

625

ADIL ÇARÇANI

REPORT
ON THE 8th FIVE-YEAR PLAN
(1986-1990)

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REPORT

ON THE DIRECTIVES OF THE 9th CONGRESS
OF THE PARTY FOR THE 8th FIVE-YEAR
PLAN (1986-1990) OF THE DEVELOPMENT OF THE
ECONOMY AND CULTURE OF THE PEOPLE'S
SOCIALIST REPUBLIC OF ALBANIA

SUBMITTED TO THE 9th CONGRESS OF THE PLA

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SOCIALIST TRUTH IN CYPRUS

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AT THE CENTRAL COMMITTEE OF THE PLA

REPORT

ON THE DIRECTIVES OF THE SIX CONGRESS
OF THE PARTY FOR THE FIVE-YEAR
PLAN (1956-1960) OF THE DEVELOPMENT OF THE
ECONOMY AND CULTURE OF THE PEOPLE'S
SOCIALIST REPUBLIC OF ALBANIA

APPROVED BY THE SIXTH CONGRESS OF THE PARTY

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ADIL ÇARÇANI

Comrade delegates,

The 9th Congress is a marked event for the Party and the whole Albanian people. It is being held on the eve of the jubilee of the 45th anniversary of the founding of our glorious Party, with a rich balance of victories and a steel unity of the people around the Party and its Central Committee headed by Comrade Ramiz Alia.

For us, the communists and people of Albania, this Congress we are holding is the first without the glorious founder and leader of the Party, the architect of socialist Albania, Comrade Enver Hoxha. But his brilliant revolutionary work, his immortal Marxist-Leninist teachings, are alive and will live through the centuries, they pervade the proceedings of this Congress from start to finish and, as always, will inspire and guide us in the future battles of the socialist construction.

The 45 years of titanic struggle and work, of historic achievements and victories of our people, under the wise and farsighted leadership of the Party of Labour of Albania with Comrade Enver Hoxha at the head, have proved how correct and principled its Marxist-Leninist line has been, how resolute and consistent its struggle against imperialism and revisionism of all hues, and how vital the role and the contribution of the revolutionary thinking and action of Comrade Enver Hoxha has been in this half century of our contemporary history.

Therefore, our people rightly call this epoch of socialism, which the people's revolution opened, the epoch of the Party, the epoch of Enver Hoxha.

The Report on the Activity of the Central Committee of the Party of Labour of Albania and the Tasks for the Future, which Comrade Ramiz Alia delivered to this Congress makes a profound scientific analysis and summing-up of the revolutionary experience of a very important period of the work and struggle of the Party and people for the construction of socialism, relying entirely on our own forces. It is a great program of work for the organs and organizations of the Party, for the organs of the state and the economy, for the organizations of the masses, and for our entire people, on the road of the complete construction of socialist society. At the same time, this important document of our Party is also an expression of the determination of the communists and all working people of socialist Albania to march forward on the road of Enver, to always hold high the banner of Marxism-Leninism, and to carry forward the revolution and the construction of socialism in our country forever.

Allow me, comrades, on behalf of the Central Committee, to report to the Congress, the Party and the whole people on the accomplishment of the targets of the 7th Five-year Plan and to present the directives for the 8th Five-year Plan (1986-1990) for the development of the economy and culture in our country, for examination and endorsement.

I

**THE MAIN ACHIEVEMENTS IN THE
FULFILMENT OF THE TARGETS OF THE 7th
FIVE-YEAR PLAN (1981-1985) FOR THE
DEVELOPMENT OF THE ECONOMY
AND CULTURE**

The 7th Five-year Plan was a major test for our Party, our people and our socialist country, because it was the first plan which was drafted and applied relying entirely on our own forces and internal resources, without any aid or credit from abroad. The achievements which were recorded during this period assume special importance because they were realized in the conditions of the constantly mounting pressure of the imperialist-revisionist encirclement and blockade, of influences which the crises of the capitalist world exerted on our economy, and the difficulties which were created by the bad weather conditions for several successive years. During this period the Party and our people have had to fight with courage and determination to overcome the consequences of the very dangerous hostile activity of the multiple agent Mehmet Shehu and his gang.

Analysing the results of the 7th Five-year Plan, we reach the conclusion that the socio-economic development of the country during this period has advanced, in the main, in conformity with the di-

rectives of the 8th Congress of the PLA. Our economy strengthened its characteristic features of a dynamic economy, which is developing in a planned way and with stable rates, without the crises and inflation, the unemployment and the rising cost of living, which are phenomena typical of the bourgeois-revisionist world.

During the 7th Five-year Plan, in comparison with the 6th Five-year Plan, the social product increased nearly 19 per cent, the national income more than 16 per cent, and the total financial revenue of the state more than 17 per cent. Over the five years taken together, a total of more than 21 thousand million leks, or approximately as much as was invested from 1956-1970, was invested. About 200 thousand new jobs were opened up in town and countryside. The extended socialist reproduction was ensured without interruption, and on this basis, the well-being of the people was guaranteed and raised higher and the defence capacity of the country was strengthened.

During the 7th Five-year Plan, too, industry has been the most dynamic component in the complex development of the economy. About 45 per cent of the volume of investments carried out in this five-year plan was used for the further extension and strengthening of industry, giving priority to heavy industry, as a powerful factor in the harmonious and proportional development of the economy and the implementation of the principle of self-reliance. Compared with the 6th Five-year Plan, industrial

production increased 27 per cent, at an average annual rate of 5 per cent.

Great attention was paid to the energy industry which has had and will continue to have great importance for the independent and stable development of the economy. During the 7th Five-year Plan the production of electric energy increased 46 per cent and of coal 48 per cent. The targets of oil and gas extraction were not fulfilled according to plan, because of shortcomings and weaknesses which have been displayed in management and organization, in technical and labour discipline, in scientific studies and prospecting, especially for the discovery of new fields, etc., and because of the hostile activity in this sector, which has damaged and hampered its development. The Central Committee of the Party has analysed the causes of these shortcomings and weaknesses, has defined the responsibilities for the Ministry of Energy and its dependent organs, and the organs of the Party and the state in the districts where the oil industry is located, and has set the task that the change required in this vital sector of the economy must be made in the shortest possible time.

During the 7th Five-year Plan important underground assets were brought into the economic circulation of the country in larger proportions. The extraction of chromite, copper and iron-nickel ores, taken together, amounted to more than 14 million tons, compared with about 10 million tons in the 6th

Five-year Plan, while the total industrial production of the extraction and processing of these minerals increased 71 per cent.

The engineering industry fulfilled the needs of the country better with spare parts, machinery and equipment, increasing the production of spare parts 50 per cent and that of machinery and equipment 54 per cent, compared with the 6th Five-year Plan.

During the 7th Five-year Plan, the chemical industry, the building materials industry, and the timber and paper industry were further expanded and increased their production and, in general, fulfilled the tasks of the plan.

The development of heavy industry with priority, relying on the raw materials and energy resources of the country, has been a powerful factor in the complex development of industry. Nevertheless, not all its branches have advanced at the required rates and reached the planned effectiveness in conformity with the large investments which have been and are being made in them. Better work should have been done in the chromium mining industry, especially for the preparation in time of production fronts and raising the quality of the mineral extracted, and also in the engineering industry, for the improvement of the quality of spare parts and prolonging the time of their use, for the technological improvement of designs, for the production of equipment and machinery.

The light and food-stuffs industry, which in-

creased production of consumer goods 19 per cent, also, developed in harmony with heavy industry. Beside the increase in production in light industry, the range of products was expanded and their quality improved. The food-stuffs industry coped better with the absorption and processing of agricultural and livestock products, and new lines and factories for the preserving of fruits, vegetables, grapes, etc. were built. Nevertheless, the light and food-stuffs industry did not succeed in fully accomplishing the tasks which had been set it for the improvement of the structure of its products, and the variety and quality of its goods.

During the 7th Five-year Plan, about 30 per cent of the total volume of investments was used for the development of agriculture and the strengthening of its material-technical base. During these five years, too, its development has been characterized by the application on a more extensive scale of new developments of science and technique, of advanced experience, and by the raising of the cultural and professional level and the mobilization in work of the cooperativists and other workers of this basic branch of the economy. Consequently, the production of field crops for the five years taken together increased 17 per cent, or 286 thousand tons of bread grain, 17 thousand tons of cotton, 163 thousand tons of sugar-beet, 46 thousand tons of sunflower seed, 15 thousand tons of tobacco, 263 thousand tons of vegetables, 44 thousand tons of meat, 251 million

eggs, etc., more than in the previous five-year plan. All this increase was secured almost entirely from the increased yields of field crops and production per head of livestock.

During the 7th Five-year Plan, the achievement of high yields in agriculture went beyond the bounds of individual brigades and sectors and was extended to whole economies and districts, which became schools of advanced experience. The «Enver Hoxha» state farm of Plasa and the Pojan agricultural cooperative in the Korça district, which have achieved yields of 65-66 quintals per hectare over the whole area planted to wheat for two-three years in succession; the Dajç agricultural cooperative in Shkodra, the «Myslym Peza» agricultural cooperative in Tirana and the state farm of Vrina in Saranda, which for years on end have been taking 70-90 quintals of maize per hectare; the agricultural cooperative of Lapardha in the Berat district which has taken 20 or more quintals of cotton per hectare; that of Donofrosa for sunflower and many others, distinguished themselves particularly for their high and stable yields. It is very encouraging that about 55 quintals of wheat per hectare have been taken over the 8000 hectares in the plain of Korça for several years on end; more than 61 quintals of maize per hectare on 5900 hectares in the plain of Shkodra; more than 58 quintals of maize per hectare over the whole district of Saranda, and so on. In congratulating these banner-bearers of high yields, and to-

gether with them, all the vanguard workers and cooperativists of agriculture, the Central Committee of the Party expresses its special satisfaction that their example is becoming an inspiration for similar great achievements in many agricultural economies of the country for the increase of agricultural and livestock products and raising the efficiency of these economies, especially in this particular year, which is the first year of the 8th Five-year Plan.

Implementing the directive of the 8th Congress of the Party, special measures were taken for the priority intensification of production on more than 100 thousand hectares of land in six districts of the coastal lowland zone of the country. For this purpose more than 1400 million leks were invested in this zone for the further strengthening of the material-technical base of agriculture. In the year 1985, in the zone of priority intensification, the yields achieved were more than 46 quintals of wheat per hectare, 18 quintals of cotton, 19 quintals of sunflower, etc., and the incomes of the agricultural cooperatives in 1985 were 40 per cent higher than in 1980. These achievements are an expression of the correctness of the orientation of the 8th Congress of the Party for the priority intensification of agricultural production where the work and investments give greater effectiveness more rapidly.

Further development was recorded in livestock-farming, too. Nevertheless, in this branch the targets set for the increase in the number of head, ensuring

the fodder base, and the increase of productivity were not fulfilled. Consequently, the plan for live-stock production was not fulfilled according to the target which the 8th Congress of the Party had set.

