POLITICAL

INTRABLOC AFFAIRS

Role of Bloc Countries in European Integration Viewed [Zagreb VJESNIK 10 Nov] ....................... 1
Yugoslav Paper Sees Albania as ‘Fifth Wheel’ in Balkans [Zagreb VJESNIK 13 Dec] ....................... 5

CZECHOSLOVAKIA

New Members of Czech Government Introduced [RUDE PRAVO 6 Dec] ......................................... 6
New Foreign Minister’s Press Conference [RUDE PRAVO 15 Dec] ................................................ 8
Cisar Comments on Past, Present Politics [TVORBA 13 Dec] ......................................................... 9
Prague Spring Leader on Past, Current Changes [MLADA FRONTA 21 Dec] .................................. 11
Strougal Explains His Role in Past Events [MLADA FRONTA 1 Dec] ............................................. 14
Czech Socialist Party Spells Out New Program [SVOBODNE SLOVO 6 Dec] ............................... 15
Political Club Obroda Introduced [TVORBA 13 Dec] ................................................................. 17
Czech Writers Union Splits [RUDE PRAVO 9 Dec] ................................................................. 17

GERMAN DEMOCRATIC REPUBLIC

Legal Scholar Discusses Constitutional Change [STAAT UND RECHT Dec] ........................................ 19

HUNGARY

Substance of Election Preparations Described .................................................................................. 23
Procedural Steps Outlined [NEPSZABADSAG 2 Jan] ................................................................. 23
More on Procedural Details [NEPSZABADSAG 5 Jan] ............................................................ 24
Objection to Time-Schedule Change [NEPSZAVA 5 Jan] .......................................................... 24
Catholic Bishop Addresses Parties [NEPSZABADSAG 3 Jan] ................................................... 24
Protest Splits Smallholders Party [NEPSZABADSAG 30 Dec] .................................................. 25
Poll Finds MDF, SZDSZ Least Objectionable Parties [NEPSZABADSAG 3 Jan] .......................... 26
Minorities College Sets Equality Criteria for Romania [NEPSZABADSAG 2 Jan] ....................... 27
Mindszenty Monument Dedicated [NEPSZABADSAG 27 Dec] ................................................ 27

POLAND

Proposed Constitutional Changes: Presidential Powers, Prosecutor’s Role ...................................... 27
Sejm Deputies Apprise Jaruzelski [TRYBUNA LUDU 25-26 Nov] .............................................. 27
Prosecutor Office Changes Outlined [RZECZPOSPOLITA 1 Dec] ............................................. 28

YUGOSLAVIA

Party Membership for Religious Believers Discussed [DANAS 21 Nov] ....................................... 29

ECONOMIC

INTRABLOC AFFAIRS

Italian-East European Economic Cooperation [Paris LE MONDE 18 Nov] ...................................... 32
Banks Cautious About Investing in Eastern Europe [Paris LE MONDE 19-20 Nov] ..................... 33
Socialist Countries Professionalize Sports [Paris LE MONDE 18 Nov] ........................................ 35
GERMAN DEMOCRATIC REPUBLIC

Reformed Central Planning, Expanded Market Detailed [DER HANDEL Dec] ...................... 35
Central Planning Blamed for Spare Parts Deficit [BAUERN ECHO 9-10 Dec] ...................... 37

HUNGARY

Veteran Banking Official Warns of Runaway Inflation [NEPSZABADSAG 3 Jan] ...................... 38
Price, Fare Increases Described [NEPSZABADSAG 4 Jan] .................................................. 40
Role of Bloc Countries in European Integration Viewed

Interview with Enrique Baron Crespo, president of the European Parliament, by Ljubomir Cucic, in Geneva and Strasbourg: “Democracy Is the Keystone of a Unified Europe”; date not given

[Excerpt] [Passage omitted]

The Recommended Social Model

[VJESNIK] Mr. Baron, the changes in Eastern Europe have not, I suppose, left you indifferent either professionally or personally. What in your opinion has been their essential feature?

[Crespo] In spite of the artificial barriers set up between the two Europes, the values on which the western part of Europe lives and grows have universal significance. The divisions could not prevent those values, above all parliamentary democracy, from being the aspiration of peoples in the other Europe as well. The dramatic events in Hungary, Czechoslovakia, and East Germany confirm how important those values are. The people in the streets of Budapest and Leipzig are demanding as they march something that here in the West we consider established and undeniable. That has always been my opinion, and it will be my thinking and my effort in the future: parliamentary democracy, pluralism, human and civil rights must be the cornerstone of the common European home. In this century, our continent has gone through various forms of totalitarianism; some have lasted longer than others, but they have all had in common the restriction of human dignity in the name of a political philosophy and abstract idea of the “ideal society.” I think that in the West we have a model of European society which we can recommend to others. Today, some countries in Eastern Europe are traveling that road, but I have no doubt whatsoever that one day Romania and Albania will also be on the same trail.

[VJESNIK] In the variegated kaleidoscope of changes in Eastern Europe, inter-German relations have come to the foreground. One of the strategic questions for the European West is the relation of West Germany to its fellow countrymen in the East. Will the European Community support the effort of its economically strongest member to work for gradual integration with East Germany?

[Crespo] At this point, on the eve of the end of the 20th century, there is strong inter-German sentiment to form a political union. I think that we should continue to work on that process together with the Germans, especially since this is a political union which ought to be compatible with what we are creating in the European Community. Were I separated from my relative in Zaragoza by a barrier which could not be crossed, I would probably be thinking about that the same way as the Germans do about their division.

Opening the German Borders

[VJESNIK] One gets the impression that many people are afraid that that kind of Germany could become too large for the European Community and for Europe as a whole, that it could upset the political and economic equilibrium on the continent.

[Crespo] I see no economic or political force in the Germans, at least not one that is representative, that would want to go even beyond political union, i.e., to create a Germany dominant over Europe and the processes of European integration. On the contrary, I see a desire in the west of Germany to open the borders to their brothers in the east and to bring them into the integration in which they themselves are taking part and to open up to them the opportunities offered by the unified market.

[VJESNIK] Mr. Baron, what do you think about Mikhail Gorbachev, the man who perhaps deserves the most credit for what is happening in the East?

[Crespo] It is encouraging to know that our own visions of a new quality of relations in Europe have their equivalent on the other side. Mr. Gorbachev presented his political manifesto in his speech in the European Parliament in Strasbourg, and his proposals coincide with many of our own thoughts.

[VJESNIK] If the East European countries truly become democratic in the near future, how do you see their integration into the economic and political space of the Europe which the countries of the European Community are creating today? What road do you propose?

[Crespo] For the present, we should follow the current events, and that is without doubt the first step. We cannot dictate the pace of change. At the same time, we must also be cautious. But it would be much riskier if we did not offer assistance to those processes, since in that way we would be encouraging conservative elements in the particular countries to offer still fiercer resistance. The East European countries should be supported in creating a political and economic system consistent with the one in the west of Europe. I think in this connection that it is especially important that the West have its own concerted approach. The European Community should be a kind of center for that concerted approach, above all from the standpoint of coordinating foreign policy toward the East. Our aid to those countries must not be reduced solely to economic support of reforms, but must include a coherent Eastern policy of the European Community coordinated with our partners in the European Council and NATO.

[VJESNIK] Some countries in Eastern Europe, however, are seeking more, they want to engage immediately in specific talks with the European Community, and some
are hinting that they soon might even request the status of full-fledged members in the European Community.

[Crespo] Integration of the East European countries, that is, their linkage to the West, should take place gradually. The gradualness of this process is also indicated by the status of invited member which Poland, Hungary, and Yugoslavia acquired this spring in the Council of Europe. Recently, six months later, Hungary requested official entry into the Council of Europe. As far as the European Community is concerned, it is obvious that its primary task, as far as nonmember countries are concerned, is to define relations with the EFTA [European Free Trade Association]. Our primary task is to create a model of European community which is open in the economic and political sense to all countries sharing the same ideals. I think that it is logical for us to open up that kind of integration first to the countries whose system is already based on those values. As for the others, that is, the East European countries, they should be helped to attain that level of political and economic conformity with the integrated grouping. I think that only then can we think about further steps on the road to their full integration.

[VJESNIK] It is a fact, however, that the European Community is creating a unified market and that because of what is thought to be its protectionist nature it could make reform in the East more difficult.

[Crespo] There is agreement in the European Community that our approach to reforms in the East be based on several elements which in their interaction remove the dangers of which you speak. First, we are undertaking intensive contacts not only with the governments, but also with professional and specialized groups and individuals in the East. Second, we are expanding economic relations with the East European countries on the basis of mutual interests and reciprocity. We are also undertaking more rapid transfer of technology to the East, but also with specific financial assistance. If at the same time those countries work hard to keep up with the development of the unified market and adapt to it, there is no danger of their being in a subordinated position with respect to that market.

The EFTA Is Not a Waiting Room

[VJESNIK] Do you believe that the EFTA can serve as a kind of intermediate phase or even as a “middleman” in integration of the Eastern European countries with the European Community?

[Crespo] The EFTA is not a waiting room for the European Community. This is an authentic union of countries which belong to the Council of Europe, and they have and will have clearly defined relations with the European Community. The EFTA is not the long arm of the European Community and should not be conceived solely as a stepping-stone for membership in the unified market. The countries of the EFTA also have a lengthy democratic tradition, and for that reason they are closer to the European Community, and indeed the European Community takes a special position toward them.

[VJESNIK] The East European countries are traveling a road of change, but for the present they remain a part of the Soviet military alliance. How do you look on the defensive-military aspect of the integration of East European countries in European currents of convergence?

[Crespo] If we are talking about disequilibrium in Europe which the changes in the East could cause, about disequilibrium in its economic and defensive sense, we should envisage several concentric circles of integration; stated more simply, we should wait for things to crystallize. Among other things, we should get beyond the thinking, which occurs equally in West and East, that central Europe, for example is a battleground, the area for confrontation between the two systems. And then the countries of central and Eastern Europe should arrive at the same level of community as Western Europe. They have to improve relations with one another so as to be able to improve cooperation with us. A precondition for that, as formerly existed in the European Community, is establishment of democratic movement, open borders, free flow of goods and people, and so on. This process will certainly take a certain time, and until it is completed, I think it is premature to think about fuller integration of those countries with the West. Incidentally, once our neighbors reach that high level of democracy, economic freedoms, and openness to the world, the way in which their integration is realized will no longer be the most important thing.

[VJESNIK] When you speak about those concentric circles of integration, to what are you actually referring?

[Crespo] My thinking is that there are now countries of the European Community which represent the nucleus of the integration, that the EFTA is in the next circle, that countries come then which up to then we have known as the countries of the Warsaw pact. It is obvious that these are very different countries and that because of their domestic political or foreign political features it is difficult to expect rapid and comprehensive integration with the West. I think in any case that we should welcome the fact that the new Soviet leadership has abandoned the so-called Brezhnev doctrine of limited sovereignty of the socialist countries and that it has abandoned the use of force in resolving relations with those countries. But the Soviet Union is still the leader of a military bloc. We should see now how the Soviet Union will behave in the future in the context of that all-European integration. I think, for example, that the idea of what is called finlandization of central Europe could be good, but I also think that it is wise on the part of the Hungarian leadership to state that the idea of Hungary’s neutrality is still not on the agenda for the present.

In this time of truly great changes, you cannot do everything all at once, and along those lines I think that it is necessary to move gradually, in stages, to conquer
Without Fear of the East

[VJESNIK] It is well-known that you have been investing a great deal of personal work and time in the European idea. Has it ever seemed to you that this commitment has recently been additionally stimulated by fear that the present events in East might upset the harmonious and already well-trodden road of West European linkage? Do you see the dizzying changes in the neighborhood as a threat to creation of a stable and compact economic and political union?

[Crespo] No, on the contrary. The fact that the EFTA countries and a majority of the East European countries want to be in a more favorable position toward the European Community, and some even want to be received into the Club, proves that our democratic development has been successful. Chancellor Kohl has correctly stated that the changes in the East are not a reason for us to postpone our integration, but rather to speed it up. My personal involvement in all this is only a consequence of the readiness of the member countries of the European Community to move in the direction of political union. The European Community took on greater speed in that direction even before the events in Eastern Europe escalated on such a scale and long before such a development of events could even be predicted. Political integration follows from the declaration of the member countries ratified in the Unified European Document. In essence, we are right now in a process of creating a political union, not only a free trade zone or unified market. If you like, both are a precondition for European linkage. We will be performing that task regardless of what happens in the other part of Europe.

Relations With Yugoslavia

[VJESNIK] You often use the phrase “Eastern Europe.” It covers many specific things and differences from country to country. In the light of those differences, which of the countries has greater chances of rapidly achieving its integration with what you refer to as the nucleus of European linkage?

[Crespo] When I say “Eastern” Europe, this is a necessary oversimplification. It is for precisely that reason that I also use the term central Europe frequently. It is obvious, however, that if we take the Iron Curtain as the line of demarcation, that east of it the political and economic structure has been more or less identical. It is true that there are countries which like Yugoslavia and Finland cannot be considered either West or East in Europe. The case of Yugoslavia is certainly quite specific. That country liberated itself, after the war it demonstrated independence of the Soviet Union, and it is also one of the founders of the movement of the nonaligned. I think that we cannot examine relations with Yugoslavia the same as relations with Hungary and Poland. I also think that no one does so either in the European Community or in the EFTA. We are aware that Yugoslavia is a special and untypical example of integration in Europe.

[VJESNIK] When we speak about Yugoslavia’s relations with the West European integrated communities, relations with the European Parliament have recently come into the foreground. A few months ago, Yugoslavia was visited by a delegation of the European Parliament. The members of the European Parliament left Yugoslavia ahead of time under circumstances that were not altogether cordial. Can you tell us what was in the report of the delegation to the president of the European Parliament after their return from Yugoslavia?

[Crespo] At that time, Lord Plumb was still president of the European Parliament, so that I do not know all the details in that report. I know that the delegation was led by my countryman, the Socialist deputy Grimaldos, and that the purpose of the visit was to establish the true state of affairs in the Province of Kosovo. I am speaking from memory, so that I may not be altogether accurate. The delegation noted in the report that they had difficulties in arranging the meetings they wanted and for that reason they could not write an authoritative and objective report. I can tell you that the European Parliament has again composed an interparliamentary delegation of 10 members which will make another visit to Yugoslavia. It will be led by the Greek delegate in the European Parliament Paraskezas Averinos, and the vice chairmen are Nero Laroni, former mayor of Venice, and Mrs. Doris Pack, Christian-Democrat deputy from West Germany. I hope that that delegation will be able to perform its important mission in Yugoslavia, and I believe that with the help of the Yugoslav hosts that episode at the time of the visit of the first delegation, which was not particularly pleasant, will soon be forgotten.

Anti-Yugoslav Acts by Albanian ‘Sigurimi’ Claimed

90EBO151A Belgrade INTERVJU in Serbo-Croatian
27 Oct 89 pp 11-12

[Article by Marko Lopusina: “What ‘Sigurimi’ Is Doing”; first paragraph is INTERVJU introduction]

[Text] How the Albanian Government police and intelligence service are spreading anti-Yugoslav propaganda under the cloak of diplomacy and are directly controlling the actions of separatists in Kosovo within Yugoslavia and around the world.

Yesterday Istok, today Vienna, Ljubljana, and Geneva. Tomorrow possibly Belgrade as well. The Albanian separatists have launched their autumn assault. Around a thousand emigrants from Kosovo demonstrated in the
streets of Austria's capital last Saturday, with the consent of the Viennese authorities. In Geneva, two days earlier, Swiss television turned the microphone over to the leader of the “Committee for Aid to Kosovo,” Dzafer Satri, to charge the “Yugoslav secret service” with attempting to assassinate him.

Three Satris

On 3 October, as we know, emigrant Naser Satri tried to assassinate inspector Tomislav Babovic by firing six rounds from an American Colt 38 at him during an official talk at the Secretariat for Internal Affairs in Istok. After the attempt, Babovic jumped out a window and fled to Geneva. Naser is a relative of the Albanian extremist in Switzerland Dzafer, already referred to. But Naser is also a close relation of Sali Satri, who in 1950 fled to Albania and became a member of the counterintelligence division of the Albanian ‘Sigurimi’ political police, which has exerted a decisive influence on Dzafer and Naser Satri to turn them into fanatic nationalists and enemies of Yugoslavia.

Terrorism has been and continues to be the main weapon in the hands of Albanian emigrants and Kosovo separatists in realizing their dream of a “Greater Albania.” Depending on the circumstances in which they operate, the Albanian separatists always resort to terrorism when they feel they are under pressure and feel that they cannot be elected by peaceful means on the basis of their ideas. Since the emergency was declared in Kosovo, the separatists have been trying to overthrow Yugoslavia with weapons. A sabotage group headed by Bajram Ajeti, a lawyer of “Kosovotrans,” was formed in Podujevo last spring. However, when security agencies discovered the group leader’s hideout, the group simply disappeared. In midsummer a report reached Podujevo that Bajram Ajeti and his “terrorists” Agim Mustafa, Saban Muljoli, Safet Ajeti, Basirje Murati, Gani Hoxha, Ismet Abdulahu, Hasan Ramadani, and Haljimi Mrati had fled to Albania. Two of them, Gani Hoxha and Basirje Murati, have left Albania for Cirih.

Condemning Data

Dusko Trajkovski, deputy federal secretary for internal affairs, recently stated in the SFRY Assembly that “the SSIP [Socialist Secretariat of Foreign Affairs] and the Army have data on the direct link between Albania and the separatists. The strategy of the Albanian intelligence service and government police is to create a ‘Greater Albania.’ All separatist groups have ties to the Albanian intelligence service. It is proper for us to stop courting Albania and stop being constantly concerned over its becoming angry about something.”

The same thing was also recently said, in a somewhat more diplomatic tone, by Petar Gracanin, Yugoslav foreign affairs minister, during a visit to Kosovo. After all, we have witnessed the actions of Kosovo separatists and Albania in the United States and Switzerland, where for months an anti-Yugoslav campaign has been in progress and has even resulted in a resolution against Yugoslavia.

False Diplomats

Behind all these activities is Albania and its “Sigurimi” (Security) service, which for years, even decades, has been fighting by various means to extend Albania's borders to the detriment of Yugoslavia.

