

DOCUMENTS

REPORTS

Made at the Plenum (June 1958) of the C. C.
of the Workers' Party of Korea

A Plenum of the Central Committee of the Workers' Party of Korea was in session from June 5 to 7.

Questions discussed at the Plenum were:

1. On Improving and Strengthening Foodstuff Processing Industry and Production of Daily Necessaries;

2. On Improving and Expanding Home and Foreign Trade.

Comrade Moon Man Wook, Minister of Light Industry, made report on the first item on the agenda, and Comrade Jin Ban Soo, Minister of Home and Foreign Trade, made report on the second item on the agenda.

Many comrades took part in debate in support of the reports and suggested measures for bringing about a radical change in the work.

Comrade Kim Il Sung made a speech at the Plenum.

The Plenum adopted relevant decisions.

At the Plenum, Comrade Kim Il, who headed the Delegation of the Central Committee of the Workers' Party of Korea to the Conference of the Communist and Workers' Parties of the member states of the Council of Mutual Economic Assistance, made a report on the work of the Delegation.

On Improving and Strengthening Foodstuff Processing Industry and Production of Daily Necessaries

REPORT PRESENTED BY COMRADE MOON MAN WOOK TO THE PLE-
NUM OF THE C.C. OF THE WORKERS' PARTY OF KOREA
(Abridged Version)

Comrades!

The historic Third Congress of our Party set forth the tasks of further strengthening the socialist economic foundation in the northern part of the country and of solving in the main the problems of clothing, food and housing for the population as the basic tasks of the First Five-Year Plan.

Firmly adhering to the economic policy for priority growth of heavy industry along with the swift development of light industry and agriculture, our Party has consistently striven to improve steadily material and cultural standards of the people.

Leading the entire people, our Party carried out successfully the Three-Year Plan and surmounted the difficult ridge of the first year of the First Five-Year Plan. During this period, while putting an end to the colonial oneness and technical backwardness in the national economy, we have laid and consolidated the self-supporting foundation of our economy.

Moreover, the people, who once lost their fundamental means of subsistence due to the war, have completely stabilized their life, which is now rapidly improving.

In order to make the people's life bountiful and further sufficiently meet their growing demands today when socialist construction is proceeding apace and the real incomes of working people are on the increase, there arise the tasks of rapidly expanding and strengthening light industry, especially, the foodstuff processing industry and the production of daily necessaries.

As you comrades know, in our country there had been no light industry base worth mentioning. With the purpose of turning our country into a market for their commodities, the Japanese imperialist colonial rulers totally ruined even Korea's handicraft manufacturing simple articles of daily use.

The establishments of light industry which we had built after the country's liberation suffered all-round severe ruins due to the war provoked by the American imperialists and the traitorous Syngman Rhee clique. It is, therefore, mainly in the post-war period that we have started to work for the building of bases of light industry in the northern part of the country.

In view of such situation, since the armistice our Party has taken practical measures to put an end to the long-standing backwardness in this sphere and to build powerful bases of light industry.

Consequently, large-scale textile mills such as the Pyongyang Textile Mill and the Chungjin Spinning Mill, foodstuff processing factories such as the Ryongsung Meat Processing Factory, the Shinpo Fish Cannery and the Pyongyang Corn Starch Factory, and many factories for daily necessaries such as the Pyongyang Daily Necessaries Factory and the Pyongyang Woodwork and Furniture Factory were built or reconstructed in the recent years.

And many province-run enterprises and producers' co-ops, too, have played a considerable part in meeting the requirements of the people in their life.

As a result, powerful bases of light industry have been built in the northern part of the country; and for the solution of the problem of clothing for the population the enormous task of producing and supplying upwards of 20 metres of various textiles per capita during the Five-Year Plan period is now being carried out.

Our foodstuff processing industry and the production of daily necessities, however, still fall short of satisfying the rapidly growing demands of the population.

Progress of the foodstuff processing industry is slow, with the result that the products of the rapidly growing agriculture, stock breeding and marine products industry are not processed sufficiently, and this impedes to some extent their production. The slow progress makes it impossible to enlist and turn to account fully the abundant local resources of raw materials and to lighten the burden of women in the household work. This also places a considerable barrier to the participation of the broad section of women in socialist construction and to enhancing their cultural standards.

The Party has long since raised as a serious task the question of swiftly developing the foodstuff processing industry and the production of daily necessities.

Especially, in the recent years when the problems of clothing, food and housing for the population are being solved in the main thanks to the success attained in socialist construction, the Party has repeatedly stressed that better quality and greater variety of processed foodstuffs and articles of daily use should be turned out extensively so as to meet the demands of the people who wish to live a more abundant and cultural life.

Many tasks advanced by the Party have, however, not yet been carried out smoothly.

We are provided with all possibilities for building up on a large scale foodstuff processing industry and stepping up the production of daily necessities, and the Party and government have taken measures to put them into practice.

But in some ministries, central organs, local government bodies and the organs dealing with economic affairs, some personnel who have undertaken this work have failed to make a deep study of the Party's policy and have made little effort to carry it out. As a result, rich possibilities are not sufficiently turned to account.

It is for this reason that no small number of defects continue to be found in the spheres of foodstuff processing industry and the production of daily necessities. These defects and shortcomings not only stand to some degree in the way of carrying through the policy of our Party for rapidly improving the people's life, but also adversely affect to some extent the high tide of all-round socialist construction. We must, therefore, not allow these defects to exist any longer, and it is necessary to bring about a big renovation in these spheres. It is, of course, by no means easy to engender renovation in these spheres.

But there is no doubt that should all potentialities latent in the national economy be enlisted and turned to account to the fullest we can certainly win brilliant victory in this work too.

The question is whether or not all our leading personnel, firmly adhering to the Party's policy and in conformity with the requirements of our revolution today, display revolutionary enthusiasm and push and skilfully organize and enlist the seething creative positiveness of the masses.

I. On the Further Strengthening of Foodstuff Processing Industry

Comrades!

In order to turn out in greater quantities processed foodstuffs and meet sufficiently the growing demands of the people, foodstuff processing should not be limited only to one certain ministry and several big enterprises. It must be undertaken everywhere it is possible and be organized and carried out on an extensive scale as a nation-wide movement.

To this end, not only in the Ministry of Light Industry but also in province-run industries, producers' co-ops, state farms and stock farms, agricultural co-ops and in every other place, wisdom and creative initiative of the masses should be released so as to enlist and make use of every reserve and potentiality for production, and thus more foodstuffs will be processed. Furthermore, even in every individual household simple foodstuffs must be processed.

In this way the foodstuff processing industry must push ahead with the extensive production not only by means of large scale industrial production but also by medium and small factories, and even by primitive and mobile processing methods.

We are provided with conditions and sufficient possibilities for bringing about a radical change in the foodstuff processing industry by launching a nation-wide drive.

We have, before anything else, built solid bases of heavy industry such as power, machine-building, metal working and chemical industries in the post-war period by overcoming and surmounting every description of difficulties and hardships; on this basis, we have put an end to the colonial oneness in industry left by the Japanese imperialists; we have reinforced technical equipment; and have built for the first time in our history bases of light industry, thereby laying a cornerstone for extending foodstuff processing industry and the production of daily necessities.

Moreover, we have very rich raw material resources needed for developing on a large scale foodstuff processing industry as well as the workers who have been tempered politically and ideologically under the guidance of the Party and gained valuable experiences in the socialist construction of the country, the technical personnel who have acquired advanced technique, and the leading personnel who have gained experiences in the management and running of enterprises.