The failure to fulfil some tasks in agriculture, especially in maize production, as well as in livestock-farming and fruit-growing, is not a consequence of unfavourable weather conditions only, but also of shortcomings and weaknesses in the field of management and organization of the work. In most cases, the differences in the accomplishment of targets of the plan from one economy to the other, from one district to the other, are not consequences of differences in the material-technical factors of production, but of shortcomings which are seen in the field of organization, leadership and education in the organs of the Party, the state and the economy, in the Ministry of Agriculture and its dependent institutions, right down to the base.

During the 7th Five-year Plan, the investments and construction work which were made mainly in the productive sphere responded, in general, to targets of the plan for the development of the economy and culture and the strengthening of the defence capacity of the country. More than 300 important works were handed over for use. They include the first phase of the «Enver Hoxha» hydro-power plant at Koman, the Fier-Vlora and the Laç-Shkodra-Hani Hotit railways, several mines and enrichment factories, new plants, factories, work-shops and lines for

the metallurgical, engineering, chemical, and building materials industries, for the light and food-stuffs industries, etc. Numerous investments were made for land improvement and systemization, for increasing the irrigation capacity and the level of mechanization of agricultural work, for the development of livestock-farming, fruit-growing, etc. As well as these, 192 socio-cultural objects, such as schools, houses of culture, sports palaces, hospitals, etc., were built.

In general, the building workers accomplished the tasks of the 7th Five-year Plan. Putting into practice the decisions of the 7th Plenum of the Central Committee of the Party of 1983, they gained new experience in studying, designing, simplifying and reducing the cost of the projects, and succeeded in designing and building such large complicated objects as the «Enver Hoxha» hydropower station at Koman, the beautiful Palace of Congresses, etc. Nevertheless, during this five-year plan, too, tendencies have been displayed in the building sector to be concerned about the accomplishment of the plan as a whole and not about completing each object, and the co-ordination of tasks among the investors, builders and organs of foreign trade has not been at the level required. All these things have led to the dispersal of forces and means on many objects, to prolonging the time required to build and bring some of them into use, to the tying up of funds from the increased number of uncompleted structures, etc.

The volume of goods transported increased nearly 21 per cent, or 3300 million ton/kilometres more than in the 6th Five-year Plan. In 1985 railways carried about 45 per cent of the goods transported, as against 36 per cent in the 6th Five-year Plan. There was development, also, in transport abroad by sea and road. During the 7th Five-year Plan, however, transport remained a weak link and created serious worries for the economy. This was caused by weaknesses of the management and working discipline, by failure to utilize the carrying capacities of all kinds of transport properly, especially in railway transport, and by defects and weaknesses in vehicle maintenance for which the Ministry of Communications and its dependent organs bear responsibility.

During the past five-year period, the volume of exports and imports in foreign trade increased further and improvements were made in their structure. In 1985, as against 1980, the total volume of exports increased by about 29 per cent. Nevertheless, all the possibilities to increase exports and reduce imports were not utilized. Some branches and enterprises of the economy did not realize their export targets in quantity and quality on time, did not make rational use of the raw materials and imported materials. In particular, the efforts of the Ministry of Foreign Trade and its subordinate organs to fulfil the targets set for exports and imports have been inadequate; they did not work skilfully to know the state of the markets and the situation of prices, to encourage

production and to raise the effectiveness of our foreign trade.

The maintenance of the level achieved and the further raising of the well-being of the people, the narrowing of distinctions between town and countryside have been the main directions of the economic policy of the Party during the 7th Five-year Plan, too. The purchasing power and the real income per head of the population further increased, both in town and countryside. The turn-over of retail goods increased 20 per cent in the 7th Five-year Plan as against the 6th Five-year Plan. In 1985, as against 1980, the following increases in the sales to the working people of town and countryside were recorded: meat and meat products — 29 per cent, eggs — 46 per cent, fats — 24 per cent, vegetables — 17 per cent, sugar — 15 per cent, knitwear — 29 per cent, stockings — 19 per cent, furniture and household equipment — 36 per cent, etc. The stability of prices on the market was maintained, and not only were there no increases, but some prices were further reduced with a total annual gain for the working people of 130 million leks. More than 75 thousand new houses and apartments were built in town and countryside. Communal services and repairs increased 33 per cent.

Nevertheless, there have been shortages of some consumer goods on the market as a result of the failure to fulfil the targets for their production and distribution. There have been defects, also, in the

behaviour of the staffs of shops and trade units towards the people, and these have their source in the weakness of the work of the organs of trade and communal economy, towards which the Party and the people have made just and continual criticisms, demanding that they make a radical change both in town and countryside.

The Party has always dealt with the well-being of the people from the stand-point not only of the fulfilment of their material needs, but also of the all-round cultural development of the working people for the present and the future. The fund of social consumption during the 7th Five-year Plan increased more rapidly than the increase of population. In 1985 the number of secondary school and university students increased by 10 per cent, as against 1980. The network of educational, cultural, health and other institutions was further extended. A special expression of the continuous concern of the Party for the health of mother and child was the extension of maternity leave, along with the taking of a series of other measures for the strengthening of the prophylactic health service and the extension of the outpatient service. As a result of all these things, the infantile death-rate was reduced by more than 40 per cent. The average life expectancy is more than 71 years and in February 1986 the population of the country reached 3 million inhabitants.

The achievements in the field of the material and spiritual well-being of our people speak of the su-

periority of our socialist order which, even in the conditions of difficulties with which the economy had to cope, was able not only to guarantee the level of the well-being but also to further improve it.

The development of productive forces was accompanied with the improvement of the socialist relations of production. The state property was further strengthened with the coming into use of new projects and the more effective use of existing productive capacities. The cooperativist property was also developed, the level of its socialization was raised, also, through direct aid from the state. The formation of joint herds of the peasants' personal sheep and goats all over the country, and of cows in the lowland zone and part of the hilly zone, despite serious shortcomings that were noticed during its application, created conditions which stimulated the interest of the cooperativists in the work and the further development of livestock raising.

Improvements were made in the management and organization of the economy, especially in the field of planning and co-ordination of the material aspect with the financial aspect of reproduction. Implementing the directives of the 8th Congress of the Party, the organizational structures, competences and method of work of the state organs were further improved in struggle against manifestations of bureaucracy and liberalism. A number of new measures were taken to improve the forms of the remuneration of labour, which ensured a better and

more direct linking of pay with the quantity, quality and cost of production, as well as for the improvement of relations of exchange, especially in the forms of the wholesale purchase, storing and processing of agricultural and livestock products.

The failure to fulfil certain indices of the 7th Five-year Plan speaks of the inadequate work, also, of organs of the state and the economy, from the Council of Ministers down to the base. Their level of management and organization should have responded better to the accomplishment of the targets of the plan and the opening of perspectives.

The successes achieved during the 7th Five-year Plan, which were accomplished through a stern class struggle, through ceaseless work and efforts for the continuous application of the principle of self-reliance, further enriched the experience of the socialist construction in our country. Creative thinking and the spirit of action were raised to a new level and many revolutionary initiatives of the working masses emerged and became widespread. Outstanding amongst them is the movement «Banner-bearers of the application of the teachings of Comrade Enver Hoxha», a movement of great ideo-political, economic and social value, which has included all our working masses. All these achievements and the new experience gained during the implementation of the 7th Five-year Plan constitute a powerful basis and guarantee to undertake even greater tasks in the 8th Five-year Plan.

II

THE DIRECTIVES OF THE 9th CONGRESS OF THE PARTY FOR THE 8th FIVE-YEAR PLAN OF THE DEVELOPMENT OF THE ECONOMY AND CULTURE OF THE PEOPLE'S SOCIALIST REPUBLIC OF ALBANIA

Our socialist economy is entering the 8th Five-year Plan with a more powerful base and with clear objectives and perspectives of development. This five-year plan was drafted on the basis of the invaluable teachings and orientations of Comrade Enver Hoxha, who has stressed that the five-year plans must be considered.

«...As a whole unity with correct proportions and harmonized tasks, in conformity with the requirements of economic laws and the line and policy of the Party, closely linked with the concrete internal and external conditions and circumstances...»*.

The draft of the 8th Five-year Plan has been submitted to a broad discussion of the masses of working people in town and countryside and the

* Enver Hoxha, *About the 7th Five-year Plan*, p. 508.

tasks which are set in it bear the brand of their real, mobilizing, creative thinking. During this discussion of great political and economic importance the working people made more than 70 thousand proposals, finding new sources and possibilities to increase production and exports, to raise efficiency and so on.

Basing itself on the Marxist-Leninist general line of the Party and its economic policy to forge ahead resolutely and ceaselessly for the construction of socialism, the Central Committee of the Party presents these fundamental tasks for the 8th Five-year Plan: «To ensure the uninterrupted consistent development of the economy and culture at high rates, relying entirely on our own forces; to consolidate and further improve the multi-branched structure of the economy, always preserving the priority development of industry and developing agriculture at rapid rates; to increase the efficiency of production and accumulation through more complete utilization of the material resources and other possibilities of our society, the existing productive capacities, and those which will be added or modernized; to ensure correct ratios for the development of extended socialist reproduction; to carry forward and improve the socialist relations of production; to raise the material well-being and the cultural level of the working masses further and increase the defence capacity of the Homeland.»

In conformity with these fundamental tasks, the

socio-economic development of the country will be characterized by these main features:

— The objectives envisaged in the 8th Five-year Plan will be accomplished relying entirely on our own material, financial and foreign currency resources, without any aid or credit from abroad.

— The rates of increase of the social product, the national income and financial resources will be more rapid than in the past five-year plan and 2-3 times higher than the rate of increase of the population.

— The multi-branched structure of the economy will be consolidated and further improved by continuing to give priority to its two main branches — industry and agriculture. The process of socialist industrialization will be carried further by developing the mineral extraction and processing industry and the light and foodstuffs industry at more rapid rates.

— The targets will be reached relying mainly on the material-technical base which has been created. In industry, about 74 per cent of the total industrial production will be secured from the existing productive capacities; in agriculture more than 95 per cent of the increased production of field crops will be secured from the increase in yields.

— The efficiency of the economy will be raised to a higher level, the national income and the product for society will be increased more rapidly

than the material expenditure and the product for the individual.

— The socialist relations in the field of ownership, distribution and exchange, and of the management and organization of the economy will be further improved in conformity with the development of the productive forces.

— On the basis of the increase of material production and the development of the social and cultural sectors, the material well-being and cultural level of the working masses will be guaranteed and raised further, especially in the countryside, with the aim of proceeding more rapidly on the road of narrowing its distinctions with the city and, at the same time, strengthening the defence capacity of our socialist Homeland.

On the basis of the fundamental tasks of the 8th Five-year Plan (1986-1990), the main indices of the development of the economy and culture in 1990, as against 1985, will increase as follows:

— the social product	31-33%
— the national income	35-37%
— total financial revenue of the state	37-39%
— exports	44-46%
— the social productivity of labour	11-13%
— fundamental investments (in the 8th Five-year Plan, as against the 7th Five-year Plan, for the five years taken together)	11-13%
— real income per head of population	7-9%

These objectives comprise a great program of struggle and work for the economic and social development of the country, for strengthening the stability of our socialist economy and raising the level of its independence and self-action.