Because the channels through which Albanian policy penetrated Kosovo have been cut off, in recent years our neighbors have stepped up their anti-Yugoslav activities outside Yugoslavia. What Albania wants is to influence Albanian emigrants and separatists fleeing from Kosovo. In this way it is directing actions both in Kosovo Province and abroad. Albania currently has 22 embassies, one consulate in Istanbul, and two UN missions in New York and Geneva. It has the largest number of diplomatic personnel, 10, at its embassy in Belgrade. They are headed by 55-year-old Kujtim Hisenaj, ambassador and at one time a high official in the Albanian mission to the UN in the United States. The majority of the diplomatic personnel and clerks in these embassies are former military and police personnel, even relatives of the late Enver Hoxha. The preeminent person in the Albanian embassy in Vienna is Endjel Koljaneci, brother-in-law of Hoxha’s daughter, while the chiefs of mission in New York and Geneva are former commandes in the Sigurimi, or the foreign affairs ministry, responsible specifically for Yugoslavia.

In addition to regular diplomatic affairs, these and similar Albanian diplomats also engage around the world in organized rallying and indoctrination of refugees, emigrants, expellees, and guest workers from Yugoslavia. Albania accepts all Albanians throughout the world, from whatever country they may come and whatever passport they may have. Even Yugoslav Albanians are allowed into Tirana without a Yugoslav visa. Albanian officials travel throughout the United States from New York, to New Jersey, Philadelphia, Chicago, and to Canada, to organize receptions and parties for Yugoslav Albanians. There are enough occasions for this, because Albania uses each of its holidays to hold a celebration.

Games Without Limits

Since a similar mission was opened in Geneva in 1986, Albania has concentrated its attention on Yugoslav guest workers and refugees, and so it is not surprising to find centers of anti-Yugoslav activities by Albanian emigrants and separatists today precisely in New York and Geneva. They are headed by Zef Camaj, a 40-year-old professor from Tuz near Titograd, a former journalist, who broadcasts an “Albanian radio hour” in the United States and heads the “National Movement for a Kosovo Republic” movement, and by Dzafer Satri, already referred to, who in Switzerland has chosen the status of fighter for Albanian human rights.

Albania has a faithful ally in the governments of the United States and Switzerland, and in those of many other Western countries, in that for years these capitalist countries have been trying to ingratiate themselves with the “guards of the Mediterranean” and this “prison of its
own people." Currently the Federal Republic of Germany is having the most success doing this. Daily it is expanding its economic relations with Albania. The United States is fighting for Albanian friendship for the sake of influence in Southern Europe, and Switzerland for the sake of anticommunism, which continues to gain momentum in this country. Consequently, the governments of these countries watch the Albanian separatists and Sigurimi spies with open eyes attacking Yugoslavia, forgetting that such negation of democracy can bring terrorism to their doorstep overnight.

Albania has its collaborators both among the leaders and on the political fringes of these countries. These are small Marxist-communist parties. Until it fell out with China, the "country of eagles" was associated with 37 of these parties. Today it has strong ties to 17 communist splinter parties around the world. Thanks to this assistance from "little big friends," Albania has had 150,000 paperback copies of Enver Hoxha's book "Titoists" printed in Athens, while the book "Yugoslav Self-Management, Capitalist Theory and Practice" was printed in Hamburg. In 1989 exhibits of these anti-Yugoslav books and 70 works by the "great leader" and his successor, Ramiz Ali, who published the book "Our Enver," filled with lies about Yugoslavia, were held in almost all the major cities of Europe and South America. On the other hand, Albania paid the air fare for its "Marxist-Leninist oriented" collaborators Hardial Bens from Toronto, Raul Marco from Madrid, and Zao Ao Amazones from Sao Paolo.

Inasmuch as anti-Yugoslav pamphlets are also printed in Syria, Egypt, and Algeria, Albanian propaganda has assumed impossibly large proportions. Aside from Turkey and the socialist countries, there are virtually no countries in which Albania does not wage its war against Yugoslavia. As a matter of fact, all this is profitable to the Sigurimi, which makes a decent amount of money selling these books to Albanian emigrants, somewhat less than the almost legal smuggling of tobacco in which this service has engaged for years now in the areas from Rome to Istanbul.

Part of this money then goes to the United States and Switzerland to finance the cultivation of local politicians, congressmen, and union leaders. Today Albania is aiming all its efforts at Yugoslavia, and we have been tolerating this with unexpected lack of caution. So it is that Reis Malile, Albanian foreign affairs minister, has attacked us from the floor of the United Nations. We obviously do not know who will attack us next from Tirana, New York, or Titova Mitrovica. Hence it is easy to understand the call by the deputy foreign affairs minister for us to oppose an eastern side of the Gates of Otranto. It does not take much to understand the call by the deputy foreign affairs minister for us to oppose an east side of the Prokletije—indeed independently (and in spite!) of the "traditional friendship" between the Caribbeans and official Belgrade, the perpetual headquarters of the nonaligned world!

As for the Italians' closer approach to Tirana on the basis of the "Adriatic initiative," the Albanians allow that the idea is not abhorrent to them, "since it is not a link that would take away from the sovereignty" of the state on the east side of the Gates of Otranto. It does not take much wisdom nor even profound knowledge of the political mentality of the leadership in Tirana as an inclination to open up moderately through the offices of Rome, which, equally because of the "historical debt" to Albania and the (also historical) caution of Croatia and Slovenia concerning the aggressiveness of Italian capital, will conduct the affair in such a way that the smallest among the three will not be the one to reap the smallest benefit.

The ritual celebration of historical dates, quite within the tradition of orthodox Stalinism, given the length, the
layered texture, and rhetorical bizarreness of the speeches by Ramiz Alia and Adil Arani, will make it altogether possible for albanologists (the serious ones and those who work from day to day to meet the needs of journalism) to confidently decipher the situation in the country and the attitude of the leadership toward the challenges in the domestic and foreign political landscape. As one might have expected, official Tirana is not retreating from the original version of partyocratic totalitarianism: even the political prisoners it has freed—a mere minority of the approximately 5,000 people imprisoned for thinking differently!—were actually transferred from prison to forced labor. Albania certainly is remaining on the ramparts of “pure socialism” even if it is the only and the last one (if Cuba should fail!), and the changes in eastern Europe represent a “pitiable abandonment of the idea of Marxism-Leninism and a return to capitalism.” Thus, Enver Hoxha’s 86-year-old heir, although for four years now he has had a free hand in finding a way out of the hopelessness of the “bunkir revolution,” the economic crisis, and the ever more extensive international isolation, is constantly fanning the breeze, vainly bailing the leaky dogmatic boat with the ideological bucket.

Thrashing around in yet another of the unrealizable eight-year plans—the culmination of which was supposed to be “drinking water in every village by 1990”—Albania continues to vegetate, exporting a bit of low-grade chromium ore, fruit and vegetables, opening up confusedly and in pursuit of extremely unattainable priorities (the USSR no longer figures, although control of Otranto has not been what it was for a long time). This survey certainly would not be complete without mentioning Tirana’s “new strategy” toward Yugoslavia: Ramiz Alia is saying that the central problem of the two neighbors, the position of Albanian’s in Kosovo, “cannot be resolved by force and tanks...but by dialogue and respect for the will of the people.” Which is certainly fine—if Tirana, if only by refraining from “statistical genocide” of the Macedonians, Greeks, Serbs, and Montenegrins, would show that it has in mind something better than defense by (rhetorical) attack. When they did not have the courage—the only ones in Europe—to sign the Helsinki Agreement, the watchdogs of the truly distinctive “book of the wise men” for every occasion and trouble—from reading the changes in the so-called world of socialism and the Balkan geopolitical environment to affirmation of human rights and freedoms as the only authentic foundation of legitimacy in the ideologized and multipolar world—might at least read it. This way, with all due respect for their options at the present time, from spiritual solitude to trade and financial cooperation with the world in a panic fear of “deception,” it is difficult to think differently about Albania than as a fifth wheel in the Balkans. One that the car can get along without quite easily, but that nevertheless, in case of a “mishap,” should always be in running condition. So that sometime it might be of some use, and not just travel around for nothing!

**CZECHOSLOVAKIA**

**New Members of Czech Government Introducted**

90EC0152A Prague RUDE PRAVO in Czech 6 Dec 89 p 2

[Unattributed item: “Biographical Sketches of New Members of the CSR Government”]

**[Text] Prof. Milan Adamec—M.D., Sc.D., born in Prague on 28 May 1928. Following his graduation from the Department of Medicine at Charles University in Prague, he worked for two years as an intern in the departments of internal and infectious diseases and surgery of the hospital in Vrchlabi. Since 1954 he has worked in the Research Institute for Rheumatology in Prague. At present he is its chief researcher responsible for the completion of research tasks of the basic research program. He is a member of several Czech and European medical societies and the author of many scientific publications and monographs. Currently he also lectures at the Department of Pediatrics at Charles University. In 1979 he was awarded the Klement Gottwald state prize.**

Until 1948 he was a member of the Czechoslovak National Socialist Party, since 1951 a member of the Czechoslovak Socialist Party and a member of its central committee.

**Eng. Antonin Baudys—Se.C., university lecturer, born in Prague on 9 September 1949. After graduating from the Engineering Department of the Czech Institute of Technology in Prague, he joined the chair of precision mechanics and optics at the Czech Institute of Technology. In 1981 he defended his dissertation for the academic degree of candidate and in 1988 he was appointed lecturer at the Department of Engineering of the Czech Institute of Technology. He is the author of a number of proposals for improvement and applications for patents. He cooperates with many enterprises and research institutes on the solution of various scientific and technical tasks in his field. In 1988 he was honored by the Central Committee of the National Front of the CSSR for his contribution to research and development. He completed the course of studies at the central political institute of the Czechoslovak People’s Party [CSL]; at present he is the chairman of the CSL’s district committee in Prague 8, the deputy chairman of the CSL’s Municipal Committee in Prague, and member of the Presidium of the CSL’s Central Committee. He has been member of the CSL since 1970.**

**Antonin Hrazdira—LL.D., born on 3 July 1940. After graduating from secondary economic school he worked in various managerial capacities in the Czechoslovak Automobile Transportation in Vyskov. In 1980-86 he served as the deputy chairman of the district national committee in Vyskov and since 1986 as its chairman. In 1982 he graduated from the Department of Law at the J. E. Purkyne University in Brno. He is a successful and competent organizer and manager with natural authority. For many years he served as deputy of the**
Municipal National Committee and in 1983-87 as the chairman of the Municipal Committee of the National Front in Vyskov. He has been member of the CPCZ since 1963.

Prof. Pavel Klener—M.D., Sc.D., born in Bratislava on 9 April 1937. Having graduated from the Department of General Medicine at Charles University, he worked as intern in the First Hospital for Internal Diseases in the First University Hospital until 1967, then until 1988 as a special assistant, university lecturer and professor of the Department II for Internal Diseases at the Department of General Medicine of Charles University. Since 1988 he has served as professor and chairman of the department for clinical oncology in the Department of General Medicine at Charles University. Prof. Klener has published more than 200 scientific papers, one-fourth of them abroad. He is an experienced teacher; he completed work study in France, and is a member of the group of chief oncologists at the Ministry of Health and Social Affairs of the CSR, of the Czech Oncological Society, of many other national and of five international scientific societies. He received a number of awards for his achievements. He has no political affiliation.

Stanislav Kukral—born in Kasina Hora, district of Pisek, on 9 November 1935. After his apprenticeship in lathe operating, in 1951 he joined the Plants for Manufacture of Air Technology Equipment in Milevsko where he has worked to this day. During his employment there he completed the course of study at the secondary industrial engineering school in Pisek and since 1967 specialized in assembly works. For many years he was involved in public activities. He was elected deputy to the Municipal National Council and is a committee member of the Municipal National Council and a deputy of the Federal Assembly. He has no political affiliation.

Prof. Milan Lukas—Ph.D., Sc.D., born in Prague on 14 December 1933. Having completed studies at the Department of Philosophy of Charles University, he taught in that department for several years and in recent years served as its assistant dean. At present he is the director of the drama department of the National Theater in Prague, the chairman of the Czechoslovak Center of the International Association of Drama Critics, and is active in other international organizations. At a theater conference in June 1989 he was elected chairman of the theater section of the Union of Czech Dramatic Artists. In the current situation he serves as the spokesman for all departments of the National Theater in Prague. He is a member of the CPCZ.

Petr Mison—Doctor of Natural Sciences, Sc.C., born in Prague on 24 January 1937. Having completed his studies at the Department of Natural Sciences of Charles University, in 1960-65 he worked in the field of microbiology and biochemistry at the Provincial Public Health Institute and at the District Public Health Institute in Karlovy Vary. In 1985 he worked as a researcher in the Research Institute for Tuberculosis and Respiratory Diseases in the Bulovka Hospital, and since 1986 as an independent researcher he has studied problems of biotechnologies at the R&D Institute. He published about 100 scientific papers and two monographs abroad. Since 1956 he has been a member of the Czechoslovak Socialist Party, held various offices from the basic organization up to the chairmanship of the Prague municipal organization, and currently is a member of the CSS’s Central Committee. As a deputy of the NVP he is member of the planning commission of the National Educational Committee. In 1988 he was elected deputy chairman of the Czechoslovak Public Committee for Human Rights and Humanitarian Cooperation.

Bedrich Moldan—Doctor of Natural Sciences, Sc.C., born in Prague on 15 August 1936. Since graduating from the Department of Mathematics and Physics at Charles University in Prague in 1958, he has worked in the Central Geological Institute in Prague, first as a chemist in a laboratory, later as the manager of its laboratories and coordinator of state programs, and finally as the director of the environmental department. He participated in several international scientific programs for environmental research under the sponsorship of UNESCO and other international organizations. He is a member of the Czech Union of Protectors of the Environment and the deputy chairman of the Czechoslovak Biological Society at the Czechoslovak Academy of Sciences. He has no political affiliation.

Eng. Ludvik Motycka—born in Nedakonice, district of Uherske Hradiste, on 7 July 1932. Following his studies at the Institute of Technology in Brno he worked as a building construction manager of the Surface Construction Works in Hodonin. Since 1964 he worked in the Highways State Enterprise in Brno, where he served in various capacities, from the manager of machine engineering, chief engineer of the factory, inspector of production, up to his current position as the order department manager. Eng. Ludvik Motycka has been a member of the Czechoslovak People’s Party since 1968. He has participated in public activities since the 1970’s when he joined the CSL’s local organization; later he became a member of the CSL’s Regional Committee, and finally, the chairman of the CSL’s Municipal Committee in Brno, and a candidate for the CSL’s Central Committee. In 1989 he was elected member of the Presidium of the CSL’s Central Committee for the South Moravia Kraj. Since 1986 he has served as a deputy of the Regional National Committee.

Eng. Vlasta Stepova—Sc.C., born in Letohrad, district Usti nad Orlici, on 7 June 1938. She graduated from the Institute of Economics in Prague, department of domestic trade. After she completed her studies she worked in research institutes of the Ministry of Trade, and since 1970 in the Market Research Institute. She served in the capacity of a department manager, and at present she is the research manager. Her specialization is market research. She has a broad outlook, good organizational skills, and is regarded as a competent expert in her field. She published many papers. For several years
she chaired the citizens' committee in the place of her residence and served as people's justice. She has no political affiliation.

Eng. Jan Vodehnal—born in Dolni Ujezd near Litomysl on 9 December 1946. After apprenticeship he worked as repairman of agricultural machinery. He completed studies at the Agricultural Institute in Brno and for several years served as the chairman of a unified agricultural cooperative. Since 1980 he served as the director of the Regional Agricultural Administration in Hradec Kralove and since 1986 as the deputy minister of agriculture and food of the CSR. He has been a member of the CPCZ since 1967.

Dagmar Buresova—LL.D., born in Prague on 19 October 1929. She completed the course of study of the Department of Law at Charles University. Since 1952 she worked as an attorney, focusing mainly on matters of civil law. She does not belong to any political organization. She served in legal agencies and since 1963 has been a committee member of the Municipal Bar Association in Prague, and for two years since 1968 as a committee member of the Czech Lawyers Center. In recent years she has participated in agencies for study of legal defense, in the Czech Lawyers Union, and in the expanded chair of labor law at the Law School.

New Foreign Minister's Press Conference
90EC0163A Prague RUDE PRAVO in Czech 15 Dec 89 pp 1-2

[Report by RUDE PRAVO correspondents Dalibor Macha and Josef Vleck on a press conference of Foreign Minister Jiri Dienstbier: "Czechoslovak Foreign Policy and the Contemporary World"]

[Text] At his first press conference on Thursday in the Cernin Palace in Prague, the new Foreign Minister, Jiri Dienstbier, introduced himself to Czechoslovak foreign journalists. From the beginning, the conference followed the question-and-answer format.

Speaking about the changes in Czechoslovak foreign policy, the minister stated that Czechoslovakia's position on the international scene had fundamentally changed. While thus far, he noted, Czechoslovakia was like an iceberg in the center of Europe, obstructing understanding and the European process, now due to its role and to the level of its national economy and political culture, it may become a stable factor in this area. In his words, we should stop being an iceberg and become one of the most active initiators of rapprochement in Europe.

Asked whether in the future the CSSR will remain a member of the Warsaw Pact and of the CEMA, J. Dienstbier replied: "Our objective—and as a matter of fact, it also is the policy proclaimed by the Warsaw Pact—is to proceed from a bloc concept of European security to democratic and pluralistic concepts, from which logically follows the demand that military blocs be abolished.

"Of course, we are aware" he added, "that this cannot be achieved by any unilateral act, but only by general agreement of all participants of the European process which must be understood, let us say, as the Helsinki process. The membership in the CEMA today is a question under consideration in every country participating in this economic community, and there is no reason to leave this institution."

The minister added: "I think that there is general consensus that this institution must be fundamentally restructured and changed from an organization for mutual exchange of obsolete goods into an institution capable of stimulating the most advanced technical development in this area. This may be possible only in cooperation with West Europe and only if we are open to world trade."

Milan Tomanek of the Czechoslovak Television asked about the upcoming negotiations concerning the stay of Soviet units on our territory and about the possible specification in the planned agreement of the expression "temporary" stay at this particular time, in other words, when and under what conditions will Soviet troops leave.

The minister characterized the Moscow protocol and the agreement on the temporary stay of armed forces in Czechoslovakia as invalid from the point of view of international laws, because the agreement was concluded under pressure. He added that consequently, this statute must be renegotiated. "So far, judging from my discussions of these matters with Soviet representatives, I believe that in a foreseeable future we may come to some agreement on the removal of Soviet troops."