Especially, we receive from the Soviet Union and other brother countries valuable assistance for the development of the work in this field.

Making the best use of these favourable conditions, we must wage vigorous struggle to bring about renovation in the work of this field.

During the First Five-Year Plan period, we must increase the production of the foodstuff processing industry upwards of four times: by 1961 the output of processed meat must reach 50,000 tons, processed marine products 140,000 tons, ground meal 415,000 tons, processed fruits 20,000 tons, processed vegetables 150,000 tons, and vegetable oil more than 35,000 tons.

Of primary importance in foodstuff processing is the processing of meat.

Solution of this problem today when, with the rapid progress in stock breeding, output of meat increases day after day, means an important measure for satisfying the requirements of factory and office workers and urban inhabitants for meat.

In meat processing, stress must be laid on

the production of refrigerated fat, and, by making use of meat, guts, head and feet, and blood, such processed goods as various kinds of sausages must be turned out in greater quantities; and the processing of poultry, too, must be improved and strengthened. For the promotion of health of the people and the guarantee of nourishment of children, we must develop dairy products industry. The output of milk and butter must be increased, and the production of substitute milk be undertaken.

First of all, we must supply more milk to nurseries, kindergartens and hospitals. Progress in meat processing will demand more animal products. State farms and stock farms, and agricultural co-ops, therefore, must take positive measures to increase the output of meat.

It is necessary, first of all, to increase the number of cattle and, at the same time, improve their breed so as to raise fatness. By so doing, during the First Five-Year Plan period, weight of each live pig must increase to 70 kg. on the average.

Raising of poultry must be positively encouraged and the number of fowls by the end of 1961 must reach 15 millions.

Surrounded by sea on three sides, our country is rich in marine products resources. If we make proper use of, and process well, these resources, we can and must produce great variety of foodstuffs suited to the taste of the people.

At present, we catch and produce annually upwards of 500,000-600,000 tons of fish and many other marine products in our country. But they are not supplied effectively to the people.

We must continue to raise the supply of fresh and refrigerated fish and, at the same time, must reduce decisively the proportion of pickled fish, expand the production of dried fish, seasoned and soured fish, and produce processed marine products of local peculiarity by making use of various good quality fish and their by-products.

We must strengthen the processing of fish entrails, and, especially, introduce universally advanced processing methods into the production of cod-liver oil, and thereby further increase the output of vitamins. We must also improve the conditions of marine transport, mechanize unloading and processing work, and especially take measures for and carry out the processing of fish on board ships,

and gradually introduce an artificial method of drying marine products.

Processing of corn and potatoes is also important in the foodstuff processing industry. We can get from corn, when processed, very good, nutritious food. We can also derive from corn glucose and corn syrup necessary for solving the problem of sugar which is badly needed in the people's diet, and various goods such as injections and soy sauce. We must, therefore, decisively improve the processing of grains, especially corn.

We must, before anything else, further expand the production of ground meal, gradually increase the output of corn starch, further increase the proportion of dried noodles and bread in the output of food, expand the production of glutinous corn-jelly and corn cake and, at the same time, increase the output of flour and raise its quality.

Another important task is to take measures for making effective use of potatoes which are produced in large quantities in our country.

We must completely prevent potatoes from rotting and perishing; make use of early potatoes chiefly for expanding the production of starch; and, as for late potatoes, improve their storing and keeping so as to supply them all the year round.

In the production of edible oil and fat, we must mobilize not only beans but also all other resources of oil such as embryo buds of corn and sun-flower seed, etc. and increase their output; positively introduce the method of exudation in oil-manufacture so as to further raise the extraction rate; and gradually expand the production of refined oil and increase its proportion.

We must decisively develop the processing of vegetables, which is of primary importance for the solution of supplementary diet for the people.

If we process in different ways various kinds of vegetables which are produced in quantities everywhere in our country and improve the method of preservation, we will be able to supply processed and fresh vegetables to the working people all the year round.

To this end, we must decisively improve and strengthen the storing, keeping and supplying of vegetables, industrialize the production of pickled vegetables, and turn out in quantities various kinds of processed greens such as celery cabbages and cucumbers, and processed herbs. We must further

expand the processing of fruits and, at the same time, arrange and undertake in a planned way protection, cultivation and picking of bilberries and other wild fruits.

Besides, we must expand the production of cool drinks for the health and hygiene of the working people, strengthen the production of beer and cider; undertake extensively the processing of mineral spring water and the production of aerated waters; further raise the proportion of processed and fermented liquors in the liquor output; and expand the variety of seasonings and raise their quality.

In order to organize and undertake extensively the foodstuff processing industry and produce in large quantities processed foodstuffs, it is important to provide further sufficiently necessary economic and technical conditions.

What is important first of all is to put in order and strengthen the bases of foodstuff processing and tap and turn to account every latent reserve, and thereby further enhance production capacity.

The Ministry of Light Industry, province-run enterprises and producers' co-operatives must raise the utility rate of their production equipment, further increase the proportion of processed foodstuffs in the output to meet the demands of the population, and correct promptly any irrational and disproportional distribution of production equipment geographically.

Along with this, we must build in the districts where raw materials are produced and in the consumption districts foodstuff processing factories of adequate scale, and thereby continue to expand processing capacity.

The projects of a meat processing factory and a factory for making provisions from corn and a number of other foodstuff processing factories which are under construction and the reconstruction of the Chungjin Oil Manufacturing Factory must be completed in the main within this year; and in the future we must build step by step processing facilities of meat, grains, vegetables, fruits and others in province seats and major workers' settlements.

A sugar factory with a capacity of 30,000 tons is to be built. In this connection, measures for expanding the sugar beet cultivation will be undertaken, while a trial cultivation of sugar cane will also be carried out.

In order to supply in a planned way and without a hitch raw materials to foodstuff processing industry, the Ministry of Agriculture and local government bodies must organize the work of setting up in a planned way bases of raw materials such as fruits, vegetables and meat in the suburbs of major cities and workers' settlements, and organize and guide agricultural co-ops to plant not only radish and celery cabbage but also many other vegetables such as tomatoes and cucumbers for processing.

Especially in the suburbs of Pyongyang fields for vegetables, berries, tomatoes, cucumbers and others should be marked out; in the provinces of North and South Hamkyung and in other regions, in consideration of geographical features agricultural co-ops should be organized to raise exclusively vegetables and, by making use of spare heat in hot-springs, factories and enterprises, cultivation of vegetables in hot-houses should be organized and expanded in a planned way.

For the radical change in the foodstuff processing industry, it is necessary to raise further the role of machine-building and chemical industries and all other fields of the national economy as well as that of scientific research institutions.

The machine-building industry must turn out in complete sets and supply various kinds of refrigerating facilities, and machines and equipment for processing grains, meats, fruits and vegetables; and province-run industries and producers' co-ops must produce in quantities and supply simple equipment which can be employed with ease even in individual households for processing foodstuffs.

Domestic production of organic acids for chemical treatment of foodstuffs, condiments and some medicines is not yet sufficient.

The ministries of Chemical Industry and Light Industry and scientific research institutions must positively push forward the production of these so that most of the needs will be met by home production within a short period.

One of the most urgent and important problems in the foodstuff processing industry is the improvement of packing.

It is, therefore, necessary to increase the output of packing containers and raise their quality promptly, thereby bringing about radical improvement in the packing of goods and meeting the demands for packing containers.

The ministries of Timber Industry and Light Industry must increase the output of lumber for making boxes as well as wooden boxes, glass and pottery containers and cardboard boxes, and must improve their quality substantially.