Allow me, comrade delegates, in conformity with the orientations of the economic policy of the Party and the fundamental directions of the development of the economy during the 8th Five-year Plan, which were presented in the Report delivered by Comrade Ramiz Alia, to present the main tasks for the development of individual branches and sectors of the economy, education, science and culture, for the strengthening of our defence, as well as some of the more important measures which must be implemented for their successful accomplishment.

1. Applying the policy of the Party for the construction of the material-technical base of socialism, during this five-year plan, too, industry will be in the centre of attention. It will continue to develop at rapid rates, in proportional ways, and in harmony with the other branches of the economy.

Industrial production in 1990 will increase 29-31 per cent, as against 1985, with an average annual increase of 5.6 per cent. This will be achieved first of all, through the utilization, extension, reconstruction and modernization of the existing productive capacities, as well as by building some

new projects. Production of means of production will increase 31-33 per cent, while that of consumer goods 25-27 per cent.

The Report delivered by Comrade Ramiz Alia points out that: «The turning of renewable and unrenovable potential of natural resources into active assets is a fundamental problem on the correct solution of which the increase in the productive capacity of our society is greatly dependent.»* In order to put this orientation into practice, the 8th Five-year Plan envisages important tasks for the development of the heavy, extracting and processing industry, at a rapid pace.

Special care will be taken for the further development and strengthening of the energy industry. Oil and gas will continue to occupy the main place in the energy balance of the country in this five-year plan, too.

Oil extraction in 1990 will increase 33-35 per cent in comparison with 1985 and will be secured mainly from the oil-fields under exploitation at present. To this end, important measures will be taken to keep all the existing active wells working and to open new wells in the known fields, as well as to raise the coefficient of the oil extraction higher by making more extensive and effective use of new

* Ramiz Alia, *Report to the 9th Congress of the PLA*, «8 Nëntori» Publishing House, Tirana 1986, p. 41, Eng. ed.

technologies and secondary and intensifying methods. Special attention will be paid to the preparation and bringing into production of wells in new fields, to raising the level of studies and of technical and scientific discipline, to better and higher quality preparation of structures which will be handed over for drilling, as well as to increasing the speed of drilling.

With the coming into production of the lubricating oil plant, which will produce 16 types of lubricating oils (as against 2 types produced in 1985), and the measures which will be taken to improve the utilization of productive capacities in the oil-refining industry, besides extending the variety of oil by-products, it will become possible to further improve the quality of oil by-products through the deep processing, with the aim of increasing exports and reducing imports.

In the conditions when the needs of the economy for sources of energy are continually increasing, the proportion of **natural gas and associated gas** in the energy balance will be increased, by increasing their use as fuels in industry, agriculture, etc., and as important raw materials for the chemical industry. In 1990, as against 1985, gas extraction is forecast to increase 2.6 fold, mainly from the extension of contours and reserves in the existing natural gas-fields, from the more complete utilization of associated gas, as well as from the discovery and bringing into production of new fields.

Accomplishment of these tasks requires that the Ministry of Energy, the organs of the Party and the state in the respective districts, the communists and all the working people of this sector should make a fundamental change in their work in order to overcome as quickly as possible the backwardness, the obstacles and the defects which led to failure to fulfil the plan in the past five-year period. Serious measures must be taken to strengthen the management, organization and control of the work, to raise the scientific level of studies linked with the preparation with higher quality of new structures which will be handed over for prospect drilling. Special importance will be given to perfecting the technology and strengthening the technical-scientific discipline in drilling oil- and gaswells, as important factors to raise the technical-economic indices and the efficiency of this sector.

In order to better fulfil the growing needs of the economy for energy resources and to replace liquid fuels with solid fuels, **coal production** in 1990 will increase 42-44 per cent over 1985. This will be ensured mainly from the more complete exploitation of existing mines in the coalfields of Tirana, Memaliaj, Korça and Pogradec, through the application of the most advanced techniques and technology for more complete extraction of the coal deposits, and through increasing the rates of advance in development work, raising the level of mechanization and the productivity of labour. Special care will

be devoted to preserving and improving the calorific value of the coal by reducing the coefficient of impoverishment, as well as by avoiding losses during extraction and in the enrichment factories, in the stockpiles of coal and during transport of it to the users.

The **production of electric power** in 1990, as against 1985, will increase 80 per cent, or over 2.5 times as much as the increase of industrial production. This increase will be secured entirely from the hydro-power stations, by taking further measures to raise the scientific level in the rational utilization of waters and to bring the «Enver Hoxha» hydro-power plant at Koman into full production. In order to keep ahead of the great needs which the economy will have in the future for electric power, during this five-year plan work will begin on the construction of the Banja hydro-power plant and several other smaller hydro-power plants. Nevertheless, reductions have been foreseen in the norms of consumption of electric power, and this makes it essential that all the branches of material production and the socio-cultural sectors should use it with strict frugality. During this five-year period work will be done to find new ways and possibilities for the wider use of electric energy within the country for products which are intended for export and which increase their value. Likewise, the use of electric energy for domestic needs will be extended, and in 1990 it will be nearly doubled in comparison

with 1985, while envisaging the investments necessary to increase the production of domestic electrical equipment for this purpose.

In this five-year plan the industry of the extraction and processing of useful minerals will assume great development and extension. In 1990, as against 1985, the extraction of chromium ore will increase about 36 per cent, copper ore 42 per cent and iron-nickel ore 29 per cent. Likewise, there will be increased extraction of other minerals, such as phosphorite, quartzite, olivinite, magnesite, bauxite, etc., with acceptable contents of their useful components. At the same time, efforts will be made to extract other useful components from the existing minerals. All this will make it possible to put the mineral reserves of the country into economic circulation in larger proportions, because these constitute a great social asset for the present and for future generations.

To accomplish these important tasks in the mining industry requires the taking of all-round measures for the rhythmical fulfilment of the plan, the carrying out in volume and quality of capital and preparatory development work necessary for the opening of new work fronts, for the further mechanization of work processes in mines, and avoiding the impoverishment and losses of minerals during extraction. Greater care must be shown, especially, in the opening and bringing into production of new mines, especially those where the minerals have

high levels of useful components, so that clear perspectives are opened for the future.

Along with the concentration of attention on the extraction of high-grade minerals, the low-grade minerals, also, will be taken into account. Their further enrichment requires radical improvements in the study, designing and bringing into production of new enrichment factories with advanced technology, the improvement of technologies in the existing factories, the extension of the selection of minerals, as well as raising the level of recovery and the quality of concentrates. To this end, 10 new factories will be built for the enrichment of chromium and copper ores and coal, with a capacity to handle more than 1.8 million tons of mineral per year. In 1990, as against 1985, the enrichment of chromium ore will be increased 79 per cent and the production of concentrate will be almost doubled. The fundamental task, both for the mining workers and for those employed in the enrichment of minerals, remains increasing the efficiency and profitability of production.

Achievement of the production levels which have been set for the extraction industry, as well as the increase of mineral reserves for the future, presents new, greater tasks for **geological prospecting and discoveries** in this five-year plan. The main objective of the workers of the geological service must be to create a more precise and complex concept of the quantity, variety and quality

of the new geological reserves which will be discovered and to raise the effectiveness of geological work, measuring and evaluating the work of the geological service not merely by the metres drilled, but mainly by the quantity and quality of the reserves discovered, by the raising of their category and by the cost per unit.

Structural improvements will be made in **black and non-ferrous metallurgy**, which will lead to ever better fulfilment of the needs of the economy for steel and rolled metal, to increasing income in foreign currency and reduction of imports. In 1990, as against 1985, production of rolled metal will increase 30-32 per cent, blister copper 34 per cent and copper wires 28 per cent. In this sector, major tasks emerge for the communists and workers of the «Steel of the Party» metallurgical combine in Elbasan to master and utilize productive capacities more completely, to increase the efficiency of production, to put new achievements of science and technique into practice and to apply strong technical and working discipline. The building of the new plant to produce metallic nickel-cobalt will ensure a better exploitation of the iron-nickel ore and enable the «Steel of the Party» metallurgical combine, for the building of which the state has made and is making large investments, to enhance its role and influence in the development of the whole economy and in the increase of financial and foreign currency revenue.

In the development of non-ferrous metallurgy,

attention will be focused on extending the production of ferro-chrome and improving its technology in order to improve the technical-economic indices of its production. The increase in the level of processing of chromium ore in the country, which is an asset of great value for the national economy, and the increase of income from it during this five-year plan, makes it essential that, besides the expansion of the existing capacities for producing ferro-chrome, new productive capacities are built in order to increase production of it in 1990 to over 2.2 times more than in 1985. In copper metallurgy, important tasks are presented for improvement of the qualitative indices and increasing the level of recovery of the metal, which in 1990 will be 1.6 per cent higher than in 1985. Likewise, more intense studies will be done for the more rational exploitation of copper ore from its extraction and enrichment to its smelting and full-cycle processing, in order to extend the varieties of copper wires produced and to increase exports of them. With the investments envisaged, the productive capacities will be expanded and the structure of the production of fine and very fine wires will be improved, while reducing the proportion of bars until they are completely eliminated at the end of this five-year plan.

Our country has created a powerful **engineering industry**. The Party has set the task of raising its role to a higher level for increasing the technical-scientific progress in the whole branches of the economy.

During the 8th Five-year Plan production in the engineering industry will increase over 23 per cent, with the production of spare parts in quantity and quality as its main objective. Through a more complete utilization of the existing productive capacities in this branch and with the new investments which will be made for the extension and reconstruction of a number of engineering plants and workshops, and with many other technical and organizational measures which will be taken, the engineering industry will fulfil the needs of the economy better in quantity, types and quality, especially for spare parts, not only in this five-year period, but also in the future. This will also create conditions for it to go more extensively into the production of machinery, technical equipment and lines and factories with more advanced technology. During this five-year plan the engineering industry will further increase the production of motors, tractors, header-harvesters and other machines for agriculture, of aerial transporters, machinery and equipment for the food-stuffs industry, of boilers of different capacities, etc. A fundamental task for all the workers of this branch will be a radical improvement of the quality of production.

Achievement of these objectives requires that attention must be concentrated on the application of measures which ensure the further strengthening of constructive designing, and especially technological designing, the further development of specialization

and co-operation, the unification and standardization of production in the engineering industry. The measures which have been taken in the field of management and organization of this important branch of the economy will play an important role for the accomplishment of the tasks with which the engineering industry is faced.

The intensive development of agricultural production and other branches of the economy at the present stage cannot be achieved without the further strengthening of the **chemical industry**, the production of which in 1990, compared with 1985, will increase 40 per cent. In particular, the production of chemical fertilizers will be increased by extending the superphosphate plant for this purpose and building a new urea plant in 1990. In 1990, compared with 1985, the production of nitrogenous fertilizers will increase 14 per cent, while superphosphate production will be doubled. Likewise, the production of soda ash will be increased by 94 per cent, while the production of washing powder will increase over 2.5 fold. There will also be increased production of pesticides. The primary task for the workers of this branch is the full utilization of productive capacities and the mastery of the production of new articles, to fulfil both the increasing demands of the branches of the economy and the needs of the people, on the basis of local raw materials and technological residues. In order to ac-

to accomplish these important tasks, it is essential that special attention be given to the maintenance of machinery and protection of the machines from corrosion; the strengthening of technical discipline and the qualification of the working people in the chemical industry.