To a question about family relations and about related issues of the efficiency of Czechoslovak foreign service, the minister said that most employees of the Federal Ministry of Foreign Affairs are well qualified and competent. However, he noted a political problem. Some individuals used to defend abroad very vigorously the "repressive policies of 1989."

Nevertheless, he stated that to some extent his predecessor, Minister Johanes, had already dealt with this issue and proposed to the government that about thirty ambassadors be recalled. Dienstbier reported that thus far, other parties and the Civic Forum neither criticized nor rejected the view that the new political plurality in Czechoslovakia should not lead to dismissals of experienced and capable staff in the Ministry of Foreign Affairs.

However, in the future foreign service officials will be appointed exclusively on the basis of precisely stipulated terms of competition and regardless of their political views.

In his reply to a question about Czechoslovakia's relations with Israel, he expressed his conviction that the Czechoslovak-Israeli relations will be dealt with soon and in a different way. Speaking of the Middle East
conflict, he added that we would proceed from the same principle as in all our internal negotiations—problems of the Middle East should be resolved by a dialogue and, if possible, with steadily decreasing violence.

Concerning issues of German reunification, the minister noted that in the future no nation should be denied the right of self-determination. Moreover, irrespective of the future formal development of relations between the two German states, it is certain that the current situation there will lead to a great economic integration and that very soon an enormous colossus of 80 million will exist here de facto, whether as two German states, a confederation, or in some other form. He continued: "I believe that the question of the German reunification is also a question of the reunification of Europe, and that these processes must proceed concurrently. We shall need more analyses to be able to specify or propose which steps to take in order to achieve European unity. Thus far I assured the Polish secretary of state that naturally, in any case we shall defend the inviolability of the Polish western borders," noted the minister.

About the possibility of revoking the restrictions on travel to Poland, he replied that in his opinion, travel restrictions of any kind should be revoked, but he mentioned that economic obstacles do not exist only on our side. The foreign minister further explained that due to the changes in Czechoslovakia's economic policy and to our opening to world trade, the conditions in our cultural needs. I never stopped following domestic and international situation, the bureaucratic-authoritarian regime would tighten or relax its reins. The best hope for its democratization appeared in the period after the 20th CPCU Congress in 1956, and culminated in our process of renewal in 1968. The defeat of that process and the restoration of the regime whose practices were dictatorial left their mark on the whole further development not only in our own country but in every country in central and east Europe. What did I do? As many others who were forced to leave their own profession, I, too, had to work where I was given an opportunity, while the administration determined my classification and compensation. In the Institute for Landmark Preservation I researched and analyzed the centuries-long development of our historical towns and wrote about them a number of extensive studies. After my forced retirement I worked as a doorman to earn extra money for a decent life and to some extent for my cultural needs. I never stopped following domestic and foreign events and the development of ideological movements and political struggles, particularly concerning the theory of socialism. With increasing anxiety I was watching how Marxism was repeatedly turned into a dogma and how the CPCZ retreated into sectarian isolationism. Its leadership ignored the maturing thinking and the social movement in the East and in the West, and turned a blind eye to the dynamic advance of the scientific, technical, spiritual and cultural revolution. With its absurd obstinacy it stayed on a conservative political course and transformed our country into a backward state and led our society into decline. I tried to see clearly the ideas and views concerning a democratic, humane socialism in contrast with the pseudosocialist reality we were experiencing. I addressed several letters of criticism to the leaders of the party and of the state, and wrote a great number of politological analyses, among them an extensive analysis of the Berlin conference of communist parties held in June 1976, entitled "Timely and Untimely Meditations," and in 1978 a book, "Our Controversy Is Fundamental," which argued against an official statement by RUDE PRAVO on the 10th anniversary of the Prague Spring. In the early 1980's I wrote a book entitled "Marginal Notes About the Czech Problem" which presents an objective view of our crisis which developed in the political, economic and cultural areas, and which offers in particular a detailed analysis of the dismal condition of Czech education, science and culture. After all, I was not the only one thinking and writing this way. Maybe I should add something about the response of our authorities to my letters and ideas—they were simply irritated, rejecting
and disparaging, and moreover, they followed up with police supervision, interrogations and various interference.

[TVORBA] It seems that once more Marxism has found itself at the crossroads. Some people are lifting it to its feet, so that with its help they could speed up the current development. Others are pushing it away into archives of philosophy like a fossil from an era in which we no longer live. Could you help our readers find some orientation in this extreme situation?

[Cisar] Marxism has several forms: the original one, in the works of its so-called classics; another one is the interpretation by their successors in the social-democratic parties of the Second Internationale; the third was updated by Lenin and the Bolsheviks in the Soviet Union in the Third Internationale; the fourth is Stalin's interpretation entitled "Marxism-Leninism," and finally, the last version is Gorbachev's new thinking whose constituents include ideas of the Prague Spring of 1968 and all positive, lasting achievements of the entire century-old progress of the socialist thought and movement. The most successful directions proved to be those which resisted any dogmatic clinging to rigid instructions dating back to the time of their origin, and which used to their advantage the creative development of Marxist thinking, enriched by the progress of the social and all other sciences, including the non-Marxist ones, and above all by actual life experience of man, classes, nations and states. The conviction has crystallized today that in its classic form, Marxism resulted from social thinking and scientific study of the era of industrial capitalism and class struggles, and in this sense, it is a permanent part of the history of social sciences and an inspiring source of social movements. Naturally, in this classic version it will not—and cannot—serve as an adequate ideological source of current scientific and political thinking and praxis, if we fail to consider the giant strides forward made by modern science and world events. This realization raises doubts about the extent to which Marxism has contributed to our contemporary society, but it prompts also new assessments of the whole legacy of Marxism for our times which are so radically different from the 19th century. I do not think that Marxist literature belongs to dusty archives, nor that literature which formulates other philosophical and political views or whole ideological systems belong there. No literature can become the sole guide for social praxis which is evolving so dramatically and rapidly at the verge of the 20th and 21st centuries, because only scientific analyses of this praxis may be used as a basis for new, effective ideas which, of course, must include the enduring ideal inherent in age-old principles of human ethics and humanitarian relations.

[TVORBA] What is the art of politics?

[Cisar] This question has many meanings. I shall stick to a few observations about this art which in my view are significant. First of all, politics cannot be separated from individuals who are politicians and from the character of personalities engaged in such activities. Unlike science, art has no exact criteria of true knowledge and demonstrable proof. Therefore, it is art; it is a capacity to discover with one's senses the substance of things and actions, the origin of human and social aspirations and their direction. The art of politics reflects this very capacity. We are living at present in the age of computerization, robotization, prognostics, cybernetics and other achievements of civilization, but next to them, spiritual and cultural factors still are—and always will be—effective; their miraculous range of human mind, emotions, passions, hopes and yearnings, the whole multicolored psyche of a personality and the complex web of social coexistence remain powerful and will continue to be powerful. No computer can precisely measure these factors, and so much less so predict all kinds of consequences of their free and unpredictable effect. A politician faces the same situation where he is simply completely dependent on an extraordinary ability, or lack of it, to transform a great amount of information about the social situation and development into a political program and procedures that may prove successful to some extent. From this point of view politics is a highly intellectual human activity which, just like any other area of management, cannot tolerate any dilletantism, illiteracy, incompetence. Our republic has already gone through enough stages of development and thus, we are able to size up the quality and success of various political trends, movements and programs. I belong to a generation which has lived practically through all 70 years of our statehood. We remember some highly talented and competent politicians as well as the small-minded, even primitive politicians, and moreover, both the good and catastrophic consequences of their character. Therefore, there are such loud demands today for politicians of high qualities equal to European standards, who can represent our state with dignity and will not be an embarrassment.

[TVORBA] On 30 November TVORBA started as an independent weekly of the Czechoslovak cultural left wing. As a former collaborator of TVORBA, how do you see its progress, and what is your message for the new TVORBA?

[Cisar] Since the original TVORBA was founded by F.X. Salda, the journal has experienced many turns and twists. In the 1930's, the left-wing intellectual avant-garde determined its form, but then, in the postwar period, dogmatic and sectarian approaches, even harsh confrontational, intolerant and pogromistic trends, which are alien to our Czech cultural tradition, asserted themselves in it more and more conspicuously. The further development of the journal followed the fluctuating political line of the CPCZ, the reform in the 1960's and normalization after 1968. Right after the war I used to write essays and articles for this magazines, and then again in the 1960's which I like to remember most of all because during those days the censorship was relaxed and independent thinking and more tolerant attitudes to
cultural issues were on the upswing. I welcome the intentions of the current editorial board of TVORBA to transform this journal into an independent weekly. I presume that it sees this independence in accordance with the revolutionary events of our days and with the striving for democratic socialism on the part of the majority of our society. It will be successful if it can recognize the pluralistic character of the left-wing movements within the Czech socialist movement, unlike the monolithic ideological and political trends of the past. Let it really open its pages to all democratic and socialist ideological trends, so that they may compete among themselves, become productive, contend, and enrich one another. I believe that only then will the new TVORBA fulfill its mission in this truly crucial time.

**Prague Spring Leader on Past, Current Changes**

90EC0195A Prague MLADA FRONTA in Czech 21 Dec 89 p 3

[Interview with Eng. Oldrich Cernik, prime minister during the Prague Spring era, by Jiri Tvrznik: "To Make Sure That Power Is Never Again Abused"; date and place not given; first paragraph is MLADA FRONTA introduction]

[Text] The raw air of a December morning was intensified by the haze of Prague smog. I rang the bell in the mezzanine of a Dejvice apartment building, at the door by Eng. Oldrich Cernik. It was Alexandr Dubcek who opened the door for me. The friendship between Oldrich Cernik, Prime Minister at the time of the 1968 Prague Spring, and Alexandr Dubcek, CC CPCZ First Secretary during the same period, was cemented by the concept they then shared of the indispensable need for democracy in the conditions of a socialist society, as also by joint experience of the events connected with the five armies' invasion of Czechoslovakia. And in recent months it was the same Oldrich Cernik and Alexandr Dubcek who repeatedly reminded the international public and the parliaments of some countries of the unwarranted nature of that year's military action and called for a revision of this arbitrary, legally unjustifiable act. As Alexander Dubcek returned to his Italian guests in another room of the apartment, Eng. Oldrich Cernik responded to my questions.

[MLADA FRONTA] Which was expressed, if my memory serves, in the action program of April 1968.

[Cernik] We regarded the action program as an open political document aiming at organizing a society respectful of democratic principles and renouncing completely the Stalinist model of a totalitarian state as one incompatible with socialism's principles. For the long term we reckoned with abolishing the statutory leading role of the party and transition toward a pluralist political system. As regards the economy, in the first stage we had in mind a symbiosis of plan and market, to be replaced later by a market economy.

[MLADA FRONTA] Your good intentions were thwarted by "fraternal assistance" supposedly intended to prevent a breakdown of international socialist unity. You were branded as revisionists and agents of the counterrevolution. Now, 20 years later, the story is that on the contrary you provided the first impulse leading to the restructuring of socialism and reform movements which have now extended to virtually all East European states.

[Cernik] It is indeed a vindication but pity the loss of 20 years, pity especially for our Republic which had slid into an unprecedented spiritual, social and economic crisis.

[MLADA FRONTA] What did the defeat of the 1968 Prague Spring mean for you? How do you explain such a rapid collapse of the policy which you represented and which won the support of the nation's majority? Did you not resign prematurely?

[Cernik] It was a total collapse of hope. Given the international situation it was unlikely that within some short time there could arise in Czechoslovakia new forces capable of averting the danger of a complete breakdown. The power system erected after the entry of the armies rested on the most conservative wing of the CPCZ and of course on the support of the neo-Stalinist Brezhnev power clique in the USSR. By eliminating its reform wing our party itself cemented its conservatism and predetermined its fate—and with it, alas, the fate of the entire country.

[MLADA FRONTA] But you haven't answered my question whether you have not resigned too early, whether you could have put up a more determined resistance?
Cernik] I have asked myself this question many times. Perhaps I should answer by describing the situation. As the tragedy of the Prague Spring was unraveling before our people's eyes, we were in Moscow signing a protocol dictated by the Soviet leaders. It was a compromise protocol, still offering hope that the basic core of the action program will remain the core of future developments. Brezhnev after all had to take into account the spontaneous resistance of the Czechoslovak people who rose up against the aggression; evidently he also had to reckon with world public opinion which opposed Czechoslovakia's occupation. So the compromise was the result of all these pressures. Even though it placed substantial limits on our ideas, we had to accede to it. This also because there were foreign armies in our country ready to take any action. We also knew that, without a single shot being fired from our side, dozens of our citizens already had been killed and hundreds injured. Every hour brought the danger of an open confrontation with the occupation forces. Had that happened, it would have given support to the occupiers' story that our country was in the throes of a counterrevolution. So we signed, and it seemed that we were after all left with some room for a limited implementation of the April action program.

[Cernik] A protocol is one thing, actual policy is another. After our return from Moscow the people's emotions quieted down and we tried to work in the spirit of the protocol. But right away there began recurrent pressure actions from the Soviet side. Ever new demands were being advanced requiring more and more concessions: if we failed to grant them we were repeatedly threatened that the troops deployed outside the cities would take action at any time. It was systematic pressure, systematic extortion which bit by bit frustrated our intentions and gradually convinced us that attempts at reform were finished. In these conditions a situation arose when determined politicians had to retreat from their positions. At the same time the occupation troops became the ideological as well as real support of the conservative forces in the CPCZ. As Soviet pressures mounted against the leadership's progressive core so did the conservative forces' pressure to gain control of the party. It was a concentrated attack and so despite the existence of the Moscow protocol the renewal process began to collapse.

[Cernik] He had developed ambition to become the first man in the Republic and gradually abandoned the ideas of the post-January policy. True, a federal state system was established which was one of the few concrete results of our endeavors, but Husak found fault with the fact that only one of the Slovaks was in the leadership—Alexander Dubcek as the CC CPCZ First Secretary, while the presidency was held by the Czech Ludvik Svoboda and the Premiership by a Czech, that is, myself—with the National Assembly chairmanship again in Czech hands, in the person of Josef Smrkovsky. Husak immediately requested parity in this situation. His goal clearly was to gain the office of the CC CPCZ First Secretary for himself. He succeeded in sidelining Dubcek by shifting him to the post of the National Assembly chairman in place of Josef Smrkovsky, whom he eliminated entirely by engineering his recall. And so he had his way open for him.

[Cernik] Apart from Husak, who was another prominent negative figure of that period?

[Cernik] Unquestionably Vasil Bilak. He belonged to the most prominent representatives of the Soviet cabinet policy in Czechoslovakia.

[Cernik] What was then the importance of Milos Jakes?

[Cernik] Few paid him any attention. In different state structures his political abilities would not earn him a chance to become even an average politician on the district level. Ambitions not matched by ability. I believe that Czechoslovakia has by and large paid the price for dull people's ambitions. I have often asked myself how it was possible that a man of such a political stature could advance to the leadership of a ruling party. This merely confirms the absence in the CPCZ of elementary democratic rules which would exclude incompetents from participation in leadership. Here we can find the roots of such a catastrophic decay of moral values in the party and ultimately in society which the CPCZ controlled thanks to having all the power instruments engaged in its service.

[Cernik] Let us recall, Mr. Cernik, who the people were then in Moscow, to what place they dragged you and where were you forced to sign the protocol.

[Cernik] At first we were five: Alexander Dubcek, Josef Smrkovsky, Bohumil Simon, Josef Spacek, and myself. Later when Ludvik Svoboda managed to get the Soviet side to negotiate, we were joined by other members of the Presidium such as Zdenek Mlynar, but also Vasil Bilak, Oldrich Svestka, Emil Rigo and others from the conservative wing, and also Gustav Husak flew in who then was not a Presidium member. On whose request he came I don't know.

[Cernik] But Frantisek Kriegel was also there.

[Cernik] That's something we did not know at first. He was brought to Moscow by a special plane and was
completely isolated from us. I must note that the rest of us too were transported separately. Although I was on the same plane with Dubcek, we were strictly prohibited from talking to each other. We learned about Kriegl's presence only when the negotiations were completed and the protocol was to be signed.

[MLADA FRONTA] Why was he so isolated by Soviet security?

[Cernik] President Svoboda told me between four eyes that the Soviets had some old accounts to settle with him. He was an immensely courageous person. A man of principle and deeply humane. He displayed his courage also in Moscow where he refused to commit himself to anything. He signed nothing. The Soviets wanted to keep him, but then all of us, the conservatives included, refused to return without him. They let him go on condition that he may never return to political life. President Svoboda, who was the principal spokesman in this negotiation with the Soviet side, committed himself to this condition.

[MLADA FRONTA] Is there in the present political leadership of the Soviet Union anyone whom you had met during dealings with Brezhnev?

[Cernik] Not one.

[MLADA FRONTA] What is your feeling about the vindication after 20 years?

[Cernik] I am sincerely glad that I have lived to see it, and that I can see with my own eyes the collapse of this totalitarian system. And also that those who caused untold grief to millions of our citizens have lived to see it.

[MLADA FRONTA] What would be your message to socialism as the first stage in the transition to communism? As a young man right after liberation in 1945, inspired by the theoretical postulates of socialism as the first stage in the transition to communism were dominated by the Stalinist interpretation of the theory and practice of constructing socialism. I believed that. The fateful moment for me was the CPSU 20th Congress. I learned astonishing facts about back-stage political infighting in the USSR and about the mechanisms of political power. This shattered my moral conscience. Gradually I ceased to believe in the reality of values to which our country became forcibly attached after 1948. Today I am convinced that no political force has the right to prophesy a people's future unless it owns up honorably to the past and shows ability to manage the present. As a pragmatist I don't intend to devote the rest of my life to some dreamed-up ideals which I cannot believe as long as they fail to bring into motion such motive forces that could show me that we are truly on the wavelength of European civilization and that the Czechoslovak people play a dignified role in this civilization.

[MLADA FRONTA] You are an economist. Could you compare the interactions between politics and economics in 1968 and in 1989?