Province-run industries, producers' co-ops and agricultural co-ops must produce and ensure on an extensive scale various kinds of packing-containers such as glass and pottery containers, earthen-ware and wicker baskets.

While improving and strengthening the production of packing-containers, we must further raise their circulation and utility rate, and strengthen the work of collecting them.

Along with the increase of the production of processed foodstuffs, systematic reduction of their production cost is of great importance for supplying to the population goods at cheaper prices, increasing state accumulation, and expanding the output.

Therefore, we must raise extraction rate of raw materials in production, reduce per unit consumption norm of products, further enhance labour productivity, put an end to all practices of waste in processing, and make use of all by-products and wastes, and thereby continue to reduce production cost.

The system for the purchase of farm produce and animal products must be improved, contract of purchase be introduced on a wide scale, and direct purchase by the production organs must be organized.

Radical improvement must be made in the supply of processed foodstuffs.

In the first place, workers in the branch of commodity circulation must correct promptly the defects in the supply of foodstuffs, and improve the system of sale in order that processed foodstuffs can be supplied in time to the population in towns and workers' settlements. To this end, it is also necessary to improve the work in the railway transport.

The ministries of Light Industry and Fishing Industry and other production establishments must maintain on a wide scale stores under their direct management, and further raise the role of such stores.

Especially, the Ministry of Fishing Industry must run marine products stores so as to supply directly to the population in towns and workers' settlements fresh and frozen fish; and fishermen's co-ops and agro-fishery co-ops must supply marine products to the peasants through the stores run by consumers' co-ops.

In order to supply smoothly vegetables and processed foodstuffs to workers, it is necessary to strengthen side-lines in enterprises and trading agencies and increase the production of supplementary foods, thereby meeting the demands in workers' settlements; and agricultural co-ops must manage direct sale stores and supply in a planned way vegetables and other farm produce as well as the supplementary foods which have undergone first stage processing.

By so doing, we must supply in greater quantities and in greater variety delicious but cheap processed foodstuffs to the population.

II. On Expanding Variety of Daily Necessaries and Further Strengthening Their Production

In order to improve and better the people's life in accordance with the growing demands today, it is necessary to strengthen and develop swiftly, along with the foodstuff processing industry, the production of articles of daily use.

It is of utmost importance in the production of daily necessaries to expand steadily the variety and launch a struggle for mass production.

During the First Five-Year Plan period, we must turn out without delay those items which are needed in quantities for the people's living as well as those which can be easily produced with our present equipment and technique and, at the same time, produce gradually in a planned way new varieties, and thereby meet in the main the growing demands of the population.

For the expansion of the variety of daily necessaries and strengthening of their production, it is necessary to organize and undertake extensively the production of daily necessaries in province-run industries, producers' co-ops, agricultural co-ops and even in individual households, not to speak of the Ministry of Light Industry.

As for the production of household furnishings, stress must be laid on furniture, metal products, ceramics and glassware and domestic washing machines which are needed in large quantities in people's life and are necessary for making the people's life more comfortable, while as to the articles for cultural use we must considerably increase the production of cultural articles for the masses, recreational equipment and musical instruments

which are necessary for satisfactorily ensuring the people's recreation.

Attention must be paid to the production of stationery, and especially production of fountain-pens, ever-sharp pencils, etc. for writing must be strengthened.

Production of such toys as will promote the thinking faculty of children and culture of sentiments must be increased, and especially stress must be laid on the production of toy abacus and building blocks.

In scenic spots and places of historic interest and in many districts, products peculiar to the localities and handicraft works must be turned out in large quantities.

In order to make the people's life more comfortable we must expand on a large scale the manufacture of clothes and further raise their quality.

For the expansion of variety, it is necessary to arrange in production enterprises extensively consultations to discuss the expansion of variety and, at the same time, to make a systematic study of the people's demands and organize and carry out research work and trial production so as to turn out in quantities articles for daily use that are best suited to the reality, and then work to introduce in time the results into production.

We must promptly take measures for the production of spices, paints, pigment and glue which are badly needed for expanding variety of products and raising their quality.

In order to meet the growing demands of the people for daily necessaries, it is important not only to expand steadily variety but also to turn out quantities.

Therefore, in every field of the national economy and especially in the Ministry of Light Industry, production of daily necessaries needed in large quantities all over the country must be strengthened by improving technical equipment of the enterprises now in operation and by raising utility rate of equipment.

In the production of articles of daily use, the Ministry of Light Industry must strengthen further its technical guidance and assistance given to the province-run industries and producers' cooperatives.

Province-run industries and producers' co-ops are playing an important part in the production of daily necessaries in our country. The fact that the province-run industries and producers' co-ops account for 68.6 per cent of

the output value of daily necessities today is evidence of this.

Province-run industries and producers' co-ops must positively explore and utilize the rich local raw material resources, and turn out in greater quantities household goods of local peculiarity, native specialities and other daily necessities, thereby helping to meet local demands.

And, in the sphere of the production of daily necessities, the part of all enterprises under ministries must be elevated further and the guidance given to them improved.

In the enterprises where workshops for daily necessities are not yet set up new ones must be set up promptly, and the enterprises with such workshops must further be put in order and strengthened and utilize all the wastes and by-products for the production of daily necessities.

Enterprises in the sphere of metal working must work to meet in the main the demands in the country for metal articles of daily use; and the ministries of Timber Industry and Building Materials Industry must undertake on an extensive scale the production of such articles by making use of lumber and stone respectively.

Agricultural co-operatives must undertake extensively sidelines in order to turn out in large quantities various kinds of grass and wicker products by widely making use of rich local raw material resources.

For the production of simple articles of daily use in individual households, it is necessary to produce simple equipment and small tools and supply them to the families of factory and office workers and help them actively engage in the production of articles of daily use. In the production of daily necessities, specialization in the production of certain products and, at the same time, extensive introduction and application of co-operation between ministries and between enterprises are also of great importance.

Specialization and co-operation in this sphere make it possible to make better use of the equipment and materials and raise labour productivity and quality of products, and reduce sharply production cost.

In province-run enterprises and producers' co-ops, production must be reorganized gradually so as to introduce specialization in production such as foodstuff processing and daily necessities production.

Improvement and strengthening of the

methods of working out plans and of the accounting system are also important for the development of daily necessities production.

Organs which undertake planning and economic organs must strengthen their guidance in, and control over, this work and further elevate the level of national economy planning in local regions.

And, at the same time, it is also necessary to take measures to establish system in fixing prices of products, and in distributing and supplying them.

III. On Qualitative Betterment of Products in Foodstuff Processing Industry and Daily Necessaries

Along with quantitative growth the qualitative betterment of products constitutes quite a very important task in developing the foodstuff processing industry and production of daily necessities.

The people now demand processed foodstuffs that are tasty, fresh, nutritious and easily handled as well as attractive looking and cheap in prices.

Some items produced in the foodstuff processing industry and some items of everyday use, however, are not so high in quality, and accordingly cannot satisfy the people's taste.

Some leading personnel of the enterprises and co-ops in these branches are, unlike masters, contented with only the numerical fulfilment of their plan, having no interest in the quality of products.

We must correct as soon as possible such a harmful tendency and raise the quality of products.

Above all, it is the primary task to improve hygienic condition for processing food and producing items of every day use. We must conduct popular educational work of reinforcing hygienic discipline in every section of food processing factories; of keeping factory environments in good order, as in the process of production, on a cultural and sanitary basis; of raising the level of employees' knowledge on hygienics; and of observing strictly rules of sanitation.