In order to give better support to the plan of fundamental investments and constructions which are envisaged in this five-year plan, the **building materials industry** will assume further development. In 1990 its production will be nearly 18 per cent over the 1985 level. The targets in this branch will be accomplished through the production and more extensive use of materials and components of lighter weight, higher quality and lower cost. Thus, the production of light bricks will increase from 3 per cent of the total in 1985 to 54 per cent in 1990, etc. To this end, reconstructions will be carried out and new technologies will be introduced in the production of bricks and tiles, in the cement industry, etc.

In 1990, in comparison with 1985, **production in the timber industry** will increase 13 per cent. The accomplishment of this task is based not only on increasing the cutting of forest timber, but in particular, on the more rational and complex utilization of timber in all phases of its production and processing. In 1990 the coefficient of the complex exploitation of timber will reach more than 91 per cent. These and the other measures which have

been envisaged for the scientific handling of forests and the replacement of timber will make it possible in 1990 to achieve the objective set by the Party that the cutting of trees for timber should be balanced with the annual growth of the forests.

The priority development of heavy industry, as a distinguishing feature of the policy of the Party for the socialist industrialization of the country, creates possibilities for the light and food-processing industry, also, to develop more rapidly. The fulfilment of the needs of the people for consumer goods will be in the centre of the attention of the Party and our socialist state, as always. In 1990, compared with 1985, the production of **light industry** will increase 30-32 per cent. The more complete utilization of the existing productive capacities in this branch will be accompanied, also, with the building, extension, reconstruction and coming into use of 16 projects such as the extension of the textile combines in Tirana and Berat, the extension of the glass, ceramics, rubber and plastic, and other factories.

The increase in quantity, types and quality of consumer goods in light industry, especially small articles, will be accompanied, also, with increased replacement of natural raw materials with synthetic materials in the textile, leather and footwear, furniture and joinery industries, and wherever else possible.

With the measures envisaged in this five-year plan, the production and sale of ready-made garments will be expanded through the specialization of enterprises and the extension of their range of production. Radical improvements will be made to extend the range of models, the quality of the sewing, for the application of up-to-date technology, for a wider and more manoeuvrable range of retail prices, etc.

In the **food-stuffs industry** production will increase 30-32 per cent in this five-year plan. In this branch important measures will be taken for further improvements in the technology of production. Besides enterprises of the food-stuffs industry, it is necessary that enterprises of the system of trade and agriculture must engage to a greater extent in this activity. Important tasks are set for the absorption, collection and timely processing of agricultural and livestock raw materials with minimal losses, to increase the percentage of useful products extracted, especially in edible oils, sugar, cheese, etc., from 5 to 27 per cent, to achieve a more complete utilization of technological residues in order to increase the production of various products, and especially food for livestock.

The development of the food-stuffs industry will be better supported with investments. During this five-year period, 87 per cent more investments than in the previous five-year period will be made, by

building, extension or reconstruction of 74 projects, including 64 new ones, for the production of edible oils, tobacco curing and cigarette production, milk processing, the production of preserved fruit and vegetables, beer, fruit juices, etc.

The increase in the volume and variety of products, the improvement of the quality, packaging and presentation of consumer goods is a wide field in which the innovating thinking, imagination and action of workers, engineering and technical cadres and economists must be expressed with greater weight and in creative ways in order to bring about the change that the Party requires in fulfilling the needs of the people better. In this field the manifestations of globalism which still hinder the expansion of the production of consumer goods, especially of small articles, must be firmly combated, to this end, taking concrete measures to further improve the planning of production and productivity, and making more effective use of the lever of prices.

2. In the whole process of the socialist construction of the country the Party has adhered consistently to the Marxist-Leninist economic policy that, in order to have a strong and independent economy, its development must be based both on a powerful complex industry and on an advanced agriculture. Applying this policy, during the 8th Five-year Plan **agriculture will be developed on all fronts and more rapidly than the other branches**

of the economy, continuing the course of complex, harmonized intensification of all branches with the aim of consolidating and carrying forward the achievements made to date. In conformity with the orientations given in the Report delivered by Comrade Ramiz Alia, during the 8th Five-year Plan the intensive road of development will be harmonized better with the extensive road, while maintaining the priority of intensification of agricultural production over the whole country. Along with the consolidation of the achievements in the existing zone of 100 000 hectares, measures will be taken for the implementation of the second phase of the program of the Party for the further extension of the zone of priority intensification on the most fertile plains of the country.

During the 8th Five-year Plan agricultural production will increase 35-37 per cent, as against the last five-year plan, with an average annual rate of increase of 6.4 per cent. This will make possible the increase of grain and livestock products at more rapid rates; better fulfilment of the people's needs for eggs, milk, meat, vegetables, potatoes and dried beans; increased production of cotton fabrics, sugar and fats, and greater exports of agricultural products, especially tobacco.

The increase in **grain production** remains the main task in the 8th Five-year Plan, too, because this is linked not only with fulfilling the needs of

the people, but also with the strengthening of reserves and the food base for livestock-farming. The bulk of the increase of production will be achieved through the increase in yields, especially of maize, in which great possibilities and reserves exist to make a major stride forward.

Important measures will be taken, also, to increase production of cotton, sunflower and sugar-beet, mainly from increasing the yields of these crops. Tobacco production, especially, will increase. In 1990, as against 1985, it will increase 92 per cent, mainly from increasing the area planted, but also from increasing the unit yield.

During the 8th Five-year Plan, marked changes will be made to increase the production of vegetables, potatoes and dried beans, by increasing their yields. This will bring appreciable improvements in the supply of these essential products to the people all the year round in order to further improve the structure of their diet. To this end, important investments will be made to raise the level of intensification of these crops, to increase the area planted in hot-houses, to make better use of areas with microclimates suitable for the production of early vegetables in all districts of the country, etc. Likewise, the capacities for cold storage of vegetables will be increased. The initiative for the planting of potatoes and beans as second crops by the field brigades in the agricultural cooperatives

and state farms, also, will improve the supply of these products for the cooperativist peasantry appreciably.

The Party has never separated the development of agriculture from that of **livestock-farming**, but this task is especially important at present in order to achieve a more rapid improvement in the supply of livestock products for the people and to overcome the relative backwardness in livestock-farming. The fundamental feature of the development of livestock-farming in this five-year period will be the rapid increase in livestock numbers and the increase of productivity for all types of livestock and in all zones of the country, giving priority to the increase of sheep and goats in the hilly and mountainous zones of the country. In 1990, compared with 1985, the number of sheep and goats will be increased 64 per cent and that of cows 34 per cent, reaching 3,570,000 sheep and goats and 305,000 cows at the end of the five-year period.

During the 8th Five-year Plan further steps will be taken for the economic and organizational strengthening of cooperatives with a pastoral direction, which are justifying themselves, and the number of them will be increased. Besides this, new enterprises with a pastoral direction will be set up near the large areas of natural pastures which are not utilized or utilized very little today.

Likewise, the development and further consolidation of the initiative for the brigades engaged in growing field crops, fruit, vegetables and forage crops in the agricultural cooperatives and state farms to set up and keep small herds of cows and other animals will also have the effect of increasing the number of livestock. This initiative is demonstrating the possibilities and reserves which exist for the rapid increase in the numbers of animals by exploiting the considerable resources and possibilities which the brigades have in their territories to feed livestock, in order to fulfil their needs for fresh milk within the year 1988. The experience of the agricultural cooperative of Gore in the Lushnja district shows that this initiative constitutes a reserve for the fulfilment of the needs of members of agricultural cooperatives for meat. The creation and further consolidation of small herds in the brigades will give a great impulse to the development of livestock-farming and the increase of its production by making it the concern of all the workers of agriculture.

Our state has made, and in this five-year period will continue to make, important investments in the development of livestock-raising and breed improvement in all kinds of farm animals and birds. They now have the genetic capacity to double their production. In the new conditions created, all the

possibilities exist for the cooperativist economies in the zone of priority intensification to achieve an average annual yield of more than 2 500 kilos of milk per cow, and no less than 2 000 kilos in the other lowland economies, while in all the other economies of the country the aim must be to get not less than 1 500 kilos. In the cooperatives of the lowland zone we must work to get more meat from the sheep by making more extensive use of new methods of industrial cross-breeding and lambing twice a year, with the aim of getting 30-40 kilos live weight of meat per year from each ewe before it is slaughtered. In the hilly and mountainous zones of the country the main direction of the work with sheep and goats should be to increase milk production, while also increasing production of wool and meat.

To achieve the objectives set for the development of livestock-raising requires making a radical change to ensure an ample supply of food, providing a balanced diet all the year round. During this five-year period the yields of forage crops will increase 62 per cent for first crops and 46 per cent for successional crops. This will be achieved by eliminating the manifestations of underestimation and one-sidedness in the treatment of forage crops, by providing the material base and services to support their production the same as for other crops. Priority will be given to silaging fodder, especially of

whole maize, and increasing the production of meadow hay and lucerne, while at the same time increasing the area planted to leguminous crops, the collection and processing of straw, etc.

The large-scale radical improvement of natural pastures and the increase of cultivated mixed pastures, for which during this five-year plan 4 times more funds will be invested than in the 7th Five-year Plan, constitutes another large reserve for increasing the supply of food for livestock. The Party is confident that the youth, to whom this important action has been entrusted, will accomplish it successfully. Further measures that will be taken for the collection, processing and use of all by-products of agriculture, the food-stuffs industry and other sectors, will help to ensure the balanced feeding of the livestock. Besides these measures, the Ministry of Agriculture, the organs of the Party and the state in the districts must follow up in responsible ways and carry through to the end the work begun for the unification of the numbers of livestock which should be carried per unit area in each district and economy with comparable conditions. For their part, the specialized scientific institutions must work out and introduce to large-scale use new techniques for the raising of livestock, the improvement of breeds and the broader extension of higher productivity breeds.

Fruit-growing will assume further development

in the 8th Five-year Plan. As against the last five-year plan, production of pip and stone fruit will increase 32 per cent, of grapes 44 per cent, of citrus fruit 42 per cent and olives 77 per cent. In the development of fruit-growing, the characteristic of this five-year period will not be the planting of new blocks of fruit-trees, but the intensification of services in the existing plantations and the completion of the number of trees per hectare in order to increase the volume and effectiveness of production. In olive-growing, besides the increase in the number of trees and the intensification of services in the existing plantations, the placing under irrigation of a further 500 thousand trees, which is an increase of 35 per cent in comparison with 1985, will have the effect of increasing production and reducing its periodic fluctuations. The great action for the olives, which the Party entrusted to the youth recently, will undoubtedly give a powerful impulse to all the work for the development of this crop which is important to our country, in order to reach the objective of doubling olive production by the end of this five-year period.