[Cernik] The reintroduction of administrative-bureaucratic methods into the economy has now worsened the starting situation for change. In the earlier case we enjoyed better material prerequisites for a new economic model. The extent of Czechoslovakia's falling behind was not so pronounced at that time. The present economy is characterized by waste. Its functioning entrenches a system which refuses to adapt to new conditions. This may be connected with a shortage of capital reserves that could speed up the necessary innovation processes. In those days we did have such reserves; today they are exhausted. In many cases they were spent as investment inputs into an unfavorable structure of the national economy and merely expanded an ineffective process of reproduction.

[MLADA FRONTA] You were a Communist. Are you still one, or have you reached the conclusion that communism as a utopia has no chance in real politics?

[Cernik] I am a product of my time. I joined the CPCZ as a young man right after liberation in 1945, inspired by the results of the war. The theoretical postulates of socialism as the first stage in the transition to communism were dominated by the Stalinist interpretation of the theory and practice of constructing socialism. I believed that. The fateful moment for me was the CPSU 20th Congress. I learned astonishing facts about back-stage political infighting in the USSR and about the mechanisms of political power. This shattered my moral conscience. Gradually I ceased to believe in the reality of values to which our country became forcibly attached after 1948. Today I am convinced that no political force has the right to prophesy a people's future unless it owns up honorably to the past and shows ability to manage the present. As a pragmatist I don't intend to devote the rest of my life to some dreamed-up ideals which I cannot believe as long as they fail to bring into motion such motive forces that could show me that we are truly on the wavelength of European civilization and that the Czechoslovak people play a dignified role in this civilization.

[MLADA FRONTA] Some of the politicians of the 1968 Prague Spring are again entering upon the political stage. As far as you are concerned, so far you have given no sign in this regard. Do you entertain notions of a possible participation in the political life of the next months and years?
[Cernik] People in my age bracket should think of leaving politics rather than returning to it. I do not want to speak for others. But I think some have a moral right to return. For instance Alexander Dubcek.

[MLADA FRONTA] There is now a struggle for the vacant chair of the President of the Republic. Which of the politicians, in your opinion, most deserves this chair at the present moment?

[Cernik] The issue is a moral and political purification of the country. Those standing at its head should be people who have already proved themselves, shown a high degree of personal morality, have not failed in decisive moments, who are honorable and true to their principles and who will not allow power to be abused again. In my judgment these are two such people today: Alexander Dubcek from my political generation and Vaclav Havel from the Charter 77 generation.

Strougal Explains His Role in Past Events 90EC0150A Prague MLADA FRONTA in Czech 1 Dec 89 p 5

[Television address by Lubomir Strougal, deputy of the Federal Assembly: "Basic Causes of Crises"]

[Text] Esteemed citizens, the inevitable, logical consequences of the democratic process are new problems which it has generated; an open dialogue cannot exclude any questions, and taboos simply do not exist. The main thing is to maintain the political discernment for exchange of views, to respect facts, and to put issues into a historical and objective context.

It is only appropriate that questions about personal accountability are not being asked. I should like to address this issue. The basic problem concerns the attitudes toward the efforts to reform our political and economic system. I have worked in the central administration since 1959.

At that time I was appointed minister of agriculture—five years after the introduction of the system of central administration, which obviously had failed—a serious attempt was made to switch to a rational economic system. I took part in such efforts. In hindsight, those steps were inadequate and limited to our economy alone. This reform program needed to be expanded and conditions needed to be created for an efficient, modern economic structure in order to maintain our country among the most advanced European countries. Unfortunately, our political leadership revoked this attempt already in 1962. It must be constantly borne in mind that the government was strictly controlled by the CPCZ Central Committee and its leadership. In 1963-68, as the secretary of the Central Committee in charge of economy and agriculture, I took part in the drafting and gradual introduction of a new reform program which already was more inclusive and had political implications. These reforms articulated in 1967-68 represented a good opportunity and were gradually translated into reality, in 1968 I served as deputy premier and chairman of the Economic Council. In those years our national economy achieved the highest increments of national income, which by the logic of economic momentum continued into the early 1970's.

As known, this attempt at reforms was disrupted by the military intervention in August of 1968. Our reforms were considered revisionist and one by one revoked. The repeal of radical sociopolitical reforms was a serious error on the part of the party leadership—to put it in simple terms, we had to return to the neo-Stalinist concept of socialism. Indeed, I was not able to defend my objections when drafting the document "Lessons from the Period of Crisis" and therefore, I am co-responsible for it. Nevertheless, with a group of comrades we tried to take further steps to reform at least the economic area. A partial attempt produced at that time is the "Set of Measures for Improving the System of Administration"—which could not achieve a fundamental reversal of the situation, but which could serve as a certain springboard for the development of a comprehensive reform. Frankly speaking, after August 1968 the process of political decisionmaking in our country was strongly influenced by the comrades in the CPSU leadership, especially by Brezhnev.

Although I had attended a number of working conferences with Premiers Kosygin and Tikhonov in Moscow, not once would Brezhnev receive me, although he could spare time for my other colleagues from socialist countries. In his eyes I remained simply a revisionist. And when in the mid-1980's—admittedly, after Gorbachev's succession—we started to work on fundamental reforms, we again encountered far-reaching resistance of central agencies. We lost at least one year in endless discussions. It was not until 1986 and 1987 that we pressed through a fundamental economic reform which was gradually translated into reality. However, political reforms, including those that concerned the status of the party in society, were only outlined in general terms, but in essence, nothing changed, and there are the basic causes of the crisis in our society.

Because I could see that I lacked the strength to overcome the party leadership's reluctant and even negative attitudes toward reforms, in early October 1988 I withdrew from the office of premier. The tendency to hinder reforms increased after the new general secretary took office in late 1987. Responsible for it are the comrades who supported and proposed for the party's leadership a man incapable of coping with that office at the time of continuously increasing demands for thorough reforms, for the policy of restructuring and for a renewal of socialism. Instead of democratization, the monopoly of power continued to be enforced. I did warn against police interventions. I do not bear any responsibility for actions taken on 28 October 1988, in January 1989, and for the others, including the one on 17 November. Particularly as concerns the recent tragic events, the leadership of the party and of the government had acted erratically, procrastinated—and failed to draw logical
changes. The logic of the system resulted in backsliding. The new constitution must be drafted in a way that it 3. The new constitution must be drafted in a way that it fully guarantee all the already implemented as well as failed. Many of us have been aware of that fact. We are Czechoslovak Socialist Party. It is obvious that the administrative-directive system has the draft which also has already been submitted by the critical views about the halfhearted implementation of proposals for legislation already drafted by the Czecho-

And then a senseless campaign was launched against the signatories of "A Few Sentences." Looking back at the position of our government, where nearly every single, even minor decision had to be approved by the Presidium of the Central Committee, where the key ministries—of foreign affairs, defense, and interior—were controlled not by the government but by the party's Central Committee, I see that the office of the premier was, to put it mildly, quite limited. Government should be a government and the party a political party. Nevertheless, this was not the case. I am a sports fan. I want to mention just one example. For several years I kept trying to grant Ivan Lendl's request for legalization of his stay in the USA. The reply was negative. Thus—and this is not the only instance—we forced people to emigrate illegally; consequently, we have lost outstanding talents and minds. In my address on the television last Tuesday I called for a reappraisal of the events of 1968. During those days that August, the Czechoslovak Government—I presided over it at that time—protested against the military intervention. For years and years those who are now demanding a reassessment of August 1968 used to criticize me harshly for it. Indeed, the past must be thoroughly reexamined.

In all correlations in the historical context we must look the truth straight in the eye. I always tried to offer the party leadership, the parliament and the government a true picture of our national economic situation. When I spoke in the parliament and pointed out the disturbing phenomena and trends in our economy, I was rewarded with criticism and all kinds of rebuke. In fact, a number of statements were marked by compromises stemming from collective discussions as well as not always thorough analytical insight. In simple terms, I am aware of my responsibility for the record of the administration; I do not shirk from it—however, the others also must be accountable, particularly those who had worked in the center for scores of years; many of them adopted reforms only in the past few days. I am convinced that they are sincerely interested in the restructuring and renewal of socialism. And this is the key issue for the future of this country. No one should feel offended if in the interest of the cause someone, whoever he may be, expresses some critical views about the halfhearted implementation of both the political and economic reforms. Expressions of certain intolerance have no place in the political art of dialogue.

It is obvious that the administrative-directive system has failed. Many of us have been aware of that fact. We are responsible for not being able to force through radical changes. The logic of the system resulted in backsliding and a loss of trust. New policy calls for new people. This is my realization and my conviction from which I proceeded last in October 1988 when I tendered my resignation.

Czech Socialist Party Spells Out New Program

1. In all further action, especially when making decisions about the fate of our society and state and when fulfilling the jointly adopted decision, we consider it urgent and inevitable to maintain, create and strengthen the alliance and mutual understanding of all democratic social forces, political parties, civic initiatives, outstanding public organizations, and of churches. The decisive criterion for our alliance must be the welfare of the people, nations and nationalities in our country. One of the platforms for the dialogue may be the National Front—of course, only if its character undergoes a radical change as follows from a recent declaration by the National Front. Naturally the dialogue about the future of our country must also be conducted in other ways.

In this context we stress the demand that the process of reforming the government, including lower level governmental and administrative agencies, continue so that they may earn grassroots support.

2. We are grateful for the achievement of freedom and democracy in particular to the determination of students supported by the grassroots, and in a considerable way, to the Czechoslovak Socialist Party. This achievement must be protected and further advanced in the direction toward the introduction of pluralistic democracy. Laws on organization, assembly and the right to petition, a law on the press and publishing which will guarantee freedom of the press and information, and the law on political parties which will stipulate their organization, registration, the rules of their activity and their financing, must be expeditiously drafted and adopted in our legislative bodies. Of foremost importance is the prompt adoption of a democratic election law which will guarantee prompt elections. We request that the proposals for legislation already drafted by the Czechoslovak Socialist Party be used for that purpose. It is highly desirable that the Federal Assembly incorporate the law on the fulfillment of international obligations concerning human rights in the federal law pursuant to the draft which also has already been submitted by the Czechoslovak Socialist Party.

3. The new constitution must be drafted in a way that it fully guarantee all the already implemented as well as
other desirable democratic changes and principles. For that purpose, the current drafting commission must be restructured so that all political parties and other public forces, the representatives of various social strata and groups of our society be proportionally represented in it and that it have a broad national base. We demand that this commission discuss our proposals on radical changes in the function of our highest representative bodies, including the establishment of a constitutional court, strengthening the citizen's position vis-a-vis the agencies of our state administration, etc.

4. We demand an expeditious adoption of a military law stipulating in legal terms the role of a regular army, of the armed forces of the Ministry of the Interior, and of all other armed forces, and their subordination exclusively to state authorities under the authority of the Parliament, in such a way that they act only on the basis of the law and within the limits of the law. We demand that the Federal Assembly complement the military and security committee with members of other political parties and citizens without political affiliation, and that the committee for the rights of the Czech National Council be reinstated and appointed to oversee the security units of the CSR Ministry of the Interior. The adopted legal amendment must prevent any potential organization of armed forces controlled by political parties. To restore personal responsibility of members of the Public Security Corps, its members must again wear badges with their names. Conditions must be provided for alternative service instead of basic military training.

5. We demand that committees composed of representatives of all political parties and movements be organized in the administration of our federal and national television and radio networks to safeguard impartiality and objectivity, and furthermore, that all political forces be guaranteed equal access to the state communications media, and that their representatives be included in the administration of the media.

6. We consider it absolutely imperative that the so-called cadre nomenklatura be abolished and that members of every political party or movement and citizens without political affiliation be guaranteed equal access to positions of responsibility in our state, economic and other public institutions. The sole criterion must be personal ability, moral qualities, and achievements in work.

7. We consider it necessary to intervene in the process of drafting criminal laws and regulations and to enforce changes, or as the case may be, annul regulations which served as the basis for the persecution of the defenders of human and civil laws; furthermore, we must insist that all criminal and other penalties for civic attitudes after 21 August 1968 be annulled, and that they be reviewed and rehabilitation completed with all consequences. Czechoslovak citizens who left our country after 25 February 1948 and who wish to return must be enabled to have their citizenship and all their civil rights restored.

8. We shall insist on thorough depolitization of our economic sphere. No political party or political force must exert exclusive influence on the economic management in the center and on the level of economic units. We demand that a program for economic reform be expeditiously drafted and adopted on a political basis, and that it be introduced in the nearest future to provide opportunities for the achievement of a smoothly operating market economy and for the implementation of desirable structural changes. In our view, it is correct for the planned economic reform, despite its shortcomings, to be in force as of 1 January 1990. Naturally, by the same token it is imperative to assess the achieved experience concurrently and to plan and implement administrative measures to rectify ascertained shortcomings. Of decisive importance to us is immediate revival of our citizens' economic initiative and entrepreneurship in every area; for that purpose, legal, political and material opportunities must be created. As desirable we regard rational economic policies against inflation; everything must be done to safeguard our citizens' social security and living standard.

9. We demand that a federal agency for environmental protection be promptly established and provided with appropriate powers and that measures be adopted to initiate the necessary radical steps for improvement, despite the gloomy and difficult situation in the environmental area. We emphasize our demand that our citizens obtain absolutely open, full and truthful information about these problems. We are ready to cooperate with all who have these vital important issues at heart.

10. In our view, it is imperative to reassess and reevaluate the development of our country since 1945 with special attention to the period before and after February 1948, to the 1950's, to 1968 and 1969, and the period immediately thereafter. We regard the intervention by the armed forces of the five states of the Warsaw Pact in 1968 as a blatant violation of the norms of international laws, incompatible with the principles of relations that ought to prevail among independent, friendly socialist states, and as a violation of our country's sovereignty.

11. We consider it our duty to demand moral redress for injustices committed against the members of the Czechoslovak National Socialist Party who were sentenced and persecuted after February 1948.

12. We declare our profound conviction that the new progress of our national unity must be based on a moral rebirth of our society, on the creation of a free, democratic and just system of government, expressing the will of the people which is democratically manifested in free elections. As its basic law, this system of government must proclaim honesty, decency and humaneness, love for man and truth, orderly family life, dedication and loyalty to our nation and state and to all-human ideals of peace and fraternity; it must safeguard observation of these moral principles.

By fulfilling these demands and by achieving these goals we intend to transform Czechoslovakia into a country of modern, democratic and humanitarian socialism. The
Czechoslovak Socialist Party is prepared to cooperate with all who have at heart the prosperity of our people, nation and our fatherland.

Prague
4 December 1989
The Presidium of the Central Committee of the Czechoslovak Socialist Party

Political Club Obroda Introduced
90EC0183A Prague TVORBA in Czech 13 Dec 89 p 2

[Article by "vb": "A Few Sentences About Obroda"]

[Text] The Club "Obroda za demokraticky socialismus" [Renewal of Democratic Socialism] is a branch and active part of the Civic Forum. Although persecuted by the Jakes regime in various ways, it has been in operation for more than a year and as the only one of the so-called illegal structures already in June 1989 it successfully organized a kind of a minicongress at which the representatives of its members and branches democratically elected its leadership—its presidium and its executive council. Milos Hajek, a university lecturer, was elected its chairman. The participants in that meeting were among the first signatories of the manifesto "A Few Sentences."

In recent days Obroda held in Prague the third session of the above-mentioned presidium with the participation of the Obroda delegates from Slovakia; they adopted several programmatic documents and a platform. One of their resolutions states that "Obroda is an independent association of Czechoslovak citizens who acknowledge the principles of democratic socialism, humanism and the deeply felt traditions of the Czechoslovak people's struggle for their national self-determination, independent state, and social justice. For that reason, the manifesto decisively condemned Stalinism in all its forms. This is the determining principle of its practical political activities, including its dealings with other political forces. Obroda views with criticism the theoretical and practical steps of the new CPCZ leadership which remain in captivity of the previous policies of normalization. This curbs any more rapid, effective and also peaceful development of our society."

Furthermore, after an extensive discussion the presidium agreed on the position that "Club Obroda remains a political movement. It intends to apply political means in order to create a modern civil society whose foundations it sees in the coordinating center of civic forums for the establishment of autonomous democratic bodies in free elections."

In several paragraphs the resolution addresses itself to the current situation in our country and to urgent tasks facing our society. Obroda sees the next tasks of its program, among other things, in insisting that as concerns work in factories, offices and schools, all those institutions depoliticize their programs, in other words, that they cancel all programs that are not related to production and work, with the exception of an independent trade union movement. "Obroda will always insist that in a situation where undemocratically established power structures are still operating, all steps during the transition to the implementation of a plurality system proceed by democratic means and under nationwide public supervision. Only then can this process advance in a humane and decent way."

The presidium of the Obroda appointed its executive council to draft basic theses for a discussion of problems along the following lines: club-movement-party. It urged that a task force be set up to prepare publicity about the club's activities and be given appropriate material and technical support. For more than a year Obroda has published DIALOG, a samizdat journal edited by its editorial board under the leadership of its chairman and editor in chief, Dr. Vaclav Vrabec; it is planning to publish a weekly for whose registration it has applied.

Obroda demands that the individuals involved in the military intervention in August 1968 and in the subsequent policies of normalization be removed from office, and above all, that Dr. G. Husak resign the office of the president of the republic, since because of his attitudes and actions he bears considerable responsibility for the crisis situation of the Czechoslovak society.

Czech Writers Union Splits
90EC0161A Prague RUDE PRAVO in Czech 9 Dec 89 p 5

[Article by Frantisek Cinger: "The Outcome Will Be Judged by All of Our Public"]

[Text] In recent days writers decided to get involved in the extraordinary current cultural events, among them the strike by the theater employees, painters, sculptors and in general, professional artists as well as amateurs. Sunday, 5 December, many authors met in the Zdenek Nejedly Realistic Theater of Prague upon the invitation of writers who in past years and decades had not been able to publish their works; the purpose of the meeting was to jointly organize the Community of Writers. On Tuesday, 5 December, an emergency congress of the Union of Czech Writers met in the Dobris Castle and decided to continue the organization as a legal subject under a new title—the Association of Czech Writers—and with a new message.

It cannot be passed over in silence that both meetings took place at a time when our society is undergoing qualitative changes. These changes are vitally affecting every writer because they stem from a new social atmosphere and from a reassessment of events prior to 21 August 1968 and of the consequent developments. Precisely the adherence of the former leaders of the CPCZ and of the state to the "Lesson from the Development of Crisis," the awareness of its untenability, and the consequent declaration by our government, by the CPCZ, and by the USSR government that the entry of the armies was an illegal intrusion in our internal affairs, put also
the foundation of the Union of Czech Writers in a different light. This cannot be changed by the fact that the Union was not established until two years after the abolition of the writers' organization whose registration had been revoked for the very reason that it disapproved of the occurrence after the entry of the armies.