When all these are perfectly ensured in the course not only of production but also of storage, transporting, selling, etc., it is possible to supply goods that will satisfy the requirement of consumers.

At the same time the organs concerned must strengthen the work of hygienic inspec-

tion and control, and establish system and order, and improve their work.

It is important for the betterment of the quality of products to establish the standard of products and strengthen the inspection system. Also required is a positive struggle for observation of standard operation. Standard of products and standard operation are a law of production which must be strictly observed.

For the food processing industry and production of daily necessities it is necessary to institute a standard system; to strictly observe technical standard; to establish strict order and discipline; and to further strengthen the system of inspecting products.

Another question is to further raise the technical standard of the workers in this field.

To explore and further rationally utilize all the raw materials abundant in our country and to turn out more and better products with the same raw materials, is a task that must be carried out.

If our technical level is raised, practical possibilities will be sufficiently provided for overcoming all the difficulties caused by the lack of technology and turning out more products under the present conditions.

The leading personnel of this branch, therefore, must improve the work of passing-on-technique to ensure an overall rise in the workers' technical level. They must be positive in intensifying the work of training technical workers, relying on the network for training future workers.

Also required is the improvement of the work of training specialists for the solution of technical questions.

Steps must be taken to train specialists in food processing, in operating food-processing machine, in zymurgy and in leather manufacturing in particular.

Dietetics and hygienics must gradually be introduced into the programs of instruction at junior and senior middle schools to enrich the students' knowledge of food processing in cities and countryside, while improving instruction in the food processing industry and the production of daily necessities at the appropriate higher technical schools and colleges in conformity with the actual requirements of production and bringing teachers and students closer to production.

Advanced technique and work methods should be systematically introduced for technical improvement in this branch and a

movement for advancing new ideas and inventions of workers encouraged by all means.

The State Technical Commission and Ministry of Light Industry must further intensify the work of popularizing the achievements and experiences attained in this field by means of exhibiting products, exchanging experiences and giving information on technical achievements.

Scientific research institutions must further strengthen contacts with production branches. Their forces should be concentrated in the research work to solve the urgent question arising in increasing processed food for the popular masses and increasing varieties of items of daily use; and scientific and technical achievements attained in the advanced countries should be creatively introduced into the actual conditions of our country.

Study on the nutritive value of processed food as well as exploration and research for natural resources should be carried out systematically.

IV. For Strengthening of Party's Guidance for Production of Processed Foodstuffs and Daily Necessaries

For the rapid extension and improvement of the foodstuff processing industry and production of daily necessities to the level the Party and people require, Party's guidance work in this field should be decisively improved.

At present it is of great significance to enhance the guiding role of the provincial, city and county Party organizations in particular.

The food processing industry and production of daily necessities have more local peculiarity than any other production branches.

Today more than two-thirds of items of daily use are produced by province-run industrial enterprises and producers' co-ops. It is, therefore, necessary to further raise the role of province-run industrial enterprises, producers' and agricultural co-ops.

The provincial, city and county Party organizations should therefore strengthen, in full consideration of natural and economic conditions of the locality, their guidance work in government organs, economic organs and co-operatives so that they may utilize a maximum of available reserves and resources which can be used for the improvement of the people's living conditions.

First of all, it is most important to make the leading personnel of local government organs, economic organs, productive enterprises and co-operatives correctly understand the Party's policy and its aim in which stress is laid on the food processing industry and production of items of daily use, so that they may display fully a sense of responsibility and creativeness in their work.

Thus it is necessary to instill into them a feeling of pride that they are in charge of a very important task for the materialization of the Party's policy, the highest aim of which is to promote the people's welfare, and fill them with an ever stronger sense of responsibility as Party members.

The important thing is to enhance their spirit of devotion to the Party and people so that they may put all their energy into and display talent for the production of various processed food and daily necessities of good quality, cheap and rich in variety. A struggle must be waged to correct wrong ideas and the tendency to make little of the importance of the work. Large scale state-owned enterprises, provincial industries, producers' co-operatives and agricultural co-operatives should make use of every available condition, including organizing domestic side-line, thus carrying on a mass struggle to meet the every growing demand of the popular masses for processed food and daily necessities.

The Party organizations should take into consideration some peculiarities in reinforcing their guidance in this field. Above all, the food processing industry and production of daily necessities should use all methods—from the method of large-scale production to small-scale or primitive method. In this case we must take into account the fact that they are very scattered; their varieties cover a wide range; and the people's taste and the seasonal character are varied. Therefore the matter is not simple. Unless all Party organizations pay constantly deep attention to this work, what the Party aims at cannot be attained. Taking into consideration this condition, the Party organizations should conduct their organizational and political work in a diversified way, in a concrete manner and on a wide scale.

Another important question is to decisively strengthen the Party organizations in the provincial industrial enterprises and producers' co-ops.

As is well known, the absolute majority of

light industrial enterprises in the northern part of the Republic were founded after the liberation and quite a few new ones after the truce.

As a result there are many young workers from cities and countryside working there.

Consequently no small number of the workers are inexperienced and not fully educated and trained organizationally and ideologically.

Under such conditions, the Party forces in some of the enterprises under the Ministry of Light Industry, province-run enterprises and producers' co-ops are comparatively weak and the nuclear composition of the Party is not so strong.

Therefore, the primary task is to strongly promote the work of strengthening the Party organizations in this field and arm the Party members and non-Party masses with socialist ideology.

To this end, it is necessary, above all, to take practical measures for the gradual strengthening of the ranks of cadres and nuclear composition of the Party in this field.

Some enterprises and co-ops lack cadres and nuclear elements who can carry through the Party's policy and correctly lead all the workers politically.

As a result, in some of the enterprises and co-ops defects have persisted for a long; order and discipline are not fully established; Party's policy is not correctly reflected in production; and activities of the Party members are still insufficient.

Provincial, city and county Party committees must see to it that every enterprise or co-op strengthens the ranks of cadres and Party nuclei so as to eliminate irresponsibility, indolence and egoism through ideological struggle within the organization.

Producers' co-ops are carrying out an important role in the work of remoulding along socialist lines those who were engaged in private business and are now co-op members.

Therefore, importance should be attached in the future to the gradual strengthening of the Party forces in this field.

It means not only to newly select and appoint those workers who have the strong Party spirit to position. More important is it to strengthen the Party life of the members of every Party organization and regularize the work of educating them in the Party policy to temper their Party spirit, thereby growing the

excellent Party nuclei in this field through actual struggle.

It is also necessary to attach greater importance to the Party's guidance for enhancing the role of the working people's organizations in productive enterprises and cooperatives.

Working people's organizations in this field should strengthen socialist education among their members. And they should organize emulation campaigns for increased production, especially a mass movement for increasing varieties of daily necessities by exploring and utilizing resources of raw materials in local districts, for raising the quality of products, for reducing production cost, for improving hygienic conditions in every section of production and for raising the technical level of workers. And efforts must be made constantly to improve the working and living conditions of employees and co-op members.

Comrades!

The successful carrying out of these tasks mentioned above will not only further promote socialist construction in the northern part of the country but will also bring an epochal improvement in the people's material and cultural life.

In carrying out the militant tasks our Par-

ty has set, no small number of difficulties and obstacles lie ahead of us.

But there can be no unsurmountable difficulty before the Party and the people who repulsed the U.S. imperialists' armed aggression to safeguard their country's freedom and glory, and are achieving great success in building socialism on the ruins.

