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CONGRESS OF PEOPLE'S DEPUTIES: PRESIDENT GORBACHEV'S INAUGURAL
SPEECH

SUMMARY

1. STRESS ON THE NEED FOR MORERADICAL ECONOMIC REFORM: A FIRST
REFERENCE TO THE NEED FOR MILITARY REFORM. GORBACHEV INTENDS TO
REMAIN PARTY LEADER AS WELL AS PRESIDENT FOR THE TIME BEING. REPORTS
THAT A MAJOR NEW PACKAGE OF ECONOMIC REFORMS IS ABOUT TO APPEAR.

DETAIL

2. FOLLOWING ARE THE MAIN POINTS FROM THE 40 MINUTE SPEECH DELVIERED
BY GORBACHEV TO THE CONGRESS ON 15 MARCH.
3. GORBACHEV SAW HIS MAIN TASK AS PRESIDENT TO PURSUE RADICAL REFORM
MORE RIGOROUSLY. HE WOULD WORK FOR REAL DEMOCRATISATION. HE DID NOT
ACCEPT THE ARGUMENTS OF THOSE WHO CLAIMED THAT THE PRESIDENCY WAS A
USURPATION OF POWER. THERE WERE SUBSTANTIAL AND SUFFICIENT
SAFEGUARDS - THE CONSTITUTION, THE CONGRESS OF PEOPLES' DEPUTIES,
GLASNOT AND POLITICAL PLURALISM.

THE ECONOMY

4. PEOPLE WERE ACCUSING THE LEADERSHIP OF DELAY AND INDECISION.
THERE WAS SOME JUSTICE IN THIS. BUT UNTIL NOW, PEOPLE HAD NOT BEEN
READY FOR REAL REFORM. MANY WERE STILL NOT READY. UNTIL OLD
STRUCTURES WERE COMPLETELY DISMANTLED THERE WOULD BE NO REAL
PROGRESS. FINANCIAL AND COMMODITY IMBALANCES RESULTED FROM CONFLICTS
BETWEEN OLD AND NEW. THE ONLY SOLUTION WAS TO SPEED UP REFORM.
THERE COULD BE NO GOING BACK. AS PRESIDENT HE WOULD TRY TO ENSURE
THAT THE NEW LEGISLATION ON LEASING, LAND AND PROPERTY WAS FULY
IMPLEMENTED. THE COUNTRY HAD TO HAVE A REAL INTERNAL MARKET IN GOODS
AND LATER A CAPITAL MARKET AS WELL. THERE HAD TO BE A REFORM OF THE
PRICE AND SUPPLY SYSTEM AND FREE TRADE IN SURPLUS AGRICULTURAL
PRODUCTION: LEGISLATION ON DISMANTLING MONOPOLIES, PROPER TAX, CREDIT
AND FINANCIAL STRUCTURES, WITH INTEREST RATES WHICH REFLECTED THE
REAL ECONOMIC SITUATION. THE CUTTING OF GOVERNMENT SPENDING HAD TO

BE RESOLUTELY PURSUED. A SYSTEM OF SOCIAL GUARANTEES PROTECTING THE POOR AGAINST PRICE RISES HAD TO BE ESTABLISHED.

NATIONALITIES

5. GORBACHEV REAFFIRMED HIS COMMITMENT TO MAINTAINING THE TERRITORIAL INTEGRITY OF THE COUNTRY. THERE SHOULD BE A NEW UNION TREATY REFLECTING NEW REALITIES AND DIFFERENTIATING BETWEEN REPUBLICS TO REFLECT THEIR SPECIFIC CIRCUMSTANCES. THE LAW ON SECESSION FROM THE UNION WOULD BE DISCUSSED SOON IN THE SUPREME SOVIET. REPUBLICS, AS THEY GAINED SOVEREIGNTY, HAD TO ACCEPT POLITICAL AND MATERIAL RESPONSIBILITY OF PROTECTING THE RIGHTS OF ALL NATIONALITIES ON THEIR TERRITORY. THERE HAD TO BE RESOLUTE ACTION AGAINST THOSE WHO STIRRED UP RACIAL HATRED.