The tasks set in agriculture will be supported with numerous investments which make up about 32 per cent of the total volume of the investments which will be made during the whole 8th Five-year Plan, not including the investments in other sectors which serve agriculture, totalling about 700 million

leks. The investments will be made, first of all, for the systematization and raising the fertility of the land, the building of new irrigation works, the development of livestock-farming, etc.

During the 8th Five-year Plan, 20 000 hectares of new land will be opened up, because the rapid increase of the population, also, requires this. At the same time, the protection of the existing fund of land, also, is presented as an urgent task. To this end, stronger measures will be taken to control and discipline the occupation of arable land with buildings, work will be intensified for the systematization and protection of the land from erosion, for the rapid bringing in of acid and saline lands, etc. The Ministry of Agriculture and its respective institutions must provide complete solutions for all these problems within the shortest possible time.

The area of land under irrigation will reach 63 per cent of the arable land in 1990, compared with 56 per cent in 1985. To this end, 980 million leks, or 30 per cent more than in the 7th Five-year Plan, will be invested during this five-year period for the building and bringing into use, step by step, of many irrigation projects, some of them of large dimensions. With the completion of the great reservoir of Banja, which will begin to be used as early as 1988, the irrigation will be improved in 60 000 hectares of land in the districts of Elbasan, Durrës, Lushnja, Berat and Fier, and even-

tually a further 30 000 hectares of new land will be brought under irrigation. Other important reservoirs will be built, also, including that of Metallaj in the Durrës district, from which the irrigation capacity will be increased by 600 hectares and improved in a further 5800 hectares; the reservoir of Panahori in the Fier district, with an irrigation capacity of 4200 hectares, the reservoir of Buvilla in the districts of Tirana and Kruja, with a capacity to water more than 4100 hectares; the Janjari reservoir in the Saranda district, which will provide irrigation for a further 2500 hectares and improve it on another 3000 hectares; a further 3400 hectares will be brought under irrigation in the Upper Shkodra region where the supply of water will be improved on another 7400 hectares, and water will be provided for more than 2000 hectares in the zone of Mali i Thatë in the district of Pogradec. All these projects, taken together, will bring about notable improvements in the increase of irrigation capacities and supplying the quantities of water required for the crops in all the districts of the country.

Utilizing the positive experience for the acceleration of work on building irrigation projects which was gained during the 7th Five-year Plan, during the 8th Five-year Plan, too, the method of action will be the main method of work of the organs of the Party and the state in the centre and at the base to

shorten the time required to build these important projects.

Carrying out the orientations of the Central Committee of the Party, a series of complex measures will be taken, also, for the development of the co-operatives in the hilly and mountainous zones, especially in the northeast of the country, as well as for the economic-organizational strengthening of agricultural cooperatives.

The major tasks which are presented for the development of agriculture and livestock-raising during the 8th Five-year Plan will be guided and supported with a series of studies and generalizations, with the introduction of achievements of contemporary science in production on a more extensive scale. To this end, the scientific institutions, the cadres and specialists and all the workers of production have special tasks for the working out and application of advanced technologies, increasing the fertility of the land and the effectiveness of the use of chemical and organic fertilizers, the creation and introduction into production of better seeds giving higher yields and breeds of higher productivity, for the complete harmonization of all agrotechnical and zoo-veterinary links for the cultivation of crops and the raising of livestock, for raising the degree of mechanization of agricultural work, etc.

3. The fundamental investments and constructions are among the main factors which will pro-

vide better guarantees for all the socio-economic development of the country. The mobilization of all material, financial and foreign currency resources enable us to make investments totalling about 24 thousand 450 million leks in the 8th Five-year Plan. Of this total, about 83 per cent will be used in the field of material production, concentrating the investments, first of all, on the development of heavy industry, the light and food-stuffs industry, and agriculture. Appreciable improvements will be made, also, in the structure of investments, giving priority to machinery and productive equipment as the most active part of the main funds.

The implementation of the great program of investments requires the taking of all-round ideological, economic and technical-organizational measures by the organs of the Party, the state and the economy to give timely solutions to problems in all phases of the study, designing and bringing into use of projects. The investors and designing institutions have important duties to guide the drafting of the plan of investments better through carrying out prognostic studies on the long-term development of the branches of the economy and to raise the quality of projections, in order to judge and determine correctly the order in which projects should be built and find solutions with greater effectiveness in conformity with our conditions and possibilities.

The realization of objectives in the field of investments and shortening the time required to build

projects faces the organs of construction at the centre and the base with the task that they must concentrate the work of construction and installation better, making more extensive use of the method of action in order to increase the level of mechanization and the productivity of labour and to utilize the many reserves which exist for reducing the costs in building.

To increase the effectiveness of investments requires the strengthening of cooperation and better co-ordination of tasks between investing departments, the Ministry of Construction, the Ministry of Industry and Mines and the Ministry of Foreign Trade, in order to secure locally produced and imported machinery of the necessary quality in time, and to guarantee that projects will be brought into use within the set period.

4. During the 8th Five-year Plan transport will be further extended and its structure improved so that it responds better to the socio-economic development of the country. In 1990, as against 1985, the total volume of goods transport will increase 28-30 per cent, with an average annual rate of 5.4 per cent. Priority will be given to railway transport, which will increase 49 per cent. This increase will be coped with by intensification of the transport on the existing lines and the building of the new Milot-Rrëshen-Klos railway and a number of sidings. Measures will be taken, also, to improve the level of organization and management of the work,

especially in railway transport, to introduce advanced technologies and to double the handling capacities at the railway stations and sidings, etc.

During this five-year period transport by sea and the internal waters will increase more than two fold. In order to accomplish this task, measures will be taken to achieve better utilization of ships, the raising of the level of mechanization of loading and unloading at seaports, the introduction of new forms of bulk packaging of goods and improvement of the co-ordination of tasks between transport and production. Care will be taken, also, to strengthen internal transport through the further extension of the use of transport by aerial cableways, as well as to increase and make better use of the existing transport capacities.

All these things require that the organs of transport at the centre and the base should take serious measures to raise the level of technical maintenance and the coefficient of the use of means through the introduction of new technologies in repairs. Improvement in the utilization of road vehicles will be achieved by more extensive use of trailers, by doubling the number of trucks working two shifts, as well as by taking measures to eliminate the movement of goods in parallel or opposing directions.

There will be further improvements in the **post and telecommunications** service, also, during this five-year period, putting the emphasis especially

on improving their quality and culture, increasing the readiness of the existing capacities and utilizing them better. To this end, their technical base will be strengthened with new systems, going over gradually to automatic inter-urban telephone communication. Communications within the districts, with the centres of the united villages and individual villages, also, will be extended and improved.

5. The new perspectives which are opened in the 8th Five-year Plan create conditions and possibilities for increasing the volume of the circulation of goods in foreign trade. Our economy will develop on the basis of an active balance of foreign currency, in which the increase in the volume of exports will have priority over that of imports. During the 8th Five-year Plan exports will increase at an average annual rate of 7.8 per cent, while improvements will be made in the structure of export products in which energy products, chromium and tobaccos occupy the main place. The increase in the volume of exports requires, first of all, fulfilment of the plan of production, improvement of the quality of products and reduction of the cost by the enterprises which produce export goods, while finding new ways and possibilities to increase them.

At the same time, the organs of foreign trade must enhance their role and influence on the producers through better knowledge of the demands of the foreign market and of the progress of the economy of the countries with which we conduct trade. They

must raise the effectiveness of their work by buying and selling profitably as well as by securing the necessary import goods in time. Greater skill and mobility is required from the organs of foreign trade in order to utilize the situation of supply and demand and prices on the world market intelligently and in favour of our economy. Economic thinking should occupy a greater place in the activity of the workers of this sector, too. In his Report Comrade Ramiz Alia pointed out, «The balance of foreign currency is becoming ever more active through the increase of exports and the relative reduction of imports, but also by means of the sparing use of goods which can be exported, as well as through the replacement of goods which are brought in from abroad today with our own products.»* This is a broad front of work for all the cadres, specialists and workers of our country, which requires, besides the struggle to increase export goods, the replacement on the widest possible scale of imported goods with local products and further strengthening of the regime of savings in the use of raw materials and other materials which are imported. A persistent struggle should be waged both by the productive enterprises and by those of foreign trade, against wrong tendencies and attitudes to turn to imports to secure many goods

* Ramiz Alia, *Report to the 9th Congress of the PLA*, p. 32, Eng. ed.

instead of encouraging creative thinking and activity, studies and experimentation, in order to secure these goods locally.

In order to enhance the effectiveness of our foreign trade the organs of planning, finance and the bank must play their role better, doing more qualified work to increase the resources from exports, reduce imports, strengthen the control over the use of foreign currency, follow prices and market situations, etc.

6. The financial resources will be increased rapidly during the 8th Five-year Plan on the basis of the development of the economy and the increase in its efficiency and profitability. Between 1985 and 1990, the total financial revenue of the state will increase at an average annual rate of 6.8 per cent. To achieve this objective requires that each cell of the economy must guarantee the fulfilment of targets of the plan on all fronts in all quantitative and qualitative indices and at the lowest possible cost.

Special attention will be paid to reducing the cost of production, from which the enterprises will ensure 61 per cent of the increase of their net income. Reduction of the material costs has the main weight in the plan of reduction of costs. Whereas in 1985 for each 100 leks worth of social products 60 leks worth of materials were spent, in 1990 this index will be reduced to 58.8 leks. The norms of consumption of fuels, steel and sheet metal alone have

been envisaged with reductions of 5 to 20 per cent in comparison with the past five years, and this requires all-sided work by the organs of the state and the economy to establish and apply scientific norms for the consumption of materials as the basis for carrying out the plan of reduction of costs.

The task is presented that management must be raised to a higher level and more qualified solutions must be found to the problems which have to do with better co-ordination of the financial aspect with the material aspect of production, with the aim that each link of the economy should work profitably, cover its expenditure with income and contribute to the increase of financial resources. Serious measures will be taken for the reduction and elimination of enterprises, activities and products with losses, especially in the state farms, in order to put them fully in their vanguard role for the accomplishment of the tasks of the plan in agriculture.

Continuous attention will be paid to financial problems, not only by the organs of the plan, finance and the bank, but also by all the cadres, specialists and workers in order to encourage their creative thinking for the increase of income and the further reduction of financial expenditure in leks and foreign currency.

7. In this five-year plan, too, the attention of the Party will be centred on guaranteeing and raising the material well-being and the cultural level of the

working masses. In 1990, as against 1985, the real per capita income of the population will increase 5.8 per cent in the city and 12.7 per cent in the countryside. This will make possible more rapid progress on the course of narrowing the distinctions between town and countryside. The increase in the real per capita income will be achieved mainly through the full employment of the increase in the active population, the raising of the average pay in the city and income per work-hand in the countryside, the raising of the fund of social consumption and the stability of retail prices. The achievement of these objectives depends on complete fulfilment of all the quantitative and qualitative indices of the plan. Therefore, the struggle to fulfil the plan should be considered and applied as a struggle to guarantee and increase the well-being of the people, which is the fundamental economic law of our socialist society.