Leading personnel of the Party organizations of all levels and of the state and economic organs must carry through these enormous tasks set by the Party by correctly organizing and mobilizing the working people to display a high degree of political and labour enthusiasm in the struggle for radically improving the foodstuff processing industry and production of daily necessities within a short space of time.

Party members and the entire working people must rise as one and devote all their zeal and talent to a nation-wide renovation movement for the foodstuff processing industry and production of items of daily use.

I firmly believe that the Party members and the entire working people will successfully carry out, rallying ever firmly around the Central Committee of our Party headed by Comrade Kim Il Sung, the militant task set by the current plenum.

On Further Improvement and Expansion of Home and Foreign Trade

REPORT PRESENTED BY COMRADE JIN BAN SOO TO THE PLENUM OF THE C.C. OF THE WORKERS' PARTY OF KOREA

1. On Home Trade

Comrades!

As is shown in the resolutions adopted at the historic First Conference of our Party recently held, the further improvement and expansion of trade is a revolutionary task of great significance in bringing about rapid development of industry and agriculture, in eradicating middleman exploitation of every description in towns and villages, and in enhancing further the people's life.

We all know that great changes are taking place in every branch of our national economy today because of the successful fulfilment of the post-war Three-Year Plan and the national economic plan for 1957, the first year of the First Five-Year Plan.

The industrial and agricultural output exceeded the pre-war level by far, and the form of socialist economy scored a decisive victory in towns and villages.

Consequently, with the rapid rehabilitation and development of the national economy, the material and cultural living of the people, which had been completely ruined by the war, improved markedly and the people's purchasing power is rising at a fast tempo. And it demands a full development of home trade.

Therefore, our Party, presenting a grand plan for building socialism in the northern part of our Republic, has set down a series of measures, and given guidance for a full scale development of commodity circulation.

Under the Party's correct guidance no small achievements have been registered in the sphere of trade. Trade networks that suffered severely during the war have revived. Great numbers of new stores and restaurants have been built in the newly restored cities and workers' districts. Even in the countryside, with the exception of remote mountain areas, more than one store is set up in almost every village.

Thus, the number of our state and co-operative stores as of the end of 1957 increased by 127 per cent compared with the end of 1953.

With the growth of industrial and agricultural production, the quantities of foodstuffs and daily necessities distributed to the stores are steadily increasing and the qualities, too, are being bettered.

The turnover of state and co-operative trade has grown rapidly. The retail turnover in 1957 increased by 57 per cent in terms of the price level of 1956, and exceeded the level of the pre-war 1949 by 87 per cent.

Major items of daily necessities sold by state and cooperative stores during 1957 increased compared with 1956 as follows: cotton goods 145 per cent; silk fabrics 167 per cent; ready-made suit 2.1-fold; underwear 2.5-fold; soap 193 per cent; furniture and goods for cultural needs 3.5-fold; vegetables 168 per cent; marine products 133 per cent; fruit 2.2-fold; and meat 4.9-fold.

Moreover, an important change was noted in the varieties of commodities.

The rapid development of state and co-operative trade further strengthened the leading position of the socialist trade in the home market.

However, trade fails to meet the objective demand of the growing national economy, and there still remain many shortcomings.

In the past, some of our trade workers, despite all the favourable conditions for a full development of home trade, failed to utilize them for trade improvement but acted irresponsibly. They neglected the struggle for eradicating the poisonous remnants left in the field of trade by the anti-revolutionary sectarians Choi Chang Ik, Yoon Kong Heum and others, thus the organizational system and activities of state and co-operative trade failing to meet the essential requirement of the socialist trade.

The main reason why the Party's policy has not been thoroughly carried out and no changes took place in the work lies in the fact that some state and co-operative trade workers do not yet have a firm socialist ideology.

Therefore, the first task set before the Party and trade organizations is to intensify the training of trade workers in socialist patriotism; to foster loyalty to the Party so as to overcome bravely all difficulties and obstacles and carry through the trade policy of the Party; they have to be armed with a revolutionary spirit to devote all their wisdom and passion for the people; to own a strong Party spirit in putting up a merciless fight against indolence, egoism, degeneration and all other obnoxious elements.

In order to reform our trade, we must consider the following concrete measures.

First, the commodity supply system of state and cooperative trade must be reorganized more effectively in conformity with the nature of the socialist trade.

Proceeding from the true nature of the socialist trade, our Party, since the first day of the establishment of state and co-operative trade in our country after liberation, has repeatedly warned that the capitalist trade methods must be rooted out from our trade organizations, laying stress more than once on transforming the organizational form and work method along socialist lines.

Nevertheless, up to recent days, not a few of leaders in the field of trade, because of a lack of correct understanding of the Party policy, neglected to take proper steps to solve a series of the basic questions such as the reasonable distribution of trade networks, consistently to strengthen their material and technical equipment, and to bring to perfection the systems of supply and purchase.

As a result, our trade network has many defects which are one of the main reasons why our trade is unable to carry out fully its basic task as a socialist trade, as the organization for supplying commodities to the people.

Therefore, we must re-examine the whole process of commodity circulation from production to consumption as soon as possible, and in order to pave the way for a prompt and swift commodity circulation, trade networks should be reorganized in the most reasonable way.

Instead of laying too much stress on the numerical increase of stores, we must establish stores on a proper scale and in proper places; and pay attention to the reasonable distribution and size of stores and improve the material, technical conditions for trade on the strict basis of the long-term plan for the construction of cities as well as the plan for cultural construction in the countryside.

In establishing trade networks, we should not rely upon the state fund only; we must carry on a whole people's movement on the principle that factories, mines, enterprises and rural villages build their own stores by themselves.

For the greater supply of marine products, we must reorganize the supply system of marine products, particularly of fresh fish on the principle that producers themselves handle the supply of marine products in definite period.

We must also expand and develop on a wide scale the trade done by stores under the direct control of Ministry of Light Industry and other productive ministries, provincial factories, producers' co-operatives and all the agricultural co-operatives.

This will not only contribute to further extending the channel of commodity circulation, but also, by establishing a direct link between producers and consumers, will make it possible for producers to learn demands and opinions on the supply of goods directly from consumers. And it will give impetus to the improvement in the work of state trade or consumers' co-operative workers.

Next, we must improve the systems of retail trade administration and supply of goods as soon as possible. As a matter of course, the basic unit in the supply of goods is the store. Accordingly, improving the store system will serve as a decisive link for an all-round expansion of trade. Therefore, we must strengthen the work in the store. We should re-examine and reorganize the trade administrative system in cities and workers' settlements and inspect and improve various systems and regulations with a view to promoting independent activities of trade stores to the full.

At the same time, the stores of the consumers' co-operatives in the countryside should go from the partial cost-account system over to a fully independent one to strengthen their foundation and raise deci-

sively their function and role as the peasants' purchase and marketing co-operatives.

We must also correct speedily all irrational defects found in the present wholesale trade system — the main link in the supply of commodities to stores.

The wholesale trade organizations are playing a great role in commodity circulation.

The wholesale trade organizations are an organic integral part of the commodity circulation system in transporting and supplying the goods from producers to consumers. They are responsible, together with the retail sales organizations, for the service to the people.

Moreover, the wholesale trade representing the interests of the retail sale organizations before the production organizations plays a decisive role in influencing the business results of retail stores and their level of service for the consumers. And at the same time, it gives a great impetus to the industrial enterprises for raising their responsibility for turning out more and better goods. Therefore, we must continuously take measures to raise the responsibility of the wholesale trade and improve its function. And we are faced with the necessity of reorganizing some wholesale trade organs and of expanding remarkably their networks so as to bring the wholesale system closer to the retail system.