The Union of Czech Writers (SCS) has done much to advance Czech literature and to provide good opportunities primarily for young authors and writers who were writing outside the center. Nevertheless, like many other structures, it was unable to cast off the stigma of its own origin. The process of integration of the three historically developed literatures (i.e., literature published by our publishing houses, illegally published manuscripts in the samizdat form, and literature published by emigres), formulated by our most recent leadership 18 months ago, came ten years later and was enforced, albeit against strong opposition, less than vigorously.

It is inexcusable that many writers were returned to our literature so slowly, that some had been condemned to decades of silence, and that they had been in fact irrevocably expelled from literature. How laughable seem today the frenzied reactions of some officials of the Writers' Union two years ago when it was merely suggested that reviews of works by emigres should be included in the encyclopedia of authors. "Time pulled off the curtain, and the world is changed."

More than 350 authors met in the Realistic Theater. The Community of Writers which was then organized intends to remain a nonideological, nonselective association of Czech and Moravian authors, even those who are living abroad; to enforce and safeguard freedom of expression; and to support the establishment of literary groups, regional branches, and other forms of literary life.

Understandably, in the discussion individuals who had been unable to participate in our literary life became occasionally excited and demanded the appointment of a screening committee and the takeover of the SCS's assets. But what a surprise was awaiting us! The proposal about the screening commission was turned down in a democratic way, and the assets of the Union turned out to be rather small, in fact, consisting only of a budget. Everything else that the Union uses, including the building of the castle, is owned by the Czech Literary Fund, in other words, by the state.

Perhaps the most characteristic was the voice from abroad—of a publisher interested in finding out how to sell "his" tens of thousands of volumes he had published. There were questions about how long would the "samizdat" works be published since about 5 percent of them had been published in a book form. An "official" publisher was heard offering his services. And it seemed really like a voice from another world, saying that without a free market there can be no free literature. This may be true tomorrow, but still, this is a return of the cultural past. Only experience can answer all those questions. Nevertheless, publishers, including those who are starting to operate legally, should express their view already at this point.

Furthermore, it was noteworthy that the SCS was criticized most not by those whom the SCS had failed to defend for years in the end, but by those for whose creativity it had been offering excellent opportunities for years—and some of whom had actually exploited the SCS.

For a moment let us put aside the sad fact that many officials took the advantage of the SCS to cover themselves with glory, to publish new editions and translations of their works, and to bestow prizes and titles on each other. This can never endear them to their colleagues or to our public. Unfortunately, some members of the most recent leadership joined them with requests for grants from the Czech Literary Fund precisely at a time when the Union was actually threatened with doom. It may be true that they are entitled to grants as much as any other member of the Union—nevertheless...

The question of ethics was often emphasized from several angles, for various reasons, in order to accuse others and in self-defense. However, that issue hardly touched individuals who shouted that the Union was already dead and that it must remain dead. Some of their pronouncements brought to mind the proverbial turncoats. For many it was an alibi because they obviously have a bad conscience. Rumor has it that turncoats, even if only in terms of ideology, enjoy no respect in the world. However, people with more experience said that this kind of thing is common during "a change of guards."

To make myself completely clear, I do not refer here to legitimate criticism of the SCS's practices, including the party's leading role that the Union used to consistently enforce prior to voting, when persons who were not party members had to leave the room so that the communists could agree on unified positions. Any organization or group has that right; the communists have that right now, and they had it in the past, but since the majority of the party members was observed, the decisionmaking process used to be hardly anything but a formality for the "nonaffiliated". This must be frankly admitted, although even in the past anybody could express his or her view, even disagree. However, after a battle everybody is a general.

The congress in Dobris was attended by about two hundred writers. At both meetings it was obvious that there is not enough time for contemplations and preparations for them or for meditations about the human situation today, in our society and in the world in general, about the condition of our literature, about the consequences of social changes and their potential ramifications for our literary life, for the scale of values of our literary creation, and so on.

All this as well as the ideological crystallization of individual groups and whole unions and most of all, of our artistic production awaits the community of our writers. Literary creativity is inspired by socialist ideas.
No matter how the former CPCZ and state leadership and "real socialism" have discredited their magnetism, those ideas have lost none of their message. The ideals of social progress, social security and undistorted humanism have not vanished from the face of the earth. Rather, it is up to political movements and in the final analysis, to all their adherents to formulate those ideas with specific actions.

One must add that this legitimate ethical demand applies to every writer, regardless of his political and ideological orientation, and that it applies to both writers' organizations. One can hardly avoid embarrassment when a sectarian of one period of our development rebukes a sectarian from another period. Of course, there must be some moral justification, but that will be determined by arguments.

Both organizations are expected to formulate their structures; their objective is to establish in time a single professional organization, possibly as a syndicate, that will enable groups of all political or artistic persuasions to express themselves. And why not? The main thing is that the purpose of any writers' organization corresponds with concerns for literature and that its members, and not only they, are given opportunities enabling them to make literature as effective as our national life requires, and that it may, and must, enrich our life, without orders and restrictions, guided only by elementary principles of ethics and humanism.

It is certain that the program of both organizations will aim at that goal; that purpose demands a great many actions by stagnation. The working masses, their political organization, must never be forgotten if a new concept of the political system under socialism in the GDR is to be developed, including its shaping and formation under constitutional law and constitutionality, to a large extent was characterized by ossification, rigidity, deformation, and stagnation. The working masses, their political organizations and, last but not least, the politically active citizen had no actual influence on important political decisions, neither at central headquarters nor at the local or entrepreneurial-institutional level. This reality was concealed by ideological stereotypes, different-sounding, euphemistic, and concealing. That created alienation. This fact must never be forgotten if a new concept of the political system under socialism in the GDR is to be developed, including its shaping and formation under constitutional law and constitutionality.

Hence it is proposed to begin with the discussion of a new socialist constitution of the GDR. Two reasons in particular are to be mentioned here:

1. The legal demands raised daily from below, with which the people of the GDR wants to contribute to the revolutionary renewal of socialist society, urgently require integration into a strategic-juridical overall concept. This can be achieved in the discussion of a new socialist constitution. Necessary individual legal decisions must by all means be embedded in a discussion of a new GDR constitution in order to avoid in future that state authorities—as last occurred in the draft of a new travel law by the Ministry of the Interior—prepare decisions which glaringly bypass the necessities of renewal, not reducing the crisis of confidence between state and citizenship, but rather aggravating it further.
2. The revolutionary renewal of the socialist society of the GDR depends decisively on the revolutionary restructuring of its political system. A humane new socialism can be achieved only if we succeed in replacing the present bureaucratic-administrative system through a new system implementing the people's sovereignty, which lets the people actually become the subject of political power, and bindingly establishes ways toward an identity of those governing and those governed; which understands the deliberately politically active individual, the responsible and creative citizen as the center of all political and societal renewal. In this regard, the old Lenin word of the "primate of the political" is of existential importance in order to gradually overcome the crisis of our society.

III

The discussion of a new socialist constitution of the GDR must be nourished from a great number of sources:

1. From an unbiased analysis of the existing GDR constitution in its contradictory unity of constitutional law and constitutional application, which must show:

---which items of the still valid constitutional law ultimately stem from ideas from the time of personality cult and hence must be strictly rejected;

---where application of the constitution was a unconstitutional violation, and where it was progressive further development;

---which regulations were inadequately formulated in legal terms and hence remained nonbinding;

---which regulations must also be assimilated in a constitution of self-renewing socialism.

2. From a genuine assimilation of the heritage of constitutional theory and constitutional law, which was not done when the present GDR constitution was written in 1968; this concerns:

---the heritage of the revolutionary bourgeoisie as well as that of the now ruling bourgeoisie;

---the heritage of constitutional law of KPD [Communist Party of Germany] jurists in the Weimar Republic;

---our own constitutional law heritage from 1945 to 1968;

---the heritage of Lenin and the Soviet State;

---the reflections on constitutional law and theory in other socialist countries to the present.

A new socialist constitution of the GDR must be based on the premise that even with regard to constitutions, no class or society "starts from the beginning," because progress in constitutional law in the present must assimilate and further develop everything with regard to, and in, constitutions that heretofore were initiated, fought for, and drafted primarily (but not exclusively) by the masses of the people.

3. From the numerous and varied demands on constitutional law which the people in our country in sometimes splendid maturity have formulated since 7 October 1989 in the street, in written expressions of opinion, in panel discussions, etc. We Marxist jurists must see ourselves as mediators so that these legal demands from below can be translated into binding constitutional law.

IV

With a view to these sources of a new socialist constitution of the GDR, the following reflections in particular seem important to me:

1. It is long overdue that we depart, with the necessary consistency, from all those ideologies which call socialist constitutions political documents or, even a bit hazier, politico-legal documents. Precisely that is what created ideological reasons for violations of the constitution by party and state authorities. In my opinion, it characterizes ideas stemming from the time of personality cult, i.e., to consider constitutions only as an instrument of politics and not as their legally binding standard. Only from this [latter] position can constitutional legality be justified. Only in this manner can the linkage to the constitution of those whom it addresses as well as the power constituting the state be decisively justified in theory. Socialist constitutions are applied policy translated into legal norms. They must not follow every tactical variant of policy and politicians as a cheap legitimization.

2. Constitutions in socialism must never be considered the end [result] of revolutionary changes, as if they were legal petrifications of the status quo. Marx and Engels, with their teacher Hegel, were of the opinion that "dangerless quiet and nullity" characterize historically obsolete constitutions. If in the Marxist sense, progress is to become the principle of constitution, then constitutions in socialism must be understood as the form and measure of further, forward, self-organization of the people, of further revolutionary restructuring of society. With constitutions, revolutionaries never wanted to achieve the end of revolution, but its continuation. For Marxist dogmatists, who consciously or unconsciously draw their "theories" from the time of personality cult, constitutions were primarily documents of the success achieved. In my opinion, that also characterizes the 1968 constitution.

A new socialist constitution can never claim certain conditions of the state and society as restrictions of the rights and liberties of the citizens and the possibilities of activities of the people. A new socialist constitution of the GDR must shape the social and political development goals into constitutional law, set up legal programmatic standards, and thus open the way for this goal. For a new socialist constitution of the GDR, also, one must proceed from the premise that no eternal norms with
everlasting claim to validity are to be developed. A new constitution must always be the yardstick for the future work of the members of society. Through such a constitution the revolutionary subject, the people, must be enabled and supported to implement the revolutionary renewals of society by learning.

3. A new socialist constitution of the GDR must shape the sovereignty of the people by constitutional law and promote its further development. The existing GDR constitution does not define what people's sovereignty is, and must be, under our conditions. In Articles 1 to 5, the GDR is called a "political organization of workers in town and country" (Article 1); these workers exercise all political power (Article 2), a statement of fact, as it were; man (which one?) stands at the center of all efforts of the state (Article 2); all power serves the welfare of the people (Article 4). All that reads like a transfiguring socialist prayer formula. No rights and obligations, no responsibilities.

The concept of people's sovereignty appears only once in the 1968 constitution, in Article 47, paragraph 2, with regard to the composition of the state and hence the activity of people's representatives, the state apparatus, including the authorities administering the law. But closer scrutiny shows that this does not deal with people's sovereignty, but with democratic centralism; for people's sovereignty acts as the main principle of the state's composition on the basis of democratic centralism. At least, that is what Article 47, paragraph 2, proclaims. What is the basis? Evidently not people's sovereignty, but democratic centralism, and this concept in the constitution is not precisely defined under constitutional law. It does not require special proof that in government practice, democratic centralism up to now acted as bureaucratic-administrative centralism in our country, and not people's sovereignty. The 1968 constitution knows no contradictions between the people and people's representation, between the people and the state apparatus, between societal-political forms of organizations of the people and the power of the state, between free, self-confident individuals at the center of people's sovereignty and implementing this people's sovereignty and the state, between the democratic public and the state. Instead, the 1968 constitution assumes uncontroversial harmony in all these relations. Quite obviously, the necessary awareness of their contradictory unity was lacking in 1968. But precisely that must be looked for in a new constitution and converted into regulations of constitutional law, so that contradiction can develop into a driving force of people's sovereignty.

Since exploitation of man by man has been eliminated in the GDR, the people's sovereign state is founded on all socially determined groups of people in the GDR, on free and self-confident individuals linked to each other. It is a matter of a socialized, not a tutelary state. State and law, based on people's sovereignty, therefore cannot be a "main instrument," a "control instrument"; rather, they are societal forms of existence in and with which enlightened people carry out their individual and collective, namely societal, contradictions, thus lending impetus to the development of society. With this position cannot be reconciled any type of monopoly of truth or power of a certain social group, of a certain ideology, and especially not of a certain party. Hence such a monopoly cannot be decreed under constitutional law.

The fact that, in a socialist constitution that is to implement people's sovereignty, the people's representations must be set up as the highest state authorities, does not need special justification. But in the "How" of these regulations, a few things must be reconsidered. The people's representations must be freed from the dominance of influences of the SED apparatus as well as the central state apparatus. Democratic election of the people's representations must take place in truly free elections. The unity list practiced since 1950 of the parties and mass organizations participating in the election, in which the seats for delegates are already distributed before the election, has long since become a hindrance to people's sovereignty. The voter must be obligated to cast a secret ballot, and he must be able to decide between different candidates or candidates' lists. The entire election process until the binding ascertainment of the election result must be under the control of the democratic public; any type of election manipulation and election fraud must be made punishable under constitutional law. All parties and democratic organizations, which uphold the basic standards of the constitution (anti-Fascism, peace, socialist society), must be able to participate in the election. In this context one must remind of Article 13 of the 1949 constitution.

The activities of the people's representations must be carried out in public. The accountability and responsibility of the people's representations, their committees and individual representatives to the people need to be more precisely regulated than previously. In this context we should remember that the democratic basic organizations in the great French revolution insisted with great emphasis, for example, that laws can only be valid if they are made, or sanctioned, by the people. The people must never be deprived of their right to reject laws which are objectionable to them. They expressed it more exagger- atedly: Any law, to the shaping of which we have not contributed, is an arbitrary law. For our circumstances, we should question legislative activity very carefully. Where it has been legislation by the people but without the people, where without the people and against the interests of the people.

In this context it should also be remembered that the basic organization of the French revolutionaries demanded public knowledge with regard to the work of all government authorities. Basic political decisions were to be made in full view, i.e., in the face of the sovereign people. Work in parliamentary bodies as well as in the administrative apparatus must be carried out in public, because this is an important "protective shield" of the people. Only in this way can the people recognize who of their delegates actually guards their welfare and acts
In elaborating a new catalogue of basic rights, consequences must be derived from international-law conventions which the GDR has joined, and the requisites of a socialist state governed by law (significantly, this concept does not even appear in the present GDR constitution) must be converted into norms of basic rights. Just to mention a few examples: Constitutional law norms and mechanisms must be developed so that citizens can exercise their right to association and can articulate a necessary contribution to the renewal of socialism. They must not, as up to now, be excluded and thus marked as opponents of socialism. Those very conditions must be established legally under which the right to free association is possible and necessary. In this context, the necessary sanctions are required against all authorities of the state as well as the SED which unconstitutionally try to limit this right to free association.

In the most varied areas of societal life, the right of the citizen to inspection of data about his person, heretofore kept secret, must be guaranteed. This concerns state security authorities, the organs of the Ministry of the Interior, as well as other institutions. The activity of state security and Interior Ministry organs must be newly determined and be subject to the control of the people's representatives and hence, the democratic public.

The expression “everything is forbidden that is not permitted” has forever been a central maxim of the authoritarian state in Germany. Remnants of this position can still be found in our political and legal landscape. We should therefore advocate that the opposite basic norm become the constitutional norm and reality here: “Everything is permitted that is not forbidden under constitutional law.” We should also keep in mind that KPD jurists in the Weimar Republic emphatically championed shaping the right to defense under constitutional law, even the right of the defense to see the files at every stage of the criminal proceeding, as well as unlimited oral and written contact with defendants, suspects, the accused.

Regarding the basic rights of our present constitution, one must note in general that they are not developed enough legally. It demonstrates particularly clearly the old, non-Marxist position to consider a constitution a political document and not as a legal system of standards. Sanctions and punitive mechanisms for violations of constitutional law are completely underdeveloped. We urgently need precise sociological analyses of violations of constitutional law, particularly by state and party functionaries. Conclusions must be drawn from them in order to remove such violations and to hold the violators publicly responsible.

5. For a long time the idea prevailed among Marxist jurists in our country that people's sovereignty and separation of powers are mutually exclusive contradictions. But Karl Marx pointed out as early as 1849 that separation of powers also concerns the problem of a division of labor in the state, based on legality. Hence it was not all at a mutually exclusive contradiction when in

It must give us food for thought that the basic rights in the 1968 constitution in some points clearly lag behind the regulations of the 1949 constitution. But we have good reason to now expand those basic rights of 1949 in the interest of people's sovereignty. It should be mentioned in this context that in 1949 the goal of education, for instance, was defined as follows: “The school educates youth in the spirit of the constitution to [become] human beings who think independently and act responsibly” (Article 37). Significantly, the 1968 constitution no longer makes any mention of that. Or: in 1949, Article 34 stipulated: “Art, science, and its teaching are free.” In 1968, only this remained: “The GDR promotes science, research and education with the goal of protecting and enriching society and the lives of citizens” (Article 17). Hence no longer any freedom of science and art. Instead, the state is spoon-feeding both, for this was constitutional reality. While in 1949, with regard to guaranteeing freedom of opinion and the press, any press censorship was explicitly prohibited under constitutional law (Article 9), this point was simply dropped in 1968 (Article 27). In view of the nonpublic censorship mechanisms existing here until October 1989, new constitutional law reflections are in demand.