In 1990, as against 1985, the **turnover of retail goods** in the state shops and in the agricultural cooperatives will increase 25 per cent. On the basis of the increase in the supply of goods and the purchasing power of the people, the following increase in the consumption per head of main food-stuffs and industrial articles has been envisaged: meat 50 per cent, milk 51 per cent, eggs 58 per cent, vegetables and melons 32 per cent, potatoes 168 per cent, dried beans 62 per cent, pip, stone and citrus fruit and grapes 55 per cent, knitwear 29 per cent,

footwear 32 per cent, etc. During this five-year plan, along with the considerable increase in the supply of animal products for the people, special care will be shown to increase the production of small commodities in order to fulfil their needs better. Not only the enterprises of the Ministry of Light and Food-stuffs Industry, but the enterprises of other branches of the economy have duties in this direction, in order to turn the technological residues of the raw materials which they use into goods for wide use. This is a permanent and important directive of the Party, the putting of which into practice requires serious understanding and appreciation by the leading cadres of the organs of the Party and the state in the districts, cadres of the economy and all the communists and workers, in order to utilize every reserve and possibility which our economy has and constantly creates in order to provide the people with the maximum quantities of consumer goods which they require. Scientific and inventive technical and technological thinking will be given greater encouragement in every way to ensure that this directive is realized.

The organs of **internal trade** must do more profound and systematic work to know the requirements of the people for goods and services, and on this basis should plan and follow up the territorial distribution and redistribution of commodities. They must exert greater influence in order to guide and

encourage production according to the consumers' requirements, carefully follow the quantity and structure of goods supplied to the market and the stocks in the shops, improve the commercial culture and combat negative phenomena and alien manifestations in the protection and administration of property, etc. Special care must be given to raising the level of services in the cooperatives' shops, as well as to the collection of vegetables and fruit from the agricultural cooperatives. Radical measures must be taken to raise the level of the service, culture, hygiene and cleanliness, especially in public catering, and to make it more readily available to residential and production centres, and to increase the range of instant and take-away foods for the family. The planned increase in food products, vegetables and fruit must be accompanied with expansion of the system for storing them in the most suitable conditions in order to use them according to the requirements of the market all through the year.

Repairs and other communal services for the people will increase 43-45 per cent in 1990, as against 1985. Special attention will be paid to communal services, particularly in the countryside, which will be doubled during this five-year plan. In order to support the great national action to ensure abundant supply of drinking water for all the villages and inhabited centres of the country it is envisaged to build water-supply systems for 1200 villages by the end of the year 1990; along with

this, the existing ones will be improved and extended. More than 460 million leks, more than 25 thousand tons of pipes and other necessary materials will be used for this purpose and for linking the villages with motor roads.

The housing conditions of the people will be improved, too. During this five-year period 85 000 apartments and houses will be built in town and countryside. At the same time, many measures will be taken by the organs of the communal economy for the repair and maintenance of the existing fund of state housing, as well as for improving the conditions of hygiene, parks and gardens and the creation of cultured environments in towns and inhabited centres.

During the 8th Five-year Plan, **in education** the work will be intensified to raise the quality of the ideo-scientific training of pupils and students, to improve their practical abilities, to raise the productivity of the teaching-educational process, and to further strengthen the connection of school with life. To this end, measures will be taken to carry forward scientific and pedagogical thinking, the teaching methods and the generalization of advanced experience, as well as to raise the level of the training and qualification of teachers and pedagogues. Full-time secondary schooling will be further extended and include even greater numbers of pupils, drawing in more than 71 per cent of those who complete the 8-year school by the year 1990. About

15 per cent more new students than in the 7th Five-year Plan will be admitted to full-time higher schooling and about 21 thousand new higher cadres will be trained. In order to fulfil the growing needs of the economy and culture the qualification of workers in full-time and part-time courses will continue.

Our socialist **culture** will assume further quantitative and qualitative development. During this five-year plan the ideo-political, scientific and cultural level of the broad working masses, especially in the countryside, will be raised further. **Literature and the arts** will place themselves in the service of the people better, creating outstanding works of socialist realism of an ever higher ideo-artistic level, which truthfully reflect the great transformations and the fundamental problems of our society.

In physical culture and sports the aim will be to further increase the mass participation and raise the qualitative level of the physical culture and sports movement, by making better use of the natural conditions for the physical training of the youth. Care will be taken to make more rapid advances in raising the quality of sports by applying more advanced norms and new methods in the training of sportsmen and women.

During the 8th Five-year Plan important measures will be taken for the further development of the **health service**. The quality of the health service

will be improved, especially in the countryside, so that it can cope better with the problems of prophylaxis and treatment. The rate of infantile mortality will be further reduced, the network of specialized health institutions will be extended and their material-technical base strengthened. Pharmaceutical products will increase about 57 per cent. More thorough measures will be taken to improve the level of hygiene in the country and to protect the environment from pollution.

8. The rapid development of the productive forces will be accompanied, also, with improvement of the socialist relations of production in order to enhance their role and active influence in the overall socio-economic development of the country. Important measures will be implemented to strengthen the state and cooperativist socialist property through strengthening the material-technical base, through effective use and good administration of it.

The strengthening of the socialist attitude of the working people to social property through carrying out a greater amount of work to educate and convince them and through the strengthening of the state control in every cell and unit of the economy will be an object for special attention.

An important field will be the improvement of relations of distribution, especially of the product for the individual, in conformity with the orientations and basic principles of the economic policy

of the Party. The remuneration of labour will be improved by linking it more closely with the quantity and quality of work done and the cost of production. Wider use will be made of forms of remuneration which give greater incentive to increased production in the most important branches and sectors of the economy, as well as to ensuring a stable work force on jobs remote from the towns and for those districts which cannot fulfil their needs from their own resources. The material incentives must not be neglected, while giving priority to moral incentives. Their harmonization must be accompanied with the strengthening of the control by society over the amount of work done, remuneration and consumption.

The relations of exchange will be further improved and the economic links between town and countryside will be strengthened. To this end, new, more suitable forms will be applied for the direct purchase of agricultural and livestock products. The economic levers will be used more effectively in the relations of the state with the agricultural cooperatives, aiming at a fairer re-distribution of income from the lowland zone to the hilly and mountainous zones and for the better adjustment of the level of profitability among different crops.

Another important field for the improvement of the socialist relations of production during this five-year period will be the raising of the scientific level of the planned management of the economy. The

aim of the improvements in this field will be to give greater encouragement to the initiative and creative thinking of the working people in order to increase production and improve its efficiency on the basis of a better harmonization of economic interests, the more rational use of the material-technical base created, etc. Special care will be shown for the extension of the competences of the base, especially in the agricultural cooperatives in the field of planning; in compliance with the principle of democratic centralism measures will be taken, also, to achieve a better harmonization and co-ordination of planning and management according to the branches of the economy, with territorial planning and management on a district scale. Besides this, the balance method in planning will be extended more widely in central departments, districts and individual enterprises, accompanying this with the drafting of the inter-branch balance.

III

SOME MAIN DIRECTIONS ON WHICH THE ATTENTION OF THE ORGANS OF THE PARTY, THE STATE AND THE ECONOMY MUST BE CONCENTRATED FOR THE ACCOMPLISHMENT OF THE 8th FIVE-YEAR PLAN

The major socio-economic tasks which the 8th Five-year Plan contains are the materialization of the line and policy of the Party on the course of the construction of socialist society. Their successful accomplishment requires major solutions which serve the present and future development of the economy and culture, requires a method and style of work of leadership and organization which must respond to the revolutionary enthusiasm of the masses, encourage and support their initiatives and creative thinking, and must mobilize and set in motion all the human, material, financial and foreign currency, scientific and technical possibilities which our social order has and continually creates.

1. The system of management and organization of our economy according to the principle of democratic centralism has fully demonstrated its cor-

rectness, sound Marxist-Leninist content and effectiveness by successfully withstanding the test of time. The foundation-stone of it has been and still is **the active participation of the masses in the administration of the economy, in the solution of problems which arise in the course of its uninterrupted development and the accomplishment of the targets of the plan.** This participation of the masses in the administration of the economy and in all the social life of the country constitutes a decisive condition for the protection and strengthening of the people's state power in struggle against the manifestations of bureaucracy and liberalism, in order to carry the socialist revolution forward uninterruptedly.

Therefore, in order to accomplish the targets of the 8th Five-year Plan, too, we must rely more on the revolutionary thinking and action of the masses. The organs of state power and their apparatuses at the centre and the base have the duty to consult the opinions of workers and cooperativists, cadres and specialists of production, and listen to the proposals they make. As the Party has always taught, links with the masses must constitute the essence of the method and style of the work of leadership and organization of organs of the Party, the state and the economy in the future, too. In all their activity, the fundamental thing must be the living work with people, with the workers, cooperativists,

cadres and specialists, because it is they who materialize the targets of the plan in practice.

The problems and difficulties which may be created in the course of implementing the plan in this or that branch or sector of the economy cannot be solved through orders or administrative measures alone, nor by keeping them closed within the apparatuses of the state administration, but, first of all, by turning to the working people. We must fight hard against the manifestations of bureaucracy in the method of work of certain cadres and leaders of the state and the economy, who conceive and reduce their links with the base, with the masses, simply to contact with the apparatuses and specialists. Such a method does not permit you to really know the situation, to find the proper solutions to the problems which emerge during the implementation of the plan and to mobilize people and set them in action to accomplish the targets of the plan.

The readiness of the masses to carry out the tasks entrusted to them by the Party has always been at a high level, but today we are witnesses to a new upsurge of their revolutionary enthusiasm which is being expressed in the many initiatives, pledges and uninterrupted actions which the working people of town and countryside have undertaken in order to accomplish and overfulfil the objectives of the plan in every field of productive and social activity. It is the duty of the organs of the

Party, the state and the economy to keep this revolutionary spirit of the working people ablaze and raise it higher by taking the necessary economic, organizational and technical measures to ensure that their creative thinking is further developed and the initiatives taken are crowned with success. In this context, moral and material support and incentives must be given to the inventions and rationalizations of the masses as a powerful lever for technical and technological progress, in order to increase production and its efficiency. Procrastination in applying these inventions and rationalizations, or abandoning them half-way, has undesirable consequences for the development of the economy and culture and, what is even more harmful, blunts the enthusiasm and revolutionary spirit of the masses. Only through persistent struggle, with revolutionary creativeness and spirit, can we realize the tasks and overcome the difficulties of the imperialist-revisionist encirclement.

We must rely more on advanced experience and make more extensive use of the method of action to accomplish the targets of the plan. Rich experience was accumulated in all fields of the economy and social activity, in the struggle to fulfil the 7th Five-year Plan. All of us must learn from this how to cope with the difficulties and accomplish the tasks, how to solve the problems which emerge with initiative and our own forces, how to discover and bring into use the many reserves which exist

in every enterprise, agricultural cooperative, district and branch of the economy. We must sum up and disseminate everywhere all those many examples of rationalizations and saving of material resources and working time, which manifested themselves with special force in the struggle to overcome the difficulties which were created for us, especially in the last two years, by the extremely prolonged drought, the shortage of energy and some imported raw materials; we must sum up and disseminate the advanced experience in the reduction of the time required to build economic and social-cultural projects and to put them into use; in the achievement of high yields in agriculture and livestock-farming, etc. The advanced experience of the working class, the cooperativist peasantry, specialists and cadres in management, organization, technique and technology, must be programmed and planned, and all the necessary organizational, technical and administrative measures must be taken to apply it.