For a more effective trade we must reorganize the retail system, gradually work to bring the function of ware-houses under the trade administrative offices and the county federation included in the one and only state wholesale trade system.

Under the favourable condition in which cooperativization of agriculture won a definite victory, establishing a better planned and prompt purchase system for marketing agricultural products is of great significance in accelerating the further development of agriculture in order to satisfy fully the growing demands of urban industries for agricultural goods. Therefore, we must establish a system for purchasing agricultural products to meet the new conditions and enhance its role.

Consumers' cooperative organizations must strengthen the rural consumers' co-operatives so as to become the purchasing bases; rearrange boldly the existing, complicated purchase system; and establish a sup-

ply system as soon as possible which will market promptly the purchased goods.

Hereafter, the consumers' cooperatives should be not only the suppliers of industrial goods to the countryside but also the suppliers of farm products to cities or workers' settlements.

Secondly, we must seek further improvement in supplying the foodstuffs to cities and workers' settlements, and in public catering as well as in the purchasing of farm produce and in supplying industrial goods to the country. Furthermore, service and cultural level in trade should be raised. It has been the main point consistently running through the Party's trade policy to improve the supply system of foodstuffs to the cities and workers' settlements in the field of commodity supply. Today, the demands of the population for foodstuffs are very great, indeed.

Therefore, putting up an uncompromising struggle against every manifestation of default in the food supply to cities and workers' settlements, we must carry out a reform in this field in the shortest possible time.

We must further raise the role of food trade organizations in cities and workers' settlements. At the same time, we must expand the food store networks run by consumers' and agricultural cooperatives, provincially-owned and cooperative industry, and other food producing organs, thereby meeting the growing demands of the working people.

Especially, local people's committees and trade organs must pay keen attention to the improvement of foodstuff stores located in the workers' settlements in the remote forest regions, and coal and other mines.

Trade organs and the people's committees should establish a firm vegetable base in the outskirts of cities and workers' settlements in close cooperation with the agricultural co-operatives; take definite measures to receive regular supplies of various fruits and vegetables; extend on a wide scale the processing work and storage in order to meet the demands for foodstuffs regardless of seasons.

Next, the role of consumers' cooperatives must be raised so that the purchase of farm produce may be improved and the supply of industrial goods to the inhabitants of the countryside increased. We must penetrate the Party's policy for purchase among the buyers of the consumers' cooperatives and intensify the fight for the rooting out of poisonous

ideological remnants left by the anti-Party sectarians, thus bringing about a reform in the purchase work of the consumers' organizations including the consumers' cooperatives in the shortest possible time. For ensuring the successful purchase of farm produce all the purchasing organizations including the consumers' cooperatives must immediately take measures to adopt the most reasonable purchasing methods and fix prices of purchase on the correct calculation of the interests of the state and the people.

At the same time, we must not leave the purchasing work only to the regular buyers, but must take steps to enlist broadly the active cooperative members in this work.

For improving the work of purchasing agricultural products, it is important to properly utilize peasant markets. Ways must be found to utilize more effectively the peasant markets to our profit.

Party organizations and Government bodies must set up the peasant markets periodically in rural villages, and open them regularly in cities; every condition should be provided for the cooperatives and their members to market in large quantities their agricultural products as well as side-line products and sell them directly to the consumers. And, the trade organs must extensively purchase the goods the peasants bring.

Keen attention should be paid to the work of processing and storing the purchased agricultural produce.

The improvement of the processing and storing work is of great importance, as crop cultivation is subject to season but consumption knows no season.

Therefore, every purchasing and marketing organ and the people's committees must extensively build storages and processing establishments in distributing centres so as to supply delicious, better foodstuff to the inhabitants of cities and workers' settlements all the year round.

In connection with the question of improving the purchasing work it is urgently required that planned purchase should fit in with the new situation.

Now that agricultural cooperativization has entered its last stage ample conditions are provided for organizing in a planned way production and disposition of all farm produce including the side-line products.

Therefore, we must take advantage of existing conditions and take steps to link organically the production plan with the purchase plan which make it possible not only to meet regularly the state's demand for agricultural products, but also to stimulate the zeal of peasants for increased production.

Next, we must increase markedly the rate of supplying industrial goods to the countryside, and take steps to supply more advanced farm implements and building materials to rural villages in conformity with the technical reform and cultural construction in the rural economy which are being carried out on an extensive scale.

Especially, we must pay attention to the question of supplying commodities to the farms in the mountain regions.

Workers of the consumers' cooperatives must correct radically the old habits of putting emphasis on the outskirts of cities and plain districts, and by developing positively the trade activities in the mountain regions and out-of-the-way villages contribute to narrowing down the regional differences in the peasants' living standards.

We must improve the work of public catering, too.

In order to develop the public catering work to satisfy the demand of the people, we must expand the network of public catering establishments. At the same time, a careful study should be made of the people's demand in this field. Moreover, convenient lunches should be served extensively and food must be prepared to the taste of the people and at a cheap price; sanitary rules should be strictly observed.

Thus, all our restaurants will be made to serve as common kitchens that can be conveniently utilized by the working people so as to help women positively to participate in social activities.

We must still raise further the level of culture and service in our stores and restaurants.

The great superiority of the socialist trade lies in the fact that it serves the interests of the working people liberated from exploitation. Therefore, the leading personnel of the Party organizations and trade organs must encourage the entire trade workers to eliminate the habit of the hired-man and to establish socialist ideology, showing their endless love for their work and serving the interests of the people worthy of the masters of the nation and with all their heart; they also encourage the

entire trade workers to have usually a great store of goods in popular demand and form the habit of handling every item he sells—be it may an apple or a strip of seaweed—with care and tenderness. In this way the superiority of the socialist trade should be practically demonstrated.

In connection with this, the Ministry of Home and Foreign Trade and the Central Union of the Consumers' Cooperatives must make a systematic study of the people's demand, take practical measures for introducing widely advanced trade methods necessary for keeping and displaying goods, and make vigorous efforts to improve service.

Thirdly, we must positively wage the struggle for strengthening socialist discipline, system and order in the field of trade.

The question of establishing strict discipline and order is of great significance for the complicated economic activities like trade whose task is to supply numerous kinds of commodities through thousands of stores scattered all over the country.

Our past experiences show that unforeseen result may occur when the discipline is neglected in any branch of our trade. Therefore, trade workers must further intensify the struggle for observing strictly the state discipline, for establishing order in finance and in dealing with money and goods, and for diminishing breakage, spoil and loss in quantity and weight.

At the same time we must continue to wage a strenuous fight against embezzlement and waste of state properties.

Along with this, we must set a proper limit of responsibility for dealing in goods. Moreover, rigid rules and regulations are to be enforced in governing the warehousing system, regular inventories and receipts and deliveries of goods. A daily accounting system must be strictly enforced.

In this connection, we must completely eliminate the formalistic and bureaucratic attitude in guiding the commercial organs, revise unreasonable regulations to suit the existing conditions, and at the same time immediately institute necessary regulations and systems.

Fourthly, we must settle other incidental conditions needed for the all-round development of commodity circulation such as transportation of goods. We cannot think of trade apart from a constant flow of goods from the production centres to where they are con-

sumed. For this reason prompt transportation of goods must be ensured for well-planned commodity circulation.