4. We must also reflect [on the fact] that the basic rights in the 1968 constitution are insufficiently formulated under constitutional law as the substance of state power and its limitation. The concept that the citizen deliberately exercising his basic rights is the bearer of people’s sovereignty, is also not found in that constitution. Thus we have a long way to go to reach the Communist Manifesto according to which, in socialism, the free development of each one must become the condition (I add: more and more) for the free development of all. As is well known, this was not a coincidental statement by Marx and Engels. Even later on, they confirmed time and again their opinion that society must be defined as “the sum of relations, of circumstances in which individuals interact.” Obviously, the regulation of Article 19 of the present GDR constitution is inadequate by far to preserve our socialist state from the deformation into an authoritarian state. At the center of the socialist state and its constitution stands the enlightened citizen, acting self-confidently. His spontaneity, creativity, independence must not be suppressed in the name of a misunderstood consciousness. It is a matter of taking seriously, under constitutional law also, Lenin’s statement according to which socialism cannot be decreed from above, but can only be brought about from below through the action of the people and the individuals of which it consists.

accordingly, and who only gained the people's confidence in order to satisfy his ambition and whims. This public at the same time was the people's self-control over whether the right choice had been made in selecting state functionaries; because the French Jacobins' idea was that “all citizens were to be admitted to public office, to be determined only by their virtues and capabilities, and solely on the basis of the people's trust.”
Procedural Steps Outlined

the 1789 French declaration of human rights, people's sovereignty was postulated in Article 3 in the spirit of Rousseau and at the same time was stipulated in Article 16—this time based on Montesquieu: "Any society in which neither the guarantee of rights is ensured nor the separation of powers stipulated, does not have a constitution." When we are reflecting today on a new socialist constitution, on the development of our state as a state ruled by law, a totally new view is needed of the separation of powers and hence of legal control of power. New constitutional law norms and mechanisms must be found in order to counteract any [attempts] by the state apparatus to become independent vis-a-vis the people's representations and vis-a-vis the democratic public.

Learning from the history of our country, regulations and mechanisms must be incorporated in a new socialist constitution in order to guarantee the true responsibility of state functionaries and organs to the people's representations as well as directly to the masses. In case of violations of the constitution, ministers or people's chambers' presidents cannot simply "resign"; they must accept responsibility for their behavior before the highest people's representation as well as before the democratic public.

In future, elected governing functions in the state must be carried out for a limited time only, at most for two election terms. There must be no "elected" socialist leaders who exercise their office practically for a life term. This must be blocked in order to prevent ossifications, rigidities, and senilities. Incidentally, this should also hold true for parties and societal organizations participating in the execution of state power. Because: In these cases, democracy in the state stands in inseparable connection with democracy in the parties and organizations, respectively.

The people's representations should be obligated at the beginning of every election term to reveal to citizens the size and effectiveness of the state apparatus in order to counter tendencies toward bureaucratization and bloating. One must also consider putting regulations into the constitution itself which prohibit privileges and corruption of state functionaries and provide corresponding punishment for transgressions.

Administrative control must juridically be restructured by the people's representations and by the people themselves. Court review of administrative acts does not suffice in its present form. On the basis of analyses of the effects of present regulations, far-reaching changes must be initiated. Urgently needed is a determination under constitutional law of the tasks and responsibilities of the organs of state security and the People's police in order to precisely define their protective tasks for the people and not for an abstract state authority.

Unconstitutional laws, standard acts and decisions by state authorities have existed in our country for a long time. We urgently need a legally regulated and guaranteed procedure in order to quickly rescind these standard acts and decisions, to publicly name those responsible and impose sanctions on them. Since Article 66 of the 1949 constitution never became reality, and since the constitutional and legal committee of the People's Chamber after the 1968 constitution has not developed any visible responsibility in this regard, establishment of a constitutional jurisdiction is seemingly inevitable.

Judicial independence is impaired by a network of political influences imposed on the judges. This contradicts the constitution and corresponding laws. Hence such influences must be punished for what they are, namely, violations of the law. Lastly, people's sovereignty is again brought into play, also with regard to control of power from below: We should consider regulations and mechanisms under constitutional law which not only permit, but also legally provide for, the people's right to resistance against unconstitutional application of state power in socialism.

**HUNGARY**

**Substance of Election Preparations Described**

**Procedural Steps Outlined**

25000588B Budapest NEPSZABADSAG in Hungarian 2 Jan 90 p 5

[Article by Lajos Bodnar: "First Steps Before the Elections"]

[Text] As reported earlier, at the end of the December session of Parliament representatives declared that the National Assembly would be adjourned sine die on 16 March 1990. This decision opened the constitutional path to Parliamentary elections, which had been advanced in time. Provisional President of the Republic Matyas Szuros set 25 March as the date for the elections. We inquired at the Ministry of the Interior elections office as to the most urgent tasks facing organs involved in the elections.

"In preparing for the elections the first step is for local councils to draw the lines for election precincts by 2 January 1990. Most precincts will remain identical to those used during the 26 November referendum, but minor changes are possible based on local considerations," according to Dr. Zoltan Toth, an official at the elections office. "Voters will be informed on time regarding possible changes. As the second step of the preparations, the government will approve within the next few days the outlines of voting districts in which individual candidates are to be elected. Upon completion of all these tasks preparation of voter lists per district and per precinct may begin. In preparing lists of voters new data accumulated by the state Census Office in the course of the census will be utilized. Thereafter coupons recommending candidates will be gathered. Parties and candidates intending to run in the elections will have 30 days to accomplish this task. The final month is reserved for the election campaign. Official
candidates registered by organs in charge of elections will match their strength in the course of election rallies, and in various forums provided by the mass media.

"The Ministry of the Interior elections office has recommended to the parties a number of times that they develop a code of ethical conduct for the campaign, because this task cannot be performed by the state. Officials at the elections office would not rule out the possibility of providing assistance in developing these rules.

"During the remaining period Parliament may, in a legal sense, exercise all of its authorities. Thus the officers of Parliament are considering the creation of several important laws. It is questionable, on the other hand, whether vacant mandates, or mandates to be vacated as a result of new resignations by representatives, will be filled. This matter cannot be decided under the authority of the elections office. The National Elections Presidium should render a decision in this regard as soon as possible. A majority of professionals in this field suggest that although from a legal standpoint it would be appropriate to call special elections, such elections would not serve well from the political standpoint. Anyway, several special elections were held this year to test political power. The question is whether there would be a party willing to send its candidate for representative to an already adjourned parliament.

"In any event, the 'electoral game' pending downtown should be concluded, because the second round of elections to decide that mandate's fate has been set for 13 January in the 14th voting district. Nevertheless, whoever holds those mandates will most certainly look toward the new elections. In this odd situation one cannot rule out the possibility that in running for reelection they will have to campaign in a capacity as incumbent representatives...."

More on Procedural Details
25000588B Budapest NEPSZABADSAG in Hungarian 5 Jan 90 p 9

[MTI report: "Thirty Days To Collect Coupons"]

[Text] "On 19 January councils and the State Census Office will begin mailing announcements for the 25 March elections," according to Zoltan Toth, an official at the elections office of the Ministry of the Interior. The law provides that everyone must be notified 60 days prior to the elections, in this case prior to 23 January. The significance of this notification is to allow 30 days for the collection of nominating coupons, which must be submitted to election committees by 23 February.

In individual voting districts the authenticated signatures of at least 750 citizens entitled to vote are needed for nomination. The nominating coupons serve this purpose. Nomination of candidates is based on the free decisions of voters; no one may be obligated to nominate a candidate. Each voting citizen may support only one candidate, and only in the voting district of his permanent residence. The nominating coupon is part of the announcement; the coupon can be torn off the announcement. To ensure the purity of the elections, nominating coupons cannot be replaced if lost, according to the expert.

The law provides that nominating coupons may be collected almost anywhere but in workplaces, in mass transportation vehicles, and in hospitals, without citizen harassment.

Approximately 60,000 people elect a representative in each individual voting district. Citizens entitled to vote cast two votes and therefore receive two ballot forms. One of the forms is used for casting a vote on nominees from individual voting districts, while the other form is used for choosing among county and Budapest party slates.

Objection to Time-Schedule Change
25000588B Budapest NEPSZAVA in Hungarian 5 Jan 90 p 13

[Text] FIDESZ [Association of Democratic Youth] believes that changing the election law in the course of an ongoing campaign period would cause significant problems, according FIDESZ campaign manager Janos Ader, at the organization's Thursday press conference held at the Kossuth Club. It would be difficult to prevent a series of corrections and disturbances in the course of the campaign if the proposed amendment to the law is presented to the National Assembly, he added.

Ader attributed great significance to the need for the 30-day period allotted for the gathering of 750 nominating coupons to be left intact. He regarded any shortening of that period as unacceptable. Ader said that, according to information received recently, there are problems with regard to complying with the technical preparations for the elections.

Board member Istvan Hegedus stressed the fact that FIDESZ attributed great significance to the independence and objectivity of the press and the national media during the campaign period. The organization continues to adhere to its earlier position that the media should be supervised by a five member committee composed of recognized personalities, rather than by the already established supervisory committee composed of party representatives.

Catholic Bishop Addresses Parties
25000588B Budapest NEPSZABADSAG in Hungarian 3 Jan 90 p 4

[Unattributed article: “Open Letter to All Parties in Hungary”; paragraphs following asterisks are NEPSZABADSAG editorial commentary]

[Text] "A new year has begun. We are building a new future in Hungary. During the first quarter of the year elections which define our future will take place. Christian
people would like to make responsible decisions in regard to whom they would like see in so-called power (I wrote 'so-called' because, according to our belief, this is not power but responsible service.) We do not want to live to see another discontinuation of freedom of religion, nor do we want to see the rebirth of the social power clique composed of old or new representatives. We would not like to legally place new oppressors at the helm. Accordingly, whom should we vote for? The leaders of all parties would raise their hands in response—quite naturally, vote for us, and only us, because....

"Yes, but thus far all we have seen are 'magicians' acts' to win human emotions: a celebration of Baron Bishop Apor in Gyula, a referendum in the country, aid for Romania, and demonstrations with candles and torches against the barrage or against Romanian oppression. And we value all of this. But we would like to see what X and Y parties have to say about the Hungarian future: what they would like to stabilize and how in the country's economy, social policies, and social life; what they want to do in the interest of enforcing human rights; whether there will be work and bread; how they will help families to prosper; how they envision the free functioning of religions; what relations they want to have with foreign countries; what kinds of minority policies will be pursued within Hungary, and how they will protect the Hungarian minority abroad.

"Even if we received satisfactory answers to all of the above, we may ask whether these parties have a sufficient number of responsible professionals to realize their plans; and whether these people have the appropriate character not to become corrupt even after they acquire power.

"Religious people would like to participate in the elections! But they will be able to do so with a sense of responsibility only if the parties lift their veils and demonstrate the kind of human brains and hearts that exists behind that veil. We would like to vote for the future according to the dictates of our conscience, but this we cannot do as of today, because the substance is still hidden behind watchwords. I am looking forward to receiving a clear cut, truthful response, so that I, as well as several million religious people, will be able to participate in the elections according to the dictates of my conscience."

"Endre Gyulay, Diocesan Bishop of Szeged-Csanad"

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A diocesan bishop of the Roman Catholic Church using our newspaper to address the country's political parties by way of an open letter is not an everyday event. We are all the more pleased to print his letter because we feel that his message is imbued by a sense of responsibility which rejects all kinds of cheap popularity from the outset.

There is no doubt that the brunt of Dr. Endre Gyulay's social critique strikes mass emotions at a time when our political openness aims for enthusiasm that is almost euphoric; and let us add here: one that is very understandable from a psychological viewpoint. As his letter clearly reveals, it is not the Bishop's purpose to cool down the heated mood that has resulted from changes in Eastern Europe. It serves as a warning instead, so that all these matters cannot be used for purposes of manipulation, thereby blurring responses to questions that cannot be replaced by anything else.

The temptation to do the latter is not small. It is this fact that renders the above letter particularly timely, and that defines the letter's moral content.

Protest Splits Smallholders Party

25000588D Budapest NEPSZABADSAG in Hungarian 30 Dec 89 p 5

[Unattributed article: "Smallholders Party Split in Two"]

[Text] Delegates from the Baranya, Bacs-Kiskun, Csongrad, Heves, and Nagod County organizations of the Independent Smallholders, Agricultural Workers, and Bourgeois Party, and representatives of the party's five Budapest basic organizations announced yesterday their intent to establish a National Smallholders and Bourgeois Party. The meeting took place in Szeged at the Bela Bartok Cultural Center. The party's national headquarters will be located in Szeged. A managing office will be operated in Budapest.

Antidemocratic conduct manifested by the national leadership is the reason for the split, it was said at the organizational meeting. This leadership initiated waves of exclusion, in the course of which several members were excluded from party ranks without providing an opportunity to the excluded members to be heard, or to defend themselves. A conference was held in Kecskenet on 11 Dec at the initiative of several county leadership groups. The conference found four members of the national leadership unfit to serve in their positions and demanded that the party leadership convene its board. This did not take place; instead they suspended the assignments and the party memberships of more party activists.

The goals of the National Smallholders and Bourgeois Party include the defense and further development of bourgeois democratic values which reflect Hungarian national features and are based on Christian ethics; and the acceptance of a European character along with the cultivation of the national culture. In regard to land ownership the new party intends to restore conditions that prevailed in 1947, and it decisively supports the establishment of a market economy based on private property. They want to stimulate entrepreneurship while they promise social security to employees.

At its organizing meeting the new party established a 15-member provisional managing body. It will convene the board for 20 January. A detailed election platform will be prepared within three weeks, to be submitted to the board of directors. About 20 percent of the former Smallholders Party membership supports the new organization. Its managing committee includes Dr. Imre Boross,
Szeged lawyer and former Smallholders Party general counsel, as well as Peter Hardi, Gyula Fazekas, Dr. Gyorgy Palos, Dr. Pal Adam, and Jozsef Zselenyanszky.

**Poll Finds MDF, SZDSZ Least Objectionable Parties**

25000588C Budapest NEPSZABADSAG in Hungarian 3 Jan 90 p 5

[Article by Marianna Szemerszky: “The Ones We Certainly Would Not Vote For”]

[Text] Last fall the Hungarian Public Opinion Research Institute conducted surveys on two occasions of two separate 1,000-person samples representative of the country's population. We asked people to name the organizations for which they certainly would not vote in the course of the elections.

Under present political conditions, part of the eligible voters have not formulated and could not have formulated a definitive view as to which organization they would vote for. Many people have not thought of this matter at all, while others have given thought to it, but have not committed themselves to any one of the candidates and are perplexed. It was particularly this group whose views we wanted to discover when we asked individuals within this group to choose from a list of organizations which ones they would definitely not vote for:

<table>
<thead>
<tr>
<th>Which organizations would you certainly not vote for from among those listed in the table?</th>
<th>29 Nov-6 Oct</th>
<th>12 Oct-18 Oct</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in percent)</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td>Association of Young Democrats (FIDESZ)</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td>Independent Smallholders Party (FKgP)</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Independent Environmental Work Party</td>
<td>22</td>
<td>20</td>
</tr>
<tr>
<td>Independent Hungarian Democratic Party</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>Christian Democratic People's Party</td>
<td>22</td>
<td>25</td>
</tr>
<tr>
<td>Hungarian Gypsy Party</td>
<td>68</td>
<td>69</td>
</tr>
<tr>
<td>Hungarian Democratic Forum (MDF)</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>Hungarian Independence Party</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td>Hungarian People's Party</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Hungarian October Party</td>
<td>41</td>
<td>38</td>
</tr>
<tr>
<td>Hungarian Radical Party</td>
<td>37</td>
<td>35</td>
</tr>
<tr>
<td>Hungarian Socialist Workers Party (MSZMP)</td>
<td>40</td>
<td>37</td>
</tr>
<tr>
<td>Hungarian Socialist Party (MSZP)</td>
<td>68</td>
<td>69</td>
</tr>
<tr>
<td>Social Democratic Party of Hungary (SZDP)</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>Hungarian Green Party</td>
<td>25</td>
<td>26</td>
</tr>
<tr>
<td>Workers Marxist-Leninist Party</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Alliance of Free Democrats</td>
<td>15</td>
<td>15</td>
</tr>
</tbody>
</table>

Judgments expressed concerning the parties were similar in both instances; the ratio of voters certainly not voting for the individual organizations is more or less the same.

Following the party congress, however, the ratio of those certainly not willing to vote for the ruling party in next year's elections dropped by half. Accordingly, it may be assumed that the congress, and principles declared at the congress, generated confidence in many for the party which had renewed itself in name. The name of the Hungarian Socialist Workers Party (MSZMP) has become intertwined in the minds of a majority of the people with the past 40 years, with all the mistakes of the past 40 years, while during the period following the congress it appeared to many that the newly reorganizing party would be capable of rising above the mistakes of the old party, and that it could start anew with a clean slate. This is supported by the fact that some of those who certainly would not have voted for the old MSZMP in next year's elections may give their vote of confidence to the MSZP formed at the congress. This attitude is increasingly characteristic of persons having completed an intermediate level of education, while a significant number of persons with higher education continue to have reservations with regard to the ruling party.

With the exception of the MDF, the SZDSZ [Alliance of Free Democrats], and the Green Party, the names of all other organizations were mentioned more frequently by holders of degrees, white collar workers, leaders, and persons residing in Budapest and in cities elsewhere in Hungary. Among those who would definitely not vote for the previously enumerated organizations we find larger proportions of village residents, persons with a 'low level of education, unskilled and trained workers, and elderly persons.

An overwhelming majority of those surveyed—60 percent—mentioned only three from among the enumerated parties, at most. This may also mean that a rather large proportion of people are uncertain and have difficulty stating which party or parties they would give preference to in the upcoming elections, even if they are not asked to name a single party, but instead to list those parties for which they definitely would not vote. At the same time, the results may also indicate that a majority of the survey population rule out only a few parties for which they would not vote—the parties these individuals do not like. A large number of persons who think this way—and particularly those who mentioned the names of only one or two parties—live in villages, have a low level of education and status, and are mostly part of the older age groups.

A substantial majority of the people rule out with certainty primarily those parties which have a small mass base or profess extreme views (the Hungarian Gypsy Party, the Hungarian October Party, the Hungarian Radical Party, the Workers Marxist-Leninist Party), as well as the old MSZMP. The MSZP, which could be regarded as the successor to the MSZMP, achieved a more favorable position during the second survey, and dropped out of this group.
Minorities College Sets Equality Criteria for Romania

25000588A Budapest NEPSZABADSAG in Hungarian
2 Jan 90 p 4

[Text] Chaired by Imre Pozsgay, the College on Ethnic Minorities of the Council of Ministers met in special session on Friday. The college adopted a position paper entitled "A Welcome to Romania's People Struggling for Freedom and Democracy."

