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Background Information USSR

2 July 1962

THAT "SUSLOV FACTION" AGAIN

Appendix:

Excerpts From Article Claiming "Antiparty Group  
Representatives' Favored Equalization of Growth  
Rates of Heavy and Light Industry"

(Ekonomicheskaya gazeta, 7 May 1962

by A. Koryagin, Candidate of Economic Sciences)

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Of the numerous questionable theories put forward in the Observer's article "Moscow and Peking Agree to Differ" (July 1st, 1962), one of the hardy perennials is the lingering belief in the "Suslov Faction". This group of unidentified - and unidentifiable - factionalists is now said to have opposed a Khrushchev-led campaign for the reallocation of investment funds towards agriculture, and in order to bolster the theory, it is reported that Suslov has spoken emphatically about the need for the priority of heavy industry. The Observer continues: "Suslov could not oppose Khrushchev on so important an issue unless he had a powerful faction behind him in the Presidium and Central Committee.

"Throughout the year no other Presidium member came out to support Khrushchev in public on this point; and in the new 20-Year Programme, which appeared last August, Suslov's rather than Khrushchev's view was embodied. This accounted for Khrushchev's subdued tone at the opening of the CC Plenum in March...

"On March 9...Khrushchev came out against any reallocation of funds, especially against the switching of resources from defence to farming, thus contradicting his earlier speech.

"What had happened was that in the secret sessions the Suslov faction had gained the upper hand. The CC had voted for more rockets rather than more meat..."

All this makes good reading, but unhappily it bears little relationship to the known facts. Since the Observer has chosen to set Suslov's "victory" over Khrushchev in the context of priority for heavy industry, it is worth recalling that in 1957, when Khrushchev ably supported by Suslov routed the anti-Party group by proving that "politics are not arithmetic" (the Khrushchev-Suslov faction was then in a minority in the Presidium), the heavy industry issue was one of the key points in the

controversy (see Appendix below).

Ekonomicheskaya Gazeta (7 May 1962) has reported that in 1957 "The Party line on the preferential development of heavy industry was subjected to fierce attacks by anti-Party elements who proposed a course toward the primary (pervocheredniy) development of light industry, or as they said 'the cotton-print industry'...The Party destroyed the right-wing capitulators and rejected their opportunist theories.

"However, even in recent years" (i.e. since 1957 - r.r.g.) "certain relapses into similar views have been discovered. Representatives of the anti-Party group tried to assert that during the transition from socialism to communism, a line should be taken toward establishing the same growth rates for heavy and light industry. This correlation of rates would undermine the material and technical basis of production of consumer goods. The Party showed the complete groundlessness of the views of the anti-Party group..."

Unquestionably Ekonomicheskaya Gazeta is referring in this quotation to Malenkov, but also to some others of the unlucky group, who had moved towards equal growth rates for heavy and light industry in the 1953-55 dispute, and who were removed from office by the joint efforts of Khrushchev and Suslov in 1957. Some followers of these "rightists" are still at their jobs, but it seems unlikely that they are now a danger to Khrushchev for reasons explained below.

In view of Malenkov's defeat in 1955, it is known that Khrushchev has favoured the priority of heavy industry ever since February 3rd 1955 at least. Pravda on that day quoted him as saying

"The view that at a certain stage...the development of heavy industry ceases to be the main task...is totally wrong, contradicting the law of Marxism-Leninism". Consequently it is not surprising that Khrushchev's program of the CPSU reasserts this priority, or that Suslov should have supported the formulation in the program.

But what the Observer has omitted to mention is that the Program is not merely a bald statement of priority for heavy industry. On the contrary it pays handsome lip-service to the fundamentalists and then goes on to compromise between the views of both schools by adding the all-important qualification that in 20 years:

"The product of factories manufacturing producer goods will increase to six times the present level, while the production of producer goods for enterprises of the light and food industry, agriculture, housing and services will increase to 13 times the present level."

If the Observer's theory were correct, it must be presumed that the Khrushchev "faction" imposed this clause on Suslov's team, despite its curious idea that "throughout the year no other Presidium member came out to support Khrushchev"!

In fact Mikoyan has been a consistent supporter of the Khrushchev-Suslov view that while maintaining priority for heavy industry, much more can and should be done to bring the two growth rates closer together, ever since October 17th, 1953.