To better satisfy the specific needs in transport we must take measures to reorganize the shipping system by rails, to raise the present truck haulage capacity and develop water transport. And at the same time air transport must be widely employed.

Production organs should be ready to lend an ear to the demands of the population and workers engaged in trade, and they must not only increase the quantities of goods but also raise their qualities markedly.

At the same time, we must work out measures to radically improve packing and increase the production of packing containers on a large scale. Particularly we must make the articles look more attractive and reduce breakage, damage and wears by increasing the production of small containers markedly.

Fifthly, to attain all-round victory of the socialist trade, we must further intensify our guidance work to rapidly achieve the socialist transformation of individual trade and industry.

At the present stage, the socialist transformation of individual trade and industry is one of the important tasks set before the Party.

Thanks to the decisive victory of socialism in our industry and agriculture an end is put to almost all the economic conditions for the existence of individual trade and industry. Moreover, the remaining individual merchants and industrialists are small in number and the volume of their capital is very insignificant.

However, such insignificant capital of individual merchants and industrialists indicates by no means that the exploiting phenomenon will disappear of its own accord. We must complete in the shortest space of time the socialist transformation of merchants and industrialists by perseveringly persuading them to become socialist working people through our continuous explanation and elucidation about the superiority of socialism and through commercial competition or by intensifying further state and social control over their illegal activities.

Due attention should be paid to the work of consolidating producers' and marketing co-ops, organizationally and economically.

We must improve our guidance for the producers' and marketing co-ops so that they

may realize the advantage of socialism in their practical work.

Sixthly, the Party guidance in the domain of trade must fundamentally be improved and strengthened.

The decisions of January 24, 1957 of the Presidium of the Party Central Committee emphasized that the Party organizations of all levels, being deeply cognizant of the significant role of trade in the people's life and in building the national economy, should wage a resolute struggle against the wrong view of belittling trade, and eradicate completely the formalistic method of guidance for trade. For this reason, Party organizations, keenly realizing that the improvement and expansion of trade is one of the most important revolutionary tasks facing our Party at the present stage, must radically better and extend their guidance of trade.

For the thorough implementation of the commercial policy of the Party, we should heighten the independent role of the Party organizations in trade and consistently strengthen the organizational and political work of the Party to promote further the vanguard role of Party members engaged in trade.

Party organizations should wage a resolute struggle against every tendency of formalism, distortion and vulgarization in the response to the Party policy in the sphere of commodity circulation.

Particularly, we should continue our stubborn struggle to eradicate completely the harmful ideological effects left by the anti-Party and anti-revolutionary sectarians in the work and life of commercial workers in order to ensure the correct implementation of the trade policy of the Party. A vigorous struggle should be unfolded to combat all the unhealthy and negative ideological manifestations such as succumbing pessimistically before difficulties or placing blame upon others.

To champion and implement the Party policy in the sphere of commodity circulation, we should pay special attention to building a stronghold of Party nuclei in this sphere. Also Party organizations must pay special attention to the work of strengthening the qualitative composition of the ranks of commercial workers.

Particularly, for the complete realization of Party principles in handling the cadres, control over the work with the cadres should

be strengthened.

Party organizations must carry on the work of elevating further the political and business level of the workers while training systematically reserve cadres for trade. And at the same time bold measures must be taken to appoint the politically proved workers steeped in unshakable Party spirit to the field of trade so as to ensure the purity of the ranks.

To strengthen the qualitative composition of the growing ranks of commercial workers, Party organizations should take bold steps to enlist widely in the field of trade the family members of patriotic fighters and army-men, and the bereft members of the anti-Japanese patriotic martyrs, as well as women who are active in the social work. In this connection, commercial organs should take measures to improve positively the working conditions for women and to elevate rapidly their political and business level.

The Ministry of Home and Foreign Trade and the Central Union of the Consumers' Cooperatives must reexamine the training systems in Pyongyang and in each province and rearrange them in a reasonable way, with a view to strengthening the work of training and reeducating reserve workers and immediately take measures for elevating their level qualitatively. At the same time, it is also necessary to take measures to train specialists as the trade activities rapidly grow in scope.

Next, Party organizations must substantially improve and strengthen the ideological remoulding by Marxism-Leninism of the Party members engaged in trade. Party organizations must see to it that the commercial workers be provided with conditions for study. While publishing and news agencies should accelerate publishing and reporting widely in a systematic way various data which will help commercial workers to elevate their political and business level, explaining and propagandizing the Party's trade policy.

Party organizations should cultivate noble character worthy of socialist builders among the commercial workers, and train and educate them in the spirit of criticism and self-criticism as well as in the spirit of socialist patriotism so that they may wage a resolute struggle against negative tendencies such as undisciplined behaviour, irresponsibility, embezzlement and waste. Also a stubborn struggle has to be staged by provincial, city and county Party committees against such phenomenon as certain local govern-

ment organs failing to discharge their responsibility in their guidance for trade.

Expansion of trade is one of the main duties of government organs. Party organizations should intensify the Party control over the local government organs so as to help them substantially improve their guidance for trade. In this connection, the Ministry of Home and Foreign Trade and the Central Union of Consumers' Cooperatives should boldly transfer relevant authority to the local government organs which will enhance their role as the masters.

Party organizations must correctly guide such working people's organizations as trade unions, youth league and women's union, and widely organize and mobilize their forces in the struggle for the improvement of trade.

Party organizations should consistently explain and propagandize to the entire people about the essence of socialist trade of our country and its role for the improvement of the people's life and in the cause of socialist construction. Thus we must lead the entire people to positively cultivate good customs of helping trade and treating the commercial workers with respect and affection and effectively organize and practise social supervision and popular control over trade, thus bringing about in the shortest space of time a radical change in trade with the participation of the entire people.

2. On Improvement and Expansion of Foreign Trade

Comrades!

Along with the rapid pace of socialist construction in our country, demand for foreign trade is radically increasing.

Thanks to the correct economic policy of our Party, we have rapidly developed our nation's productivity in a short space of time since the war and consolidated markedly the self-sufficient base for our economy.

However, it is wrong to think that, as our self-sufficient economic basis has been consolidated, significance in our foreign trade has been decreased.

Today, when the world socialist market is formed, we should bear in mind that economic independence of each country can be strengthened by international specialization on the basis of broader economic relations and cooperation among the countries of the socialist

camp. Particularly, our foreign trade plays an important role in implementing the foreign policy of our Republic which aims at strengthening the proletarian internationalist friendship and solidarity with the countries of the socialist camp headed by the Soviet Union and adheres to the peaceful coexistence among nations with differing social systems.

The rapid expansion and development of our industrial and agricultural production and the consolidation of our self-sufficient economic basis in the postwar years brought about a great increase in the volume of foreign trade. And with the enhancement of international prestige of our country in the postwar years, areas in relation with our foreign trade have been considerably expanded.

However, our foreign trade fails to satisfy to the full the actual needs of our rapidly growing national economy.

The First Conference of our Party, laying stress on the "elimination of backwardness in our foreign trade and on its further development," set forth important tasks to guarantee the rapid development of foreign trade. To carry out these tasks we should further expand and develop our export trade.

We have rich natural resources and unique traditions in the field of production and technique. And particularly in the postwar years big strides have been made in every branch of our national economy followed by the unprecedented enhancement of our international prestige. All of this provides us with ample possibilities for raising the volume of exports above the present level.

Foreign trade and all other economic organs must systematically study and learn thoroughly the structure of production in our country and the condition of foreign markets, and must organize and mobilize all popular forces for expanding resources for exports.