The college's stance welcomes the victorious struggle of the peoples of Romania. It welcomes the National Salvation Front, the beholder of democratic initiative. Further, it assures the Democratic Association of Hungarians in Romania, and all associations which defend the rights of all national and ethnic minorities in Romania, of the enforcement of those rights. The Democratic Association of Hungarians in Romania is the legal interest group representing the 2.5-million-member Hungarian minority.

The position endorsed by the college underscores the fact that, as the Hungarian Foreign Ministry's statement of 28 December pointed out, the way the fate of Hungarians residing in Romania, and Romanians residing in Hungary evolves will continue to play an unchanged, key role in the relationship between the two countries. The concerns and tensions that have accumulated for a long time must be remedied by all means. New Romanian policies will gain credibility only if their democratic character is proven by deeds in the eyes of Europe: by reestablishing the institutions which ensure the full exercise of the individual and collective rights of national minorities residing throughout Romania, and further by developing constitutional and legal provisions which are at par with 20th Century standards and expectations. We will support each and every solution which guarantees the right of national minorities to organize from within; ensures their autonomy in the broad sense of that term; and provides for representation of their political interests; the undisturbed freedom of their conscience and religious exercise; the autonomy of churches; and the restoration of the full network of Hungarian native language education and culture in Romania from nursery school to universities and to their own newspapers, theaters, and scientific institutions. [quotation marks omitted in original]

The college regards it as important that Romanian citizens who in the course of years, under the grip of dictatorship, escaped to Hungary and to other countries may return to the land of their ancestors. Hungary assisted in defining the needs of Hungarian minorities abroad until, and only until, the dictatorships prevented self-expression. The Hungarian Republic has a sense of responsibility for the fate of Hungarians regardless of where they live, and is prepared to help and support these Hungarians. Nevertheless, the Hungarian Republic wants to avoid even the appearance of guardianship exercised over these Hungarians.

At its plenary session the college also discussed the matter of representation of national and ethnic minorities in Parliament. It confirmed its earlier position according to which national and ethnic minorities should have 13 guaranteed mandates on an "invitational" basis, supplemented by the appointment of a Parliamentary commissioner whose function it would be to protect the rights of national and ethnic minorities.

The college finds it necessary that the Constitution be amended accordingly, and supports the government's initiative to present a proposal to Parliament in January 1990 providing for the representation of minorities in Parliament.

Mindszenty Monument Dedicated

25000586E Budapest NEPSZABADSAG in Hungarian
27 Dec 89 p 10

[Text] On the second day of Christmas, the bust of the former cardinal of Esztergom and prince primas of Hungary, Jossef Mindszenty, was dedicated. It was temporarily placed in the Jutra Theater in Budapest. According to plans, the work of Hungarian sculptor Ferenc Dakay will be exhibited in Esztergom. Dakay resides in Stuttgart.

In conjunction with the dedication, a Mass was celebrated at the Holy Cross Church on Ulloi Street. Representatives of the Roman Catholic Church and hundreds of the faithful walked from the church to the theater. In the course of a ceremony, Laszlo Romhanyi, Jutra Theater president and Hungarian National Party copresident, unveiled the statue.

POLAND

Proposed Constitutional Changes: Presidential Powers, Prosecutor's Role

Sejm Deputies Apprise Jaruzelski

90EP0240A Warsaw TRYBUNA LUDU in Polish
25-26 Nov 89 p 2

[Text] The president's press spokesperson has been authorized to announce that on the 23d of this month, President Wojciech Jaruzelski met with representatives of the PZPR Deputies Club and afterwards with a group of deputies representing the OKP [Citizens Parliamentary Club], the ZSL and the SD. These were business meetings. Marshal of the Senate Andrzej Stelmachowski participated in the second meeting.

The currently analyzed proposed changes in the control of certain agencies of state authority and in the scope of their activity, particularly changes in the placement of the public prosecutor's office and control over people's councils were discussed.
These draft plans, as revealed by the discussion carried on during the meetings, give rise to differences of opinion.

In declaring that he will accept with understanding future parliamentary decisions in this regard, the president felt that they ought to be preceded by further, thorough consultations with the appropriate participation of legal circles.

"In taking into account various arguments," stated W. Jaruzelski, "we should look for mature, thoroughly thought-out solutions that would not make frequent amendments to the constitution necessary. Its [constitution] amendments, which are under preparation, should already be included in the general concept of the new basic law or—and this is particularly important—constitute a logical consequence of the radical changes, e.g., in the law on territorial self-government."

The president is for optimal decisions that would serve to raise work efficiency of government agencies. "I am convinced," stressed W. Jaruzelski, "that it will be possible to achieve this by enacting appropriate laws in the spirit of understanding and constructive dialogue of all political powers in the parliament."

Ministers of state, chief of the Office of the President, the minister of justice, and the prosecutor general took part in the meetings.

Prosecutor Office Changes Outlined

90EP0240B Warsaw RZECZPOS POLITA in Polish
1 Dec 89 pp 1, 3

[Interview with Aleksander Bentkowski, Minister of Justice, by Danuta Frey: “Changes in the Constitution: A Place for the Public Prosecutor’s Office”; date and place not given]

[Text] RZECZPOS POLITA We have completed the first reading in the Sejm of two deputy bills regarding changing the constitution. You have placed your signature as well under one of them. This is the bill that envisages fundamental changes in the positioning of the public prosecutor’s office including, among other things, entrusting the minister of justice with the function of the prosecutor general. However, some may be prone to interpret this as only an element of the struggle for power; the desire to place everything possible under government control.

[Bentkowski] We forget, however, that the draft of changes in the constitution envisions the preservation of a very important function of the president who appoints and dissmisses prosecutors. Where, then are the supposedly overly extensive conceived appetites? In any case, during the plenary Sejm debate, no one seemed to take a stand in defense of the currently binding solutions. Admittedly, I do not know what course the continuing discussion will take in, among others, the Sejm Legislative Work and Justice Commissions to which the bill has been currently sent and what the final decision of the Sejm and Senate will be. However, I do believe in the sincerity of the declaration of the PZPR Deputies Club that it will be open to proposed changes.

[RZECZPOS POLITA] What will these changes involve? The end of the Prosecutor General’s Office which would be absorbed by the ministry of justice?

[Bentkowski] This would constitute a simplification. Changes in the law of 29 June 1985 regarding the PRL Prosecutor’s Office, which we are drafting in the footsteps of the eventual change in the constitution, should include the tasks and organization of the prosecutor’s office and the status of prosecutors.

We assume that the structure of voivodship and regional prosecutor’s offices would not be subject to changes. At least for the time being, until the time of a radical reform in the structure of the court system. On the other hand, the Prosecutor General’s Office would cease to exist. We are coming out with the proposal of self-governing authorities such as: a voivodship prosecutors assembly, voivodship prosecutors council, and the Prosecutor General’s Council of Prosecutors with the minister of justice as the prosecutor general. These agencies would have advisory powers in all important personnel matters pertaining to prosecutors, assessors and apprentices as well as take part in defining the basic directions of the activity of the prosecutor’s office and select the members of disciplinary committees. The prosecutor would become more independent and responsible for decisions of such and not another conclusion to a case and this in terms of preliminary as well as legal proceedings.

[RZECZPOS POLITA] The Prosecutor General’s Office has just taken those very steps by officially decreeing prosecutor self-reliance and their greater independence.

[Bentkowski] I view this as an attempt at convincing public opinion that the prosecutor’s office is capable of reforming in its own capacity, so why these changes?

[RZECZPOS POLITA] That’s right, why? What are we trying to achieve through them? What sorts of benefits could they bring, particularly in a situation where here and there losses are primarily being counted—losses that could result from the limiting of the public prosecutor’s office’s current independence and its stressed extensive control powers, from the defense of the rights of individuals before the office, etc.? At the same time, it is being argued that all of this serves the good and the protection of the citizen who is threatened with defenselessness in his dealings with the authorities.

[Bentkowski] We have far too many control institutions in Poland, anyway. Now that the Supreme Administrative Court [NSA] is functioning and, as I can now reveal, that the Ministry of Justice will in the very near future come out for a significant expansion of NSA powers and since every administrative decision will be capable of being controlled by the court, the role of the prosecutor’s office in this area should be limited. I am of the opinion that prosecutors should do, above all, that which they are supposed to in the first place, i.e., prosecute crime. We must also aim to
strengthen the position of the prosecutor, particularly in
relation to the militia in order to, at the same time,
considerably take the strain off prosecutors from the so-
called control of law abidance.

[RZECZPOSPOLITA] Nonetheless, why come out with
such an initiative at this point?

[Bentkowski] We can reach for the argument that the
placement of the prosecutor's office to date has been an
anachronism no longer found in any of the countries
outside of the so-called people's democracies. It goes
back to the Stalinist years which created an omnipotent
apparatus of repression and totalitarian control over the
citizens. It is a solution exactly copied and carried over
from the Soviet Union in 1950. Admittedly, there were
attempts later at "improving" this model in one way or
another; modifying it, although, this was impossible
from the very beginning. At some point, the prosecutor's
office became an agency whose aim was, as if though, to
control all other ministries if only through the power of
bringing legal action against administrative decisions.
The interwar experience also speaks for these changes.
During this period, there was no legislation whatsoever
with regard to the prosecutor's office. The minister of
justice was concurrently the prosecutor general while the
prosecutor's office was supervised by five employees of the
Ministry of Justice. On the other hand, today's Prosecutor
General's Office numbers as many as 300 employees.

[RZECZPOSPOLITA] Are you not afraid of resistance
associated with these cadre—personnel changes; with the
limiting of the number of staff and the unavoidable
departure of some people; or counterarguments that the
"sanacija" system is being reestablished whereas conser-
vative forces are on the offensive?

[Bentkowski] Every change produces anxiety, particularly in
decisionmaking circles connected to the former system. And
as for "sanacija"—what can be said? If that model of the
functioning of the prosecutor's office was good and made
the grade, why should it bother me? It would also be worth
noticing that the experience of the West with democracy
also speaks in favor of these changes. Over there, the main
function of the prosecutor's office is combating crime and
everywhere in the West, the role of the prosecutor general is
either associated with the function of the minister of justice
or the prosecutor general is directly subordinate to the
minister or such a position does not exist at all. Therefore,
if we are taking the road to broad-scale democratization, let
us also take it here, in this domain.

YUGOSLAVIA

Party Membership for Religious Believers
Discussed

90EB0154B Zagreb DANAS in Serbo-Croatian
21 Nov 89 pp 18-19

[Article by Marinko Culic: "Communists From the
Cathedral"]

[Text] The principle of a priori exclusion of religious
believers from membership in the League of Communists
[LC] is an anachronism. The Slovenian LC will not be
asking people whether they believe or not at the time of
enrollment.

This is what is written in the new Slovenian program
"For a European Quality of Life," in a passage which
perhaps measures most precisely the reach of the new
Slovenian experiment and in which the sacred color of
the red star is replaced most clearly by the color yellow.

After all, there is no question that here is where the
Slovenian "renewal" has diverged the most, not only
from Yugoslav practice, but also from some of the basic
ideological theorems of Yugoslav socialism, adopting a
commitment, as explained by Franc Setinc, that mem-
bership in the League of Communists is no longer
associated "solely with one world outlook" (Marxism).
This simultaneously proclaims a "step toward Europe"
and in formal terms satisfies the present European
standards, since under the documents of the Vienna
Conference for European Security and Cooperation
which are now in effect it is religious freedoms that are
taken as the expression and standard of all other free-
doms, and history records that the very first conventions
to protect human rights were written on behalf of reli-
gious rights ("the system of capitulation").

But it is yet to be seen what "opening the door" to
believers will bring, i.e., will it signify, aside from the
probably improved standing of the Slovenian Commu-
nists on the "political market," the end of the monopoly
of the communist vanguard, or will it retain that even so,
just with a "more human" face than up to now. At
present, the only thing that is certain is that Slovenian
Communists are continuing to hurriedly dig about in the
programmatic plantations of the Yugoslav Communist
idea that began at the congress before last of the Slove-
nian LC (1982), when it was set down that Communists
do not see their role as "spreading and affirming athe-
ism," since "atheism in and of itself has no value for
Communists, it is only a negative religion." Introduction
of the classic Marxist phrase "negative religion," which
official Yugoslav ideology has more "tolerated" than
accepted, was a reliable sign that even greater changes
were being prepared. But that is as far as it went at that
time, except stating that exclusion of believers from the
Slovenian LC is no conceived "as a dogma, but as the
result of historical conditions under which the socialist
forces have been operating under Yugoslav conditions."
And even that was a perceptible change of position when
one realizes that just a few years before that enrollment
of believers in the party was rejected as a product of
ideological "immaturity," and indeed even of dangerous
illusionism, which under the cloak of enticing rhetoric
concealed the threat that the ideological "rival" known
for a long time was gushing into the unified and healthy
body of the vanguard.

The idea of raising party barriers to people who are
religious arose for the first time in the early seventies,
but it was soon rejected, and the proponents of dialectical materialism on duty used it as an occasion for a new
verification of orthodoxy and to close ranks within the
single party. Thus, the party organization of Ljubljana
University had to write newspaper denials that they were
enrolling believers in their ranks, and meetings were
organized in the Croatian LC Central Committee head-
quarters in which it was said that this was a demand from
"members whose ideological education was inade-
quate," that a "mature and adult person and party
member truly could not be a believer," and even that this
would open the doors of the League of Communists to "a
segment of political opponents." To be sure, the idea did
raise certain number of adherents, even among leaders,
and Jelica Radiojevic maintained that religious tradi-
tions in underdeveloped urban and rural environments
ought not be a barrier to membership in the League of
Communists. Dr. Ivan Peric said something similar and
was also in favor of enrolling "the peasant from Donja
Stubica who is still religious," but that the time should
not be too soon. "Comrade Jure Juras in the School of
Philosophy" (a well known Catholic layman), since it is
certain that he will not change his way of thinking,
"which is not our way."

But this only made it clearer that the League of Commu-
nists has lagged far behind the highest European stan-
dards when it comes to the attitude of Communists
toward religion, since if it offers it "protection" only
because it judges that it sprouts from an "underdevel-
oped urban and rural" consciousness, then this is only a
recognition that it is treating it as something that needs
to be helped, cautiously, but resolutely, to disappear
painlessly. Thus, the focus is on the mature and con-
tested provisions and formulations contained in the
LCY [League of Communists of Yugoslavia] Program,
in which religion is treated as an "error and illusion" born
under the "conditions of people's material and spiritual
backwardness" and in which, aside from emphasizing
the right of all citizens to "belong or not belong to a
religious community," it emphasizes the task of Com-
munists to combat this and other "prejudices" with
"ideological weapons."

In the Election Ring

The substantiation of the religious study group of the
Marxist Center of the Slovenian LC Central Committee
explains the new Slovenian course toward believers by
saying that these formulations in the LCY Program fall
short of the "most traditional commitments of Marx and
Marxism," and Setince recalls that even Lenin (although
he had a markedly negative opinion of religion) held that
religious people could be party members (indeed even
priests), that Rosa Luxemburg also felt that Gospel spirit
could find a place in socialist action, and that it did not
bother Marx for his daughter "to wear a chain with a
cross around her neck." Yet the most important argu-
ment advanced is that the League of Communists, if it
persists in its present position, will push itself into an
isolation from which it cannot recover, while at the same
time it will be holding back the processes of pluralization
and the creation of new political entities which "are
competing with the political organizations that already
exist in the struggle for influence on the government and
thereby also on the direction and quality of future social
development." The substantiation offers no explanation
as to why believers have to choose the party "to fight for
influence on the government," regardless of the fact that
it will no longer require of them that they give up their
religious outlook. After all, if the intention is authentic
when people talk about the end of the party state, then
the political commitment of religious citizens should be
proclaimed as a general principle of political activity that
will apply to all present and future parties, not only to
the "sole party." But the matter becomes understandable
when we realize that the Slovenian Communists make
no secret of the fact that the new formulation is meant to
serve the "renewal" of the LC, that is, to serve the fight
for votes in the increasingly populated Slovenian elec-
tion ring, which Slovenian Communists are entering for
the first time without offering a priori right to power, and
the opposition is increasingly ready to help them step
down. That is why the Slovenian LC had to be the first to
seek a more lasting solution to the status of those
members who retained their belief in God more or less
coverly, which in Slovenia, to be sure, never was of such
great interest to the party "finger pointers" as elsewhere
in the country, but which has nevertheless created a
latent insecurity on the part of the "covert" believers.
Today, their status in the LC is slowly undermining the
unambiguous provision in the LCY Program adopted at
the Seventh Congress to that states that "membership in
the LCY does not permit any religious belief whatever."
This dictate diverges so much from the "covert"
identity of the League of Communists that the party
"legislator" at the very next congress, the Eighth LCY
Congress, avoided statutory regulation of the relation-
ship between religion and membership in the LCY. But
that solution, worthy of Solomon, did not settle the
matter, but only established a double standard in the
LCY, whereby in some places religious belief of the
members was discretely tolerated, while in other places
even attending concerts of Bach's music in churches
(Kanjiza) or visiting the Pec Patriarchate (Varvarin) was
punished.

An Issue That Has Been Warmed Over

It was to be expected that this double standard toward
religious party members would receive the constant
attention of the religious press, and demands have been
reiterated in it from time to time—the last time recently
in GLAS KONCILA—that the LCY omit from its pro-
gram the provision about atheism and thus cease to
"hold its members in a state of permanent dissembling."
The argument frequently offered here [by the religious
press] is that by imposing its world outlook on its
members, the party is putting party "legislation" above
the Constitution (which guarantees full freedom of views
of the world). This argument is difficult to dispute, but
only if one adds that the same can also be said of the
religious communities, i.e., to the commandments representing world outlook that come from their side. Debating at one time with GLAS KONCILA and PRAVOSLAVLJE, Dr. Petar Segvic recalled that back in 1946 the CPI [Italian Communist Party] set down in its bylaws that all adult citizens could enroll as its members "regardless of race, religion, and philosophical conviction," but that Pope Pius XII had immediately responded with a decree to excommunicate everyone who collaborated with the CPI in any manner whatsoever. And "in view of the example of the church's behavior in Italy toward the CPI," Segvic wrote (five years ago), "We can clearly figure out that if the LCY were to write in its bylaws the same thing that the CPI wrote in Point Two of its bylaws, nothing significant would change in the conservative camp of our church either."