As for the theory that Khrushchev came out in March "against any reallocation of funds, especially against the switching of resources from defence to farming", it totally ignores the figures given by A.N. Kosygin (B.I. March 20th, 1962, see also B.I. 29 June 1962).

In fact it was revealed after the March Plenum:

- a. that three new agricultural machinery plants were to be built
- b. that the volume of state investments in agriculture during 1962 would increase by 25 % compared with 1961 (cf. the 19 % figure quoted by Novikov in December 1961, when he was presenting the 1962 plan).
- c. that during 1962 the kolkhozes would save 1,150,000,000 rubles as a result of price cuts for tractors, machinery, spare parts, fuel and building materials, all of which may be reinvested, and all of which are to come out of the profits of state industry.

It is therefore clear that the "reallocation of funds" was on a considerable scale, well before the 30 % price increases during June. If Suslov really opposed any reallocation of funds -- an unlikely proposition in view of the known shortages of meat and milk even in the large cities -- it must have been he who was defeated, not Khrushchev. But that is not to say that the reallocation was necessarily at the expense of heavy industry or defense. There happen to be plenty of other sections of the budget where the money could be, and is being found, and to that extent the Observer's hypothesis of a black-and-white, either-or situation is quite unreal. The Central Committee did not "vote for more rockets rather than more meat", but it did vote for enough rockets to face the US with confidence (vide the large increase in the 1962 defence budget compared with the original 1961 figures) together with the additional "meat" implied by a 25 % rise in agricultural investment this year and the massive price increases announced last month.

#### Who Is in the "Suslov Faction"?

On the last occasion when any Western Kremlinologist attempted to identify the alleged "Suslov faction" (see Sotsialistichesky Vestnik, December, 1961) it was reported to consist of:

M.A. Suslov

P.N. Pospelov (no longer a candidate member of the Presidium, Pospelov is now merely Director of the Institute of Marxism-Leninism )

F.V. Konstantinov (who was removed from the post of editor of Kommunist in May 1962, and was dropped from candidate membership of the CC at the 22nd Congress)

A.B. Aristov (removed from the Presidium by Khrushchev, Aristov is now Soviet Ambassador to Warsaw)

N.A. Mukhitdinov (a member of the Presidium until the 22nd Congress, Mukhitdinov is now serving as a member of the board of Centrosoyuz, the Central Council of Consumer Cooperatives)

V.A. Kochetov (once editor of the influential Literary Gazette, Kochetov is now reduced to the position of editor of Oktyabr, a small circulation periodical of much less importance).

Thus the members of the alleged "faction", with the exception of Suslov himself, have only one thing in common -- they have all lost considerable power and influence during the last few years. Rather than indulge in speculation concerning them, it seems more prudent to assume that for the time being at least Khrushchev and Suslov are working together, as they did in 1957 and as they did when they both supported the Program of the CPSU in October 1961.

r.r.g.

EXCERPTS FROM ARTICLE CLAIMING "ANTIPARTY GROUP  
REPRESENTATIVES" FAVORED EQUALIZATION  
OF GROWTH RATES OF HEAVY AND LIGHT INDUSTRY"

By A. Koryagin  
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Ekonomicheskaya gazeta  
7 May 1962

... The conclusions of K.Marx concerning the organic and technical structure of capital in the process of expanded reproduction show that an increase in the production of consumer goods occurs with the outstripping (operezhayushchiy) growth of the production of producer goods. This thesis of K.Marx was further developed in the works of V.I.Lenin. "The whole meaning and significance... of the law concerning the increase of producer goods," he wrote, "consists only in the fact that the replacement of manual labor by machine labor -- the progress of technology in the machine industry in general -- demands the intensified development of production in the mining of coal and iron, these genuine 'means of production for producer goods'."

In his schemes, Marx abstracted himself from technical progress for the convenience of analysis. Examining Marx's schemes of reproduction, Lenin introduced a new feature in them -- the development of technology. This allowed him to formulate a new conclusion that with expanded reproduction "the production of means of production for producer goods grows most quickly, followed by the production of means of production for consumer goods and the production of consumer goods grows most slowly."

Lenin showed that the very character of technical progress dictates the need for the fastest output rates of machine equipment and materials which are used for expanding the production of producer goods as a whole. And this in turn determines the rates and scales of the output of equipment and material for the production of consumer goods.