Valuable new experience has been gained in recent years in the organization of actions. The working masses have raised their spirit of readiness and their militant fighting spirit to a higher level. There are problems which can be solved with actions everywhere and continually, but this method should be used especially to reduce the time required for the building of objects, to increase the area of irrigated land, speed up the movement of goods and the picking, collection and handing over of agri-

cultural products in the shortest possible time. Actions should be undertaken, also, for the revision and establishment of technical norms in the use of raw materials, other materials, fuels, electric power, labour, etc.

The widest possible use of actions will also serve as an effective means for the further revolutionization of the method and style of work of apparatuses, to combat more strongly the manifestations of bureaucracy and technocracy, which run counter to the revolutionary enthusiasm of the masses. They must not serve to cover up the shortcomings in the management and organization of work, the backwardness or disharmony which may be created in carrying out the plan. The question is presented that action must become part and parcel of the method of leadership of the work in the economy and every sector of social activity.

It is a fact that all the material and human factors which our socio-economic order has created, as well as the completed structure of the management of the state and the economy, cannot give the effectiveness required in the accomplishment of the plan and the successful conduct of all the work if it is not accompanied with an active, all-round check-up by the centre and the base, by the Party and the state organs, by the organisms of the economy and social organizations, by the specialized organs and directly by the working masses. Only

such control sets the working people in motion to correct shortcomings and accomplish tasks.

The main function of the control activity must be the taking of measures on the spot for the elimination of shortcomings discovered in the work of organs of the state and the economy, state farms and agricultural cooperatives and all social, cultural, scientific and other institutions. Therefore, we must firmly combat the spirit of control which merely observes, registers and records problems, but does not help to solve them and improve the situation.

The Party demands that a real and radical change must be made in the field of control. As Comrade Ramiz Alia pointed out in his Report, the task is presented that control must be strengthened everywhere and over everything, and in particular, the internal control must be strengthened in enterprises and cooperatives and self-control strengthened in the districts and ministries. In this question there is still backwardness. In some cases it is reduced simply to financial control and auditing. As a result of all this, the effectiveness of control for the accomplishment of the tasks of the plan in quantity, quality and assortment, in distribution according to contracts, as well as in all the other economic and financial indices is still low. This has dictated the need that, in applying the decisions of the 14th Plenum of the Central Committee of the Party, we must take measures to ensure that all

the links of the management of the economy, from the brigade, sector, department, enterprise and agricultural cooperative and up to the ministry, are set in motion more effectively for internal control and self-control, by concentrating it on systematically checking up on the accomplishment of targets of the plan.

Enhancement of the operative and preventive role in all forms of control raises the need to have a greater amount of systematic information, for more frequent, regular communication at the proper time, for the most accurate and complete documentation of data, which permit rapid scientific analyses of economic phenomena to be carried out. In this context, the organs of planning, finance, the bank, the statistics and information service, in particular, have specific duties. They are required to speed up the receiving and processing of data, and especially, to raise the level of generalizations with the aim of anticipating economic problems, as well as to take the necessary measures for the timely prevention of any undesirable tendencies. From this stand-point, the role and influence of the information service must be further increased. For this purpose, a special institute provided with up-to-date equipment and means has been set up, and much is expected from it in order to modernize and speed up economic, technical and scientific information.

All the measures which have been and will be taken, as well as all the work which is being done

to strengthen control, depend to a large degree on the effectiveness of the activity of leading cadres and specialists in the state administration and the economy. In their method of work they must fight more persistently against manifestations of bureaucracy and liberalism, of routine work without perspective, and further enhance the sense of individual and collective responsibility, as well as the demanding of account on the accomplishment of the tasks. At the stage reached in the development of our economy, management is a profession, and at the same time, a science. Therefore, knowledge, culture, technical and professional knowledge, and organizational abilities are needed in this field. To this end, it is essential that the leading cadres and the specialists in the centre and at the base should work hard all the time to raise their ideological and scientific level with knowledge assimilated from theory and practice.

2. **The present stage of the development of the economy and its future makes the raising of efficiency in all branches of the economy a very important task.** Raising the efficiency of production has always been an objective of the economic policy of the Party, but it assumes particular importance at present, because all the targets of the socio-economic development of the country envisaged in the 8th Five-year Plan will be accomplished by relying entirely on the internal material and financial and foreign currency resources.

As experience over many years has shown, the rhythmical fulfilment of the plan in all its quantitative, qualitative, technical, economic and financial indices remains the decisive factor to attain the efficiency required. One-sidedness, irregularity and globalism in fulfilment of planned targets lead not only to failure to fulfil the real needs of the people, the economy and defence, but also to failure to fulfil the targets set for increasing the productivity of labour, reducing costs and increasing accumulation without which the efficiency and profitability of the economy cannot be raised. From the failure to fulfil the plan in building and industry alone in 1985 the cost of production and construction was increased more than 140 million leks, thus reducing the net income planned for these branches.

As the Party and Comrade Enver Hoxha have always instructed, in order to raise efficiency careful calculations must be made everywhere to ensure that every investment and expenditure in production, building and services is absolutely justified through the reduction of cost per unit product, that the increase of production and of national income is ensured by raising the value of the resources of materials, energy and finance which are used, and increasing the productivity of labour. Applying this orientation, it has been envisaged that in the 8th Five-year Plan the rates of increase in the social product and national income will be higher than

the rates of increase in the primary resources of energy which will be consumed in the country. This will make possible that for each unit of the social product produced in 1990 the primary resources of energy used will be 4 per cent less than in 1985.

The increase in efficiency is real only when it is accompanied with increased resources of finance and foreign currency and increased profitability of the economy as a whole and of each of its cells. To achieve this objective better work must be done to implant deeply in all the working people and to apply consistently the permanent orientation of the Party that we must consume only as much as we produce, spend only as much as we earn, import only as much as our export income permits, and that the product for society must increase more rapidly than the product for the individual. These laws of extended socialist reproduction are maintained when production is increased and its cost reduced. Therefore, the Party instructs that the increase in efficiency and economic profitability must be achieved, not through reduction of those products which come out with low profitability or losses at present, but, first of all, by raising the productivity of labour and utilization of productive capacities, by applying new technologies and avoiding excessive expenditure, etc.

The greatest reserve and main pillar for increasing efficiency in the 8th Five-year Plan is the continuous reduction of the materials and fuels consu-

med per unit of product, which represent the overwhelming bulk of the cost incurred in the field of material production. The saving each year of even 1 per cent of the material expenditure incurred in the production of the social product for the five years of this plan constitutes a source of supplementary accumulation equal to the investments needed for the construction of a new hydro-power station like that of Koman. With the present level of intensification and the experience accumulated, all the branches of our economy have possibilities to achieve great savings in this field. This requires that work be done everywhere for the application with strict discipline of norms of the consumption of raw materials, auxiliary materials, energy, etc., and improvement of these norms by establishing them on sounder technical and scientific bases, as well as for the replacement of imported raw materials or other materials in short supply with local, less costly materials.

The saving and rational use of working time remains an acute problem for increasing efficiency which requires special attention. This has to do, first of all, with raising the productivity at work, with the building, bringing into production and mastering of the productive capacity of projects on time, with the application of advanced experience in the organization and management of work and production, etc. Simply by eliminating the losses of working time from absenteeism in industry

for one year, the total production of this branch could be increased by 75 million leks, while the reduction by 50 per cent of the number of workers who do not fulfil their quotas would increase industrial production each year by 140 million leks. Therefore, special care must be shown for the better utilization of working time, the qualitative improvement of norms, their unification throughout each branch for similar working processes and operations on the basis of the advanced average, as well as for the continual reduction of the number of workers who do not fulfil their quotas. In order to increase the productivity of labour measures will be taken, also, to increase the level of mechanization and improve the technology of production, especially, in those work processes which have a decisive role and give the greatest and most rapid effect in this direction.

Another important field with great possibilities for improving efficiency is the employment with better calculation of that part of the socialist accumulation which is used for fundamental investments and construction. Here the designing institutes have an important role. Right from the phase of studying and designing the structural and technological aspects, they must use contemporary methods and find solutions which respond to our conditions in order to ensure savings and appreciable reductions of the cost of new projects which will be built,

or of the existing ones which will be modernized or extended.

The strengthening of the savings regime must be understood by all, not only as a matter of conscience, but also as a problem which has to do with the concrete organization of the work in the productive and the non-productive spheres, especially in those branches and sectors of the economy where there are greater possibilities to make savings, as well as with the improvement of quality and the frugal use of products which could be exported or which we import, etc.

In the struggle to accomplish the 7th Five-year Plan and the first year of the 8th Five-year Plan rich experience has been gained in increasing production and its efficiency. The initiative of the district of Tirana to give the state budget 85 million leks income in excess of the plan this year, embraced by all the other districts of the country, constitutes a concrete experience which must be carried further in order to raise efficiency and increase the sources of socialist accumulation.

Economic thinking is required to have a weightier say on the problems of increasing efficiency. Integrated more thoroughly in the study and solution of various technical and technological problems, it must always be in a militant position, actively guide and closely follow the development of economic processes and phenomena and their trends, make analyses and generalizations and recommend more

effective ways for the utilization of all reserves that the economy has for the rapid development of production. For example, it is known that an important factor for increasing the fertility of the soil and agricultural and livestock production is fulfilment of the nutritive balance of plants. A major reserve in this direction, which has not been exploited as much as it should be up till now, is organic manure, especially liquified animal manure which, if used on a national scale, is equal to about 35 thousand tons of chemical fertilizer. Use of it could ensure an increase of agricultural production equal to 70 to 80 thousand tons of grain, or to 700 to 800 thousand tons of forage crops. For these reasons, starting from 1987, a national action will be undertaken for the construction of objects for the collection of solid and liquid organic manure, and the production of the equipment needed to allow the effective use of all other residues useful for improving the nutritive balance of plants.

Economic thinking is required to play an appreciable role, especially, in the utilization of the powerful material-technical base which has been created during the years of socialist construction in the most effective way. It should direct particular attention, first of all, to those branches of the economy in which our society has made and continues to make large investments, and rightly requires that they should achieve a higher level of efficiency, such as the oil industry, the mining industry, metallurgy,

agriculture, transport, etc. Not only the economists and financial experts, but all the specialists and leading cadres of the Party, the state and the economy should transmit and apply economic thinking.

The organs of planning, finance and the bank have important tasks for increasing efficiency. They are required to do more studies, analyses, generalizations on the problems of the present and future development of the extended socialist reproduction. Likewise, they must increase their influence in the fields of planning, application and control from the money aspect of the targets of the plan of production and distribution, in order to close all the roads to waste and misadministration of property, and to the creation of purchasing power which is not accompanied with increases in the productivity of labour and production, etc.

