to carry out their production quotas, complaining of lack of materials and equipment, and still other factories and enterprises are suggest?ing that amendments be made to the plan when faced with certain difficulties in implementing it. All these are improper practices that corrupt plan discipline and hinder the economic development of the country. Such indiscipline must not be condoned, but must be taken issue with and combatted by both the administrative and the Party organizations until they are wiped out. You must establish the system and order by which to implement the national economic plan unfailingly by the day, by the month and by the quarter. At present, some factories and enterprises do not carry out their quotas for each day or for every ten days but do so in great haste at the end of the month. This shows that they still have not rid themselves of the attitude of working in a sluggish manner at the beginning of the month, an attitude revealed when the plan was implemented in the past. If the factories and enterprises idle their time away at the beginning of the month and then hurry up with pro?duction at the end of the month, their machinery may be over?worked, and the factories and enterprises under contract with them will be hindered in implementing their production quotas as well. Factories and enterprises must get rid of such work attitudes and ensure a steady production process so as to fulfil their quotas by the day, by the month and by the guarter without fail. This requires that materials should be supplied in advance, that equipment be checked and repaired regularly and that production be organized and directed in every detail.

The national economic plan should be fulfilled exactly on all items of products. Some factories and enterprises, in pursuit of their immediate interest and in consideration of their own well-being, are now producing goods that are easy to make or those that are finan?cially rewarding so as to implement the plan in terms of monetary value. Last year some factories were assessed as having fulfilled the national economic plan by fulfilling it in terms of money: they pro?duced goods that had not been planned, instead of making profits by producing planned goods. The production of unplanned items, no matter how much, cannot be considered to be contributing

to the ful?filment of the plan. If factories fail to implement the plan by not pro?ducing all the planned items, we must consider it a failure to imple?ment the national economic plan, even though they fulfilled the plan in terms of money earned.

We must ensure that factories and enterprises keep the discipline of cooperative production to the letter. It is very important to ensure efficient cooperative production between different sectors of the national economy and between factories and enterprises. Factories and enterprises in socialist society form an integral whole in which they are closely related with each other. Therefore if one of the fac?tories or enterprises fails to fulfil the plan or violates the discipline of cooperative production, it will badly affect the other sectors and units in the productive relationship, and worse still, retard the overall development of the national economy. Nevertheless, some factories and enterprises do not bother about violating the discipline of coop?erative production and neglect the production of goods under con?tract, even though they can produce them without difficulty. Facto?ries and enterprises should make it a rule to produce the items of cooperative production under the state plan in the first ten days of the month and deliver them without fail. If they break the discipline of cooperative production and obstruct production at another unit in the cooperative relationship, the officials who are responsible must be dealt with strictly by the law.

We must see that departmentalism is eliminated and that the spir?it of helping each other in carrying out the national economic plan is displayed to a high degree. Our officials do not readily discard the practice of departmentalism. The officials of a shipbuilding yard in North Hamgyong Province were keeping a large amount of steel in reserve, although they knew that other factories and enterprises were failing to produce properly because of the shortage of steel. Officials of this kind cannot be regarded as working in the interests of the Party or the state. If one has surplus, one must naturally deliver it to the sector most in need of it. Doing so is the work attitude of a com?munist. If they have a bigger stock of materials than they need, fac?tories and enterprises should not keep them lying around but hand them over to the unit which needs them so as to put them to best use. Machines, too, should not be kept idle when there is nothing to do. but ought to be made to process the goods of factories and enterpris?es in trouble because they lack such machines. In order to implement the policy of unified and detailed planning and improve planning you must strengthen the ranks of planning workers and ensure that they fulfil their responsibilities and roles. As the leader said, the State Planning Commission is the econom?ic operation bureau that implements the economic policies of the Party and the Government. The State Planning Commission and other state planning bodies play important roles, just as an operation bureau in the army does. It is therefore very important to build up their ranks properly. These officials must be unfailingly loyal to the Party and the revolution and be better qualified in economics than anyone else. You must form the ranks of state planning workers with people who are

strong in Party spirit, have a good knowledge of eco?nomics and technology as well as practical ability, and know to manage the country. s economy with care. In addition, you must give them unremitting ideological education and intensify their organiza?tional lives so that they always work devotedly and faithfully with intense loyalty to the Party, the working class and the people, so as to fulfil the heavy, yet honourable, responsibility they have assumed before the Party and the people.

In order to ensure that planning officials work efficiently you should pay attention also to the modernization of the office equip?ment. Unified and detailed planning requires that the people who carry it out deal with an enormous amount of clerical work. So you must modernize the means of planning once and for all. You cannot ensure success in the enormous task of planning by simply increas?ing the number of the workers. Only when modem technical means are introduced extensively in the State Planning Commission and other planning bodies can speed and accuracy be ensured in carrying out the task and planning workers find time to go out on site. You must replace the manual apparatus they are now using in the plan?ning bodies with electronic equipment and realize the electronic computerization of the planning means as soon as possible.

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