The economic law of the preferential (preimushchestvenniy) growth of the production of producer goods acts also under the conditions of socialism...

The party line on the preferential development of heavy industry was subjected to fierce attacks by antiparty elements who proposed a course toward the primary (pervoocheredniy) development of light industry, or as they said, "the cotton-print industry." This would have meant the preservation of the technological and economic backwardness of the country, an increase in its dependence on the capitalist world, the undermining of defense capability, and in the final analysis, the loss of the socialist victories of the people. The party destroyed the right-wing capitulators and rejected their opportunistic theories.

However, even in recent years certain relapses into similar views have been discovered. Representatives of the antiparty group tried to assert that during the transition from socialism to Communism, a line should be taken toward establishing the same growth rates for heavy and light industry.



This correlation of rates would undermine the material and technical basis of the increase of production of consumer goods. The party showed the complete groundlessness of the views of the antiparty group.

The experience of socialist construction in our country has supported the Leninist thesis that the outstripping growth of the production of producer goods as compared with the production of consumer goods is an absolute condition of expanded socialist reproduction.

The correlation of growth rates between the two subdivisions of public production at each historical stage is determined by specific conditions of the economy's development and depends on a number of factors, namely, the achieved level of production and its structure, the rates and directions of technical progress, the maturing of great advances in the development of science and technology, the level of industrial development in socialist countries, the need to help poorly developed states, the international situation and tasks of strengthening the country's defense capabilities, and others.

These conditions also determine the most expedient degree of outstripping at a given moment. This outstripping cannot be constant; at one stage, the outstripping is more, and at another stage the growth rates of the two subdivisions of public production draw close.

The experience accumulated shows how, as we move from one stage to another, the correlation of rates of development of the heavy and light industry changed. This is seen from the correlation of the growth rates of the two subdivisions of public production in industry in the USSR...

In 1960, the industrial product was 45 times as great as in 1913; production of producer goods (Group A) was 103 times as great, while production of consumer goods (Group B) was 16 times as great. Consequently, the product of heavy industry grew approximately 6.5 times as fast as the product of the light and food industry. This shows that a number of years, our country has directed means primarily to heavy industry and has limited capital investments in the light and food industry to overcome its technological and economic backwardness.

The considerable outstripping in the development of heavy industry changed fundamentally the structure of industrial production. This is testified to by data concerning the proportion of the "A" and "B" groups in the industry of the USSR...

The proportion of the product of heavy industry has risen steadily. This created an ever more powerful basis for the further expansion of production and for high rates of socialist accumulation for the resolution of the grand tasks of Communist construction.

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The 22nd Party Congress posed the task of creating the material and technical base of Communism within two decades; this requires complete electrification of the country, the improvement on this basis of the techniques and technology of production, the introduction of comprehensive mechanization and ever broader automation of production processes, the development of the chemical industry, etc. This can be achieved only on the condition of the preferential development of heavy industry...

For the period of the general long-range plan, an outstripping development of the production of equipment and materials for the development of the production of consumer goods has been planned. Thus, the product of enterprises which manufacture producer goods for the production of the same producer goods will increase to approximately six times the present level, while the production of producer goods for enterprises of the light and food industry, agriculture, housing construction, and cultural and everyday services will increase to 13 times the present level.

As N.S.Khrushchev showed, this correlation is conditioned by the fact that a considerable reserve of the preferential growth of heavy industry, which was necessary for its own development, was already accumulated in preceding years. However, this "reserve" was never an end in itself; it was formed in accord with the demands of the basic economic law of socialism, in the interests of the rise of all branches directly connected with satisfying the vital demands of the workers. Now all conditions have been prepared for a sharp increase of the production of equipment and materials for an intensified production of consumer goods which will secure an abundance of material goods and the transition to the Communist principle of distribution...

Heavy industry is called on to secure the comprehensive mechanization of all production processes in farming and animal husbandry and to greatly increase the delivery of mineral fertilizers, poisons and chemicals, and construction and other materials to kolkhozes and sovkhoses.

At present, there is a certain disproportion between the tasks of the upsurge of agriculture and the level of the material and technical supply of kolkhoz and sovkhos production. The party considers it necessary to expand existing plants which manufacture tractors, agricultural machines, and equipment for the mechanization of animal husbandry and to build a number of large new ones...