3. Science must undertake more effectively the burden which devolves on it for the development of the economy and culture. During the past five-year period scientific, study and designing work faced many difficult problems which our specialists solved successfully. Notwithstanding this, with a more rational utilization of the human and material potential available to our science, greater achievements could have been ensured, especially in regard to the qualitative level and effectiveness of scientific work.

The development of science and technique in the 8th Five-year Plan must be linked more closely

with and give greater assistance to the accomplishment of targets of the plan in the fields of the economy and culture. The themes of scientific studies and the engagement of forces to accomplish these studies must be orientated mainly towards the solution of problems of an applied character for the increase of production, the carrying out of studies and designs for the new projects with advanced technology and for the rapid improvement of the existing technology.

Complex inter-disciplinary studies and technical-economic studies for present and future application must occupy a more important place. Besides this, scientific experimentation to find the most effective ways to increase yields of agricultural crops, especially vegetables, forage and industrial crops, for the introduction of new technologies in building and industry, the application of modern methods in designing work, etc., must be made more profound and extended on a wider scale.

The social sciences must reflect the history and culture of the people profoundly and more completely, must sum up the experience of the revolution and socialist construction and give greater attention to the study of current and perspective problems of the development of the country.

The study and designing institutes of the central departments, the Academy of Sciences and the higher schools must find and continually improve the forms which ensure closer links with production,

so that the results of their studies and research work become the property of production more quickly. The fine example of the Institute of Maize and Rice and certain others which have linked their scientific research and studies closely with production, with the most important problems of the development of the economy and culture, must become a method of work for all the workers of science. The institutes must enhance their role in guiding all the study work which is carried out at the base, and draw the specialists of production and innovative thinking more fully into their scientific work. They must achieve a better co-ordination and integration of all the scientific forces of the country for the solution of major problems of the economic development, especially of the oil industry, the mining industry, metallurgy, livestock-farming, etc.

In the field of scientific research and studies, the Academy of Sciences, the «Enver Hoxha» University of Tirana and the other higher schools have special tasks.

The state and economic organs must increase their care to provide better guidance and check-up on scientific activity at all levels, beginning from its planning, the completion of studies in the shortest possible time, through to the practical application of their results. The Committee of Science and Technique must provide better organization and co-ordination of the scientific activity which is carried out in the country, must check it up and exert its influen-

ce to ensure more effective use of the scientific potential of the country in the accomplishment of the tasks of the 8th Five-year Plan and those which have to do with opening up the perspective.

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These were the main tasks of the 8th Five-year Plan for the socio-economic development of the country during the period 1986-1990. Their successful accomplishment will be another great victory for the Party and our people on the road of the complete construction of socialism and the strengthening of the independence and sovereignty of the country.

The Party and the people are proud of the majestic objectives which they have set themselves in the 8th Five-year Plan and which open new perspectives for the rapid development of the economy, for a further guaranteed rise of the material well-being and the cultural level of the working masses and the strengthening of the defence capacity of the Homeland by relying entirely on our own forces.

In presenting these tasks we do not forget for one moment that we will accomplish them in the conditions of a complicated international situation, when the world is full of tension and conflicts, when threats to the freedom and independence of the

peoples, to peace and international security have increased. This situation is made even more grave because of the economic crisis which has continued for a number of years and has exacerbated all the contradictions of the imperialist system, making the threat of war even more imminent.

The Party of Labour and Comrade Enver long ago warned of the dangerous consequences of the aggressive policy of the two superpowers, American imperialism and Soviet social-imperialism, which have kindled and are keeping ablaze hotbeds of tension in all parts of the globe, in Europe and in the Middle East, in Central America, in Afghanistan and Southeast Asia, in South Africa and elsewhere. We have strongly condemned and continue to condemn their policy of violence and aggression, and we have given and will continue to give powerful support to the just struggle of the peoples for freedom, independence and national sovereignty.

The wranglings of the superpowers in conferences and meetings, or in summit talks, are not expressions of their desire or will to provide solutions to acute world problems, or of their concern for peace and international security. Life has proved that they think of and work for their imperialist interests only. The arms race is continuing as feverishly and fiercely as ever, the dangers to peace and general security are increasing.

Today it is hard to find a region or zone of the world in which the consequences of the superpow-

ers' hegemonic aggressive policy are not felt. This is so of Europe, too, where the political-military blocs, NATO and the Warsaw Treaty, are confronting each other. The Mediterranean, also, has become one of the regions most sensitive to the inter-imperialist rivalry. Time has completely confirmed the correctness of the view of our Party and Government that the permanent presence and the activity of the naval fleets of the two superpowers in the Mediterranean is fraught with great dangers for the security of the countries of this basin. This was made clear once again during this year with the escalation of acts of aggression by the USA against Libya. The Mediterranean belongs to the Mediterranean peoples, therefore, there is no room for the fleets of the superpowers in this zone.

The state of insecurity which exists in the Mediterranean cannot be separated from the situation in the Middle East, where for decades the Arab peoples have been battling with imperialist-Zionist aggression, while real genocide is being exercised against the martyred Palestinian people. The Albanian people, the Party of Labour and our Government, as sincere friends of the Arab peoples, have strongly supported and will continue to support the just struggle of the Palestinian people and other fraternal Arab peoples for the liberation of their occupied territories and the defence of their sovereign rights

from the Zionist attacks and the intrigues of the United States of America and the Soviet Union.

On the Balkan Peninsula, also, the interference and intrigues of the superpowers and other imperialist powers have been intensified. It is not the peoples of the Balkans who have given it the name «a powder keg», or use the term «Balkanization», but the imperialist powers which have never given up their policy of turning it into an arena of conflicts with the aim of having this sensitive region under their control. Even today, certain circles are trying to keep the squabbles of the past alive in the Balkans, with the aim of hindering the collaboration and friendship between the peoples of this region. But we believe that the peoples of the Balkans have learned lessons and will not permit the bitter past to be repeated. For its part, the Albanian Government will, as always, consistently pursue its policy of good neighbourliness and will strive for the consolidation of peace and stability in this region. It will not cease its efforts for the development and extension of the relations of our country with the neighbouring countries, which it regards as a matter of priority.

Socialist Albania is for fruitful relations with all the peace-loving countries of the world on the basis of equality and mutual respect, non-interference in internal affairs, and exchanges of reciprocal advantage.

The tense and complicated international situation and the bourgeois-revisionist encirclement, which, as always, continues to exert all-round pressure on us, by creating various difficulties, make it essential that we always keep our revolutionary vigilance high, strengthen the defence of the country, and are prepared to cope with any danger, wherever it comes from. At all costs we must accomplish the tasks in all sectors, continuously strengthen the Party-people unity, and forge ahead on all fronts. On this road socialist Albania will always remain strong and invincible and will achieve new successes and victories.

Comrade delegates,

The achievements up till now in the fulfilment of the targets of the plan of this year, which is the first year of the 8th Five-year Plan, in all its indices, as well as the pledges taken in the context of the 9th Congress of the Party and the 45th anniversary of its founding, speak of that enthusiasm and optimism which these objectives have created among the working masses, of their high readiness to accomplish them successfully, as they have always done.

The working masses of town and countryside, included in the revolutionary movement «Banner-

bearers of the application of the teachings of Comrade Enver Hoxha», with indescribable enthusiasm and with high mobilization and fighting spirit, are concluding the first year of the 8th Five-year Plan with remarkable achievements.

The plan of industrial production is being fulfilled as a whole, and in such important branches as black metallurgy, mineral extraction, in the electrical, chemical, engineering, timber and paper industries and in many sectors of the light and foodstuffs industry it is being overfulfilled. The best results in recent years are being achieved in agriculture. For the first time in all the years since liberation, the plan of maize production has been overfulfilled and a number of districts of the lowland zone took in over 65 quintals per hectare, while many individual economies and sectors took in 100-140 quintals per hectare. The plan of production of dried beans, cotton, and soya was reached or overfulfilled. This year, we will get more vegetables, potatoes, tobacco, rice, etc., than in 1985. The districts of Gjirokastra, Elbasan, Vlora, Tirana, Fier, Berat, Përmet, Kukës, Lushnja, Shkodra, Durrës, Korça, etc., are distinguishing themselves for their fulfilment of all targets of the plan in agriculture.

Mass actions are under way to complete many productive and social-cultural objects ahead of schedule. Our heroic youth, working with fighting spirit, completed the Milot-Rubik railway ahead of sche-

dule and are working at a high pace to complete the track to Rrëshen by the end of this year, instead of in 1988 as envisaged. By advancing the targets of the plan, the irrigated area has been increased by 6 thousand hectares and the irrigation of another 10 thousand hectares has been improved.

The revolutionary initiatives of the masses have been extended to other sectors too; such as for increasing the efficiency of the economy, the realization and overfulfilment of the total financial income of the state and the strengthening of the savings regime. In the forefront are the working people of the district of Tirana, who on the eve of the 9th Congress gave an additional 105 million leks income to the state budget, as well as the districts of Elbasan, Vlora, Durrës, Berat, etc.

The organs and organizations of the Party, the organs of the state and the economy, as always, must place themselves in the forefront of the work and struggle to raise this enthusiasm of the masses, their creative thinking and spirit of action, to even higher levels in order to accomplish successfully the major tasks which the new five-year plan sets before us. Let us mobilize ourselves and work tirelessly, with all our strength and fighting spirit, with revolutionary initiative and inspiration, to discover and utilize all the internal reserves which our socialist economy has and continues to create! The Central Committee of the Party is fully convinced that

the great objectives which this historic Congress is setting us will be realized successfully. The guarantees for this are the consistent Marxist-Leninist line of our Party, the immortal teachings of Comrade Enver Hoxha, which will always illuminate and inspire us on our non-stop march ahead, are the lofty patriotism, the marvellous readiness of our people, the farsighted leadership of the Central Committee of the Party, with Comrade Ramiz Alia at the head.

Long live the Party of Labour of Albania!

Glory to the brilliant revolutionary work of Comrade Enver Hoxha!

Long live the 9th Congress of the Party!

CONTENTS

	Page
INTRODUCTION	3
I	
THE MAIN ACHIEVEMENTS IN THE FULFILMENT OF THE TARGETS OF THE 7th FIVE-YEAR PLAN (1981-1985) FOR THE DEVELOPMENT OF THE ECONOMY AND CULTURE	5-18
II	
THE DIRECTIVES OF THE 9th CONGRESS OF THE PARTY FOR THE 8th FIVE-YEAR PLAN OF THE DEVELOPMENT OF THE ECONOMY AND CULTURE OF THE PEOPLE'S SOCIALIST REPUBLIC OF ALBANIA	19-62
III	
SOME MAIN DIRECTIONS ON WHICH THE ATTENTION OF THE ORGANS OF THE PARTY, THE STATE AND THE ECONOMY MUST BE CONCENTRATED FOR THE ACCOMPLISHMENT OF THE 8th FIVE-YEAR PLAN	63-89