POLITICAL STRUCTURES

6. THERE WOULD SOON BE A NEW LAW ON LOCAL GOVERNMENT. REPUBLIC AND LOCAL SOVIETS HAD TO TAKE OVER THEIR NEW RESPONSIBILITIES RAPIDLY: OTHERWISE THERE WOULD BE A DANGEROUS POWER VACUUM. AS PRESIDENT, HE WOULD NOT CASE ASIDE HIS OWN POLITICAL CONVICTIONS: BUT HE WOULD BE GUIDED ONLY BY THE NATIONAL INTEREST, NOT BY ANY POLITICAL GROUP. THE ISSUE OF WHETHER THE POSTS OF PRESIDENT AND PARTY LEADER SHOULD BE COMBINED HAD RAISED EMOTIONS AT THE CONGRESS. IN HIS VIEW, THE NEEDS OF THE COUNTRY REQUIRED THAT BOTH POSTS REMAINED WIHT ONE PERSON FOR THE IMMEDIATE FUTURE. THE REFORM OF ARTICLE SIX AND SEVEN WOULD BRING A NEW STAGE IN DEMOCRACY. THE PARTY WOULD COMPETE IN ELECITONS AND ACHIEVE ITS RIGHT TO FORM THE GOVERNMENT AT ALL LEVELS BY DEMOCRATIC MEANS. AS PRESIDENT, HE WOULD ENGAGE IN DIALOGUE WITH OTHER POLITICVAL AND SOCIAL GROUPS. THERE SHOULD BE SPECIAL PEOPLE ON THE PRESIDENTIAL COUNCIL RESPONSIBLE FOR MAINTAINING LINKS WITH THE CONGRESS, SUPREME SOVIET, PUBLIC AND CREATIVE GROUPS.

7. THERE WERE SOME GROUPS WHO WERE SET ON STIRRING UP TENSIONS AND ACHIEVING THEIR AIMS BY THREATS, PRESSURE AND VIOLENCE. THIS WAS A THREAT TO A YOUNG DMEOCRACY AND A REAL DANGER TO PERESTROIKA. THEY MUST BE STOPPED. GORBACHEV SAID HE WOULD ALSO TAKE A STRONG STAND AGAINST CRIME AND CORRUPTION AND PURSUE REFORM OF LEGAL PROCEDURES. THE INTELLIGENTISIA MUST STOP THEIR FEUDING.

8. A MAJOR REFORM OF THE MILITARY WAS NEEDED. THIS WAS A COMPLEX ISSUE AND WOULD BE A KEY CONCERN OF THE PRESIDENT AND THE PRESIDENTIAL COUNCIL.

COMMENTS

9. THIS WAS A STRONGLY REFORMIST SPEECH - PARTICULARLY THE ECONOMIC SECTION WHICH READS AS IF IT WAS DRAFTED BY PETRAKOV, GORBACHEV'S NEW ECONOMIC ADVIERS. THIS REVEALS CONCERN THAT THE GOVERNMENT'S

ECONOMIC RESCUE PROGRAMME IS NOT YET WORKING. GORBACHEV AGAIN TALKED OF THE IMPORTANCE OF REFORMING THE PRICE SYSTEM: BUT GAVE NO DETAILS OR INDICATION OF TIMING. PETROKOV AND ABALKIN HOWEVER HAVE BEEN DROPPING STRONG HINTS IN CONVERSATIONS WITH JOURNALISTS IN THE PAST TWO DAYS THAT HTE RUMOURED NEW RADICAL REFORM PACKAGE WILL BE INTRODUCED VERY SOON - POSSIBLE BY PRESIDENTIAL DECREE. PETRAKOV SAID QUOTE IN THE NEXT FEW DAYS UNQUOTE. ABALKIN SPOKE OF A PACKAGE COVERING FOUR MAIN POINTS: PRICES, TAXES, SOCIAL COMPENSAITON AND CREDIT POLICY.

10. WE BELIEVE THAT THIS IS THE FIRST TIME GORBACHEV HAS SPOKEN PUBLICLY OF THE NEED FOR MILITARY REFORM. A YOUNG OFFICER DEPUTY TOLD US THAT HE AND OTHERS HAD PREPARED FOR THE CONGRESS A DRAFT PROPOSAL FOR A STAGED MOVE TOWARDS A PROFESSIONAL ARMY. IT WAS, IN HIS VIEW, THEIR PRESSURE WHICH HAD GOT THE REFERENCE TO REFORM WRITTEN INTO GORBACHEV'S SPEECH. HE ALSO SAID THAT THE GENERALS AND THE MINISTRY OF DEFENCE WERE STILL STRONGLY OPPOSED TO THEIR IDEAS AND WERE PREPARING COUNTER-PROPOSALS.

11. GORBACHEV'S COMMENTS ON FOREIGN POLICY ARE BEING REPORTED SEPARATELY

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