Foreign trade organs and purchasing and marketing organs must give a stimulus to the people's endeavour for production by purchasing and responsibly distributing items the people produced or collected to earn foreign currency.

We must greatly increase the variety of export items by actively exploring markets for our rich various minerals, chemical and light industrial products, marine products, native specialities and national crafts, etc. Particularly, we must develop further agricul-

tural production and the processing industry so that export of agricultural produce such as various fruits, vegetables and potatoes can increase markedly.

I am of the opinion that we must take measures to encourage some agricultural co-ops in different localities to specialize in producing goods for export peculiar to their localities.

In enlarging the resources for export, however, we must focus our attention on those branches which impose less burden on the state for investment but promise high and immediate results of the investment, which can mobilize and utilize the wisdom and zeal of the broad masses and have favourably economic and geographic conditions and vast prospects for sales in international markets.

Next, we must turn our special attention to improving decisively the quality of items of export.

Particularly, it is of great significance for our foreign trade, which constitutes a fundamental link in the economic relations and cooperation with the countries of the socialist camp, to improve the quality of export goods and to meet the requirements of those countries.

Foreign trade organs and production establishments, in accordance with the principle of mobilizing potential resources to the maximum, must immediately work out a series of technical and economic measures to better the quality of exportable items and reach the world level.

For the purpose of improving the quality of export goods, specialization will be gradually introduced in producing goods for export. At the same time, some existing system and regulations have to be corrected so as to stimulate the material concern of the organs concerned and their workers in the work of fixing the prices and setting up standard of exportable goods and in assessing the results of production.

With the increase in the volume of exports, the urgent question is the improvement of packing.

Production of packing materials must be further expanded and their qualities must be improved. Measures should be promptly taken to push ahead with the production of not only wood for packing but also various other packing materials required in accordance with the kind of goods.

The further strengthening of the inspection system of goods serves as an important key for improving the quality, standard and packing of goods for export. With a view to elevating in every way the responsibility and role of the existing organs in charge of inspecting goods for export, we must reexamine and reorganize the organizational structure of these organs and revise the present inspection regulations with due reference to the actual condition. At the same time, decisive measures should be taken to further elevate the responsibilities of each production enterprise for inspecting their own products.

While expanding exports in every possible way, we must give serious attention to the strict economization of payment in foreign currency. While carrying on a vast post-war economic construction, our Party has repeatedly emphasized the significance of this problem.

Leading personnel of the Party organizations and economic organs should wage an uncompromising struggle against even any tendency to waste foreign currency, while effective measures are to be taken to strictly restrict and control the consumption of foreign currency in all branches.

To this end, we must bring an epoch-making innovation in this field by organizing and developing a mass movement in a more detailed and planned way for the immediate going over to the use of home-produced goods instead of those imported. At the same time steps should be taken to intensify the work of circulating and announcing general catalogues of home-produced goods among economic organs.

We must take measures to regulate and mobilize all materials and equipment in the country under a unitary system and to plan the production and consumption of goods turned out with no assigned fund, which take a very important place in production, construction and commodity circulation. We must vigorously push ahead with a series of technical and economic measures for reducing systematically the rate of consumption of imported goods, for organizing widely domestic production of goods which have been dependent on import, and for encouraging initiative for turning out substitutes and their use. Scientific research organs should further closely link their research with the practical work in our economic construction and render positive help in solving successfully scientific and

technical problems arising in the course of our economic construction.

In connection with the economization of foreign currency, we must pay profound attention to the thorough management and keeping of imported goods and must raise their utilization rate in every possible way. We should also pay serious attention to the economization of incidental expenses in foreign trade.

To successfully carry out the afore-mentioned tasks facing us in our foreign trade, we should further raise, before anything else, the role of foreign trade organs.

Organs of foreign trade, being the direct executor of the Party's foreign trade policy, are the economic organs charged with the direct responsibility by the state for the execution of the tasks of import and export.

Therefore, organs of foreign trade should act as the masters in dealing with all problems arising in the course of conducting foreign trade and should bear due responsibility before the state for the outcome of their work. The entire foreign trade workers should be well acquainted with the international economic situation and the condition of international markets.

As is known well, today our import and export are strictly conducted at international market prices and the number of the countries conducting trade with us has considerably increased. Under these circumstances, it is clear that, if we are unfamiliar with the economic developments at home and abroad, we will be unable to play a positive role both in exploring markets for our exports or in ensuring the correct and prompt delivery of foreign goods.

We must turn special attention to the work of educating and training all the personnel engaged in foreign trade so that they may be well acquainted with the economic developments at home and abroad and of elevating their organizational-technical level.

Along with this, we should take decisive measures to set up a good system of work in the foreign trade organs and to elevate the sense of their responsibilities. With the rapid growth of foreign trade, it has become urgent to strengthen the foreign trade organs by enlisting workers, who have both political and business training. We should adopt measures to appoint boldly such trained personnel to the field of foreign trade and to re-

organize and strengthen the system of educating and training the cadres for foreign trade.

Entire workers engaged in foreign trade must exert special efforts in their study of Marxism-Leninism in order to raise their political and theoretical level, realizing fully the great responsibility imposed upon our foreign trade for the promotion of socialist construction in the country, for the strengthening of economic cooperation and contacts among the countries of the socialist camp on the basis of international specialization, and for the further expansion of international relations of our Republic.

At the same time, all workers engaged in foreign trade must further raise the sense of responsibility as the masters in their work and display to the full their positiveness and endeavour for the carrying-out of the Party's foreign trade policy by consistently raising their business and technical level and making strenuous efforts to train themselves in the Party spirit through their work.

Party organizations of all levels, realizing correctly that the struggle to eliminate backwardness in the sphere of foreign trade is one of the most important tasks facing our Party at the present stage, must direct the whole of the Party's forces to the struggle to introduce an innovation in this field.

More positive measures should be taken to organize a movement of the entire Party and the people to struggle for explaining to the entire people the general line of our Party's economic policy and the foreign trade policy, which is closely linked with the former, and for obtaining and economizing foreign currency.

We must increase systematically the volume of foreign trade, improve the composition of goods for export and import and, at the same time, expand foreign markets. While expanding and strengthening foreign trade with the countries of the socialist camp, we must also actively develop trade on the principle of equal footing and mutual advantage with many capitalist countries including those of West Europe. And with our neighbouring nations we should conduct trade on regional basis and exchange of commodities between cooperatives also be expanded.

Under the present conditions when our national economy is developing on the basis of a long-term plan, it is of paramount signi-

ficance to make more detailed plans in our economic relations with the socialist countries and lead foreign trade in a perspective way. Therefore, we must work out measures to develop briskly foreign trade by varied methods of combining correctly and organically the short term trade agreements with the long term agreements.

Comrades!

The struggle for the thorough implementation of the Party's policy in the sphere of home and foreign trade and the introduction of an epoch-making innovation in this sphere constitutes an important guarantee for the further speeding-up of socialist construction in the northern part of the Republic and for the further improvement in the people's life. And there exist favourable conditions and

possibilities for the further development of our home and foreign trade.

The question depends upon whether or not the workers engaged in home and foreign trade bend all their energy and wisdom to turning the present conditions into account and translating possibilities into reality and strive without stint to implement correctly the policy of the Party.

I am confident that the entire workers engaged in home and foreign trade, rallying further closely round the Party Central Committee headed by Comrade Kim Il Sung and striving sincerely with all their enthusiasm and abilities, will be faithful in responding to the appeal of the Party which called for an innovation in the sphere of home and foreign trade.