Although quite a few things have changed since the time when Segvic wrote that, and especially since the time of the pope's decree which he mentioned, it is obvious that pinning labels on the opposite world outlook is no "privilege" of the Communists at all, but that the religious communities are quite familiar with it, and this needs to be corrected on both sides. What can one say but—ridiculous! Again the religious communities are being accused of something—"introducing" the multiparty system—that later proved to be one of the dominant commitments in the debate. It turns out that the religious communities are always wrong when they see something before others. If they can be "blamed" for anything, then it is rather for the opposite. That is, by "warming over" the issue of the position of believers in society they have created the impression that only believers have been "discriminated against with respect to world outlook," but the truth is that this is a situation of all those who do not belong to the LCY (90 percent of the delegates in Yugoslav assemblies are members of the party). Also, by "warming over" the issue of the role of the LCY in the system, they have actually contributed to the impression (but not to the state of affairs) that religious people can gain a "more decent" position only by operating through it [the LCY]. But the truth is that they ought not to play the only card they have for entering into active political life by joining the LCY. By contrast with the proclaimed fight against the party monopoly, which is what the Slovenian initiative consists of, there will be nothing left but a fight with its shadow.
INTRABLOC AFFAIRS

Italian-East European Economic Cooperation

[Article by Marie-France Calle: "The Fruits of Perestroika: Tenacity and Political Caution the Keys to East European Markets"]

[Text] “Hungary and Czechoslovakia are the private hunting grounds of the Federal Republic of Germany. Poland, that’s if you want to get to paradise,” an Italian economist remarked recently. Still, the fact is that Italy is carving up an appreciable share of the Eastern European market for itself, with the USSR as its essential and traditional trade channel. It is essential because the volume of trade between the two countries in 1988 was close to 6,824 billion lire (Fr 35 billion), making Italy the Soviet Union’s third largest Western partner after the German Federal Republic and Finland. (In 1988 the overall total of trade between Italy and Eastern Europe was 17,108 billion lire, or approximately Fr 85.5 billion.)

It is traditional when we remember that FIAT established its first branch office in Russia in 1912 and that Montedison, a company basically involved in the chemical industry and which joined the Ferruzzi group a short time ago, built its first plants in the Ukraine in 1933. This being the case, Italy is far from absent from the other East European countries. According to Polish sources, Italy could even be the second largest Western investor in Poland, with 12.2 billion zlotys (the German Federal Republic being first, with 14.4 billion zlotys).

In this instance as well, unlike France, Italy has played the continuity card with Poland, very quickly reestablishing relations (especially in economic terms) with General Jaruzelski’s government after the imposition of martial law in 1981.

It is undoubtedly because of this pragmatism and its sense of knowing how to adapt that Italy can now harvest the fruits of perestroika. Even before FIAT established the huge VAZ (Volta Automobile Plant) automobile complex in Togliattigrad—named for Togliatti, the former head of the Italian Communist Party—in the 1960’s, marking the start of genuine industrial cooperation between Italy and the USSR, in the 1950’s the [Italian] Peninsula had several small “trading” companies. “The Italians’ major stroke of luck is that they don’t scare anyone. They’ve never taken a polemical stance towards the USSR in particular, unlike France,” our Italian economist went on to observe.

When East-West tensions were at their height, in the late 1970’s, the firm of Nuovo Pignone continued its deliveries of pumping stations to be used in the construction of the Siberian oil pipeline, thus incurring Washington’s wrath.

Even today, Olivetti, which has a definite presence on Eastern European markets, was cited in a protest by the United States to the Italian Government for having broken Coordinating Committee on Export Controls (COCOM) rules. According to secret American intelligence sources, in 1984 Olivetti exported $25 million of computer equipment to the USSR to be used to equip fighter planes, thus breaking COCOM rules. Mr. De Benedetti has denied these accusations.

In the meantime, Italy is preparing to receive Mr. Gorbachev in late November and at that time hopes to give shape to projects already discussed by the two countries just one year ago at the big “Italia 2000” exposition put on by the Italians in Moscow.

A Chronic Deficit

FIAT, as the big business leader, hopes it can sign a contract with the Soviet automobile minister for the production of a small-cylinder car. A joint venture would be involved, and FIAT is talking about an annual production rate in the neighborhood of one million vehicles.

For its part, the Ferruzzi group has two major projects under way. In Tengiz, near the Caspian Sea, as part of a joint venture, it anticipates constructing an integrated industrial chemical complex whose value will be $6 billion. (For this project, Montedison-Ferruzzi is allied, in the West, with the chemical branch of ENI, the major Italian public holding company, as well as with the American firm of American Occidental Petroleum and the Japanese firm of Marohehi.) “This will be the biggest joint venture in the world,” said Occidental Petroleum’s chairman and managing director in March 1988, when the memorandum of understanding was signed. Ferruzzi’s other project involves an agro-industrial center in the Ukraine-Caucasus region. “This is the first step towards Soviet food self-sufficiency, inasmuch as it aims at processing products locally,” said Mr. Raul Gardini, the chairman of Ferruzzi in Moscow.

If the USSR does indeed seem to be the driving force behind economic relations between Italy and the countries of Eastern Europe, Italian businessmen are beginning to turn their sights towards Hungary, Czechoslovakia, and Poland.

In Paris a short time ago, Mr. De Benedetti announced the establishment in Hungary of a financial firm whose mission would be to acquire an interest in firms undergoing privatization. The Generali insurance group—the largest in Italy and the fourth largest in Europe—has just acquired 40 percent of two Hungarian insurance companies and has signed a cooperative agreement with Ceska Statni Pojistova, the Czechoslovak state company. And we should not overlook FIAT in Poland, which is waiting to carry out a contract signed with Warsaw for the manufacture of a new medium-cylinder car. Renault, which had been in the running, withdrew from the competition, and FIAT won out in the end over the
Japanese firm of Daihatsu. Involved is the production in the 1990's of 120,000 cars per year which would replace the Polski FIAT.

Banks Cautious About Investing in Eastern Europe

90EB0125A Paris LE MONDE in French
19-20 Nov 89 p 13

[Article by Claire Blandin: “Desirous of Choosing Where To Set Up, French Bankers Remain Cautious Toward the Change in the Countries of Eastern Europe”]

[Text] “Things are going to change,” the head of the East German state bank for foreign commerce, the Deutsche Aussenhandelsbank, told a French banker who was visiting the German Democratic Republic shortly before the Berlin Wall was opened. But it is easier to break through a wall than go from a centralized to a market economy. The general structure which has prevailed until now is crumbling, but nobody knows which new structures will be put in place and how fast. “The liberalization movement in the East offers some major opportunities but also some big risks,” says a circum-spect East European specialist at the Societe Generale.

“One bank and only one: this is the basis of socialism.” This, in essence, is the doctrine inherited from Lenin which formerly gave inspiration on banking matters to authorities in the USSR and the countries of Eastern Europe. If this motto is still engraved on the walls of the Central Bank in Moscow, it is becoming progressively outmoded in the USSR and in certain East European countries which have begun financial change: Poland, Hungary, Czechoslovakia, and Yugoslavia.

Until now the few foreign banks doing business in this part of Europe did so only through representation offices, a phrase which best fits into a planned, centralized economy.

Societe Generale is one of the rare Western banks, and the only French bank, to have established a network in all the East European countries, Albania excepted (see table). When General De Gaulle was calling for a Europe which would stretch from the Atlantic to the Urals, the bank on Boulevard Haussmann set out to establish ties in each one of the countries of East Europe, resulting in the opening of offices: Moscow in 1973, East Berlin in 1975, Warsaw in 1976, Belgrade in 1978, and, more recently, Sofia in 1980 and Prague in 1982.

Furthermore, each time a change in the laws allowed, Societe Generale took advantage of the situation to go further. In 1979, with 11 percent of the capital, it became one of the six Western banks to hold shares in the Central European International Bank, together with the National Bank of Hungary, which held 34 percent of the shares. In 1981 its Bucharest office was turned into a branch, making it one of only two 100 percent foreign banks in Romania (the other is American), one year before the economic crisis put an end to that country's policy of opening up.

Limited Room To Maneuver

Like its counterparts in the countries of Eastern Europe, Societe Generale has had fairly limited room in which to maneuver. Its main mission has been facilitating commercial exchanges between East and West by financing either exports of businesses in their country of origin or the foreign trade of businesses in the host country.

The perestroika now affecting Eastern Europe should make it possible for banks to engage in new activities. They should be able to do this thanks in particular to new setups such as joint-ownership banks. These already exist in Hungary and are spreading to the USSR, where five European banks, Credit Lyonnais among them, and three Soviet establishments recently established the International Moscow Bank as a corporation (LE MONDE, 21 October). Its mission will be financing joint-ownership companies in countries where they are permitted, furnishing credit to businesses, leasing, financial counseling, assistance in setting up networks, etc.

All things are not possible everywhere, and French bankers want to be selective. The most interesting countries, the USSR and the GDR (which has the best economy and the best standard of living in the East), have been the last to be affected by the wave of liberalization, and it is still hard to know what their needs are. How many joint ventures set up by French industrialists and Soviet partners more than a year ago are still in limbo? And what part of the Fr 12 billion loan proposed bo the USSR by a pool of French banks in October 1988 has already been used?

On the other hand, the most liberal countries—Poland and Hungary—where Western methods could best be adapted, are also those that present the greatest risks. And what, for a banker, is worse than risk?

It is true that there is no lack of obstacles. How should one approach the collection of deposits in countries whose currency is not convertible? Even collecting savings in hard currencies—the $6 billion to $7 billion sent back home by four million Polish emigres—scarcely seems to draw bankers, while local authorities ask them to come and set up trustworthy banking networks (the Poles more than any other group distrust state banks) to recover these savings and help recapitalize industry.

Absence of Accounting Systems

How are you to decide what credit to grant to a Hungarian or a Polish business or a Franco-Russian joint venture when no accounting system will allow you to assess the profitability of an investment project? These businesses, which are used to a centralized economy in which production is subject to state orders and to a rigid timetable, are ignorant of what an estimated budget is. Credit Lyonnais, which is doing the work on a Fr 12
billion loan proposed last year to the USSR, had to devise an additional clause to explain how to analyze a joint venture.

The problem is the same when granting a lease. Long seen by the East as "a gimmick to sell credit for a higher price"—under the banner of this principle, the GDR has been reluctant to resort to traditional credit to purchase its airplanes—leasing has appeared in certain countries. Societe Generale, one of whose specialties this is, has been using it to purchase boats in Poland and Yugoslavia or airplanes in Czechoslovakia. It has not lost its hope of winning over Aeroflot for the acquisition of its airbuses.

But the French bank does have its handicaps. If, in the case of nonpayment, it is easy to recover an airplane from any airport in the world, it is less so to look for a piece of textile machinery in deepest Bulgaria. Any recourse to the courts is out since the concept of property ownership is limited to the state. Furthermore if the purchase of airplanes or boats is governed by international conventions, the same is not true for machine tool equipment. Without an accounting system, how can one be certain that a firm can repay? At the moment, the leasing practiced in certain East European countries mostly helps get around all too limited import quotas.

**Banks as Advisers**

However prospects are opening up in advisory activity. Credit Commercial de France, for example, is advising the Hungarian Government on privatization.

For its part, since last summer Societe Generale has seen delegation after delegation pass by: There was Gosplan, which wants to acquire a set of management computer software to set up estimated budgets for Soviet businesses and joint ventures; there were Yugoslav banks in the process of becoming corporations (the language in Zagreb underwent this transformation on 14 November) which were curious to learn how the privatization of Societe Generale had been carried out; and there were Czechoslovak bankers who just before the state bank broke up into several specialized entities were anxious to learn about changes in banking methods, from methods of payment to interbank exchanges, and including commercial relations with customers, both private and business.

If, unlike their West German counterparts, they do not enjoy the linguistic advantage to work in the GDR—the GDR being very integrated into the economy of the FRG, in any event—or do not enjoy Austria's remarkable infiltration into all of East Europe, French banks are not necessarily in the worst position to expand their presence in the region owing to their competence and their skills. Even if they are very conscious of the fact that those in the East with whom they are dealing want them and their financial knowhow to attract more foreign currency and not to open up new shares of the market to them, French banks must go there. These countries need networks to collect deposits, banks and stock exchanges to recapitalize and develop industries, especially of consumer goods, a monetary market and a currency exchange market, and an accounting system and management methods to allow them to adapt to a market economy. Because the economic liberalization of the countries of Eastern Europe will not succeed if the structures for a true banking and financial system have not been put in place.

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<th>Country</th>
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<sup>a</sup>affiliation  
<sup>b</sup>representation office  
<sup>d</sup>delegation  
<sup>f</sup>subsidiary  
<sup>s</sup>branch  

Source: AFB, 1989
Socialist Countries Professionalize Sports

[Article from AGENCE FRANCE-PRESSE: “A Ministers' Meeting in Warsaw; Socialist Countries Divided Over Professionalization Issue”]

[Text] Political splits in socialist countries resurfaced at the conference of sports ministers of these countries which opened on Thursday, 16 November in Warsaw, with Bulgaria, Czechoslovakia, North Korea, Cuba, Mongolia, the German Democratic Republic, Romania, Hungary, Vietnam, the USSR, and Poland taking part. The USSR, Poland, and Hungary came out clearly in favor of a complete change in the way sports are structured, calling for a thorough decentralization of their management, letting not the omnipotent state run them, but [sports] clubs. The three said they wanted to introduce sports professionalization and commercialism into their countries by appealing to commercial partners.

Mr. Aleksander Kwasniewski, the Polish minister, stated that professional sports and their “commercialization” were becoming more and more extensive. For this reason, in his opinion, socialist countries needed to “revise” their approach to fit in and find “resources” to ensure the development of sporting activities. Thus, on the very same day in New York, the USSR joined the World Boxing Council (WBC), one of the four major associations which runs professional fights.

The “conservative” countries such as Cuba and Romania, however, stated they were firmly opposed to professional sports which, in their view, represented a “danger” to the Olympic Games. This was not the view of Mr. Juan-Antonio Samaranch, the chairman of the International Olympics Committee, who was invited to the conference. In his view, the “commercialization” of sports is unavoidable to the degree that a number of countries find it difficult to find the resources to finance the development of sports. As the chairman saw it, this financing should nevertheless be undertaken under the supervision of sports specialists and not just by businessmen.

Mr. Samaranch, who asked those in attendance to work to “preserve the unity” of the Olympic movement, stated in conclusion that “it is the duty of governments to subsidize sports, which are a major sector in the life of a society.”

GERMAN DEMOCRATIC REPUBLIC

Reformed Central Planning, Expanded Market Detailed

[Article by Prof. Dr. Werner Cramer: “Proposals for Renewal of the Economic Mechanism”]

[Text]
functions comprehensively. There is also no alternative for the necessary planning modifications.

These two fundamental modifications of the current economic mechanism belong together. They must transpire step by step but in unison of content.

2. Organization of a Functioning Market

The creation of a functional socialist market requires consistent realization of three principles resulting from the nature of the market:

1. The Utility Principle
2. The Principle of Free Partner Choice
3. The Principle of Economic Competition for the Best Provision of the Customer

None of the three principles is currently effective—either with consumer goods or with means of production.

Consummation of the Utility Principle requires implementing the full spirit of the value standard. The value standard is effective by consistently adjusting individual work output to societal needs based on economic pressures on the market. No value standard is effective without a market. The Utility Principle is fulfilled in the tendency to produce goods with a socially required labor effort and to exchange them for equal value on the market. The Utility Principle is thus the decisive regulator of improvement of effectiveness and of scientific-technical progress. It is necessary to reform the economic mechanism according to this economic truth. The market must be able to comprehensively exert its control function in the socialist economic system. Thus, the control function of the Utility Principle and the market is irreplaceable. It is the responsibility of planning to consistently support and more effectively expand this control mechanism.

Consistently Implementing the Utility Principle

Five things are primarily required to implement the Utility Principle:

- Money must enhance its economic value as a general utility. We urgently need convertible currency based on the objective internationalization of the economy and markets. Implementation of the performance principle requires that one can acquire as much for his money as he has produced. That is socially just.
- Second, the Utility Principle requires modification of the current price policy and of the subsidy policy. Our study dated June, 1988 contains relevant proposals (see Research Studies).
- Third, the Utility Principle requires consistent application of trade and budget policy related funds to the market. Our study dated June 1988 also contains related proposals (see Enclosure 1).
- Fourth, the Utility Principle entails elimination of all special provision structures affecting the market beyond supply. One needs no privileged special provision structures where the performance principle is consistently implemented. This applies to goods as well as services such as travel, vacation sites, etc. The goods and services of the privileged special provision systems should be diverted to the normal supply for the population.
- Fifth, the Utility Principle means creating the necessary prerequisite for a socially just market supply by proper control of social policy (pensions, family allowances). Concurrently, all antisocial occurrences of economic crime (black and gray markets) that are always brought about by deficit spending must be combatted.

Free Partner Choice Without Ifs and Buts

The following aspects of the economic mechanism are to be renewed, so that the principle of free partner choice can be implemented without ifs and buts:

- First: Reduction of the central administrative Product Fund Planning which currently requires immense employee potential without marketing a single additional product. The seller alone decides what purchaser to order and buy goods from. Compulsory hospitalization should be abolished. This change must be accomplished step-by-step but consistently. It has to improve, not worsen, market supply. Unimpeded supply from the construction and do it yourself market is a good start.
- Second: Lifting of administrative material allocations and systematic build up and development of procurement markets for means of production. This task must also be solved step-by-step with the goal of completely accomplishing free partner choice in means of production procurement.
- Third: Lifting the boundaries between the foreign market and the domestic market for each market participant. That means free control of convertible currency.

Broad Development of Economic Competition

Basically, three primary aspects of the economic mechanism are to be essentially renewed to implement the Principle of Economic Competition for the best provision of the customer:

- First: Creation of substantial legal regulations for the development of all proprietary forms (including amalgamated ones) for the necessary improvement of market supply in production, trade, and the service industry. Relevant proposals were made in the study dated July 1989 (see Research Studies). It is necessary to continuously monitor, analyze and control with ongoing determination the economic effectiveness of the legal requirements to stimulate the market supply of all forms of ownership, including the private sector.
- Second: Diverse development of production and marketing organizations according to distinct criteria of specialization and integration must be promoted.
within the framework of dissimilar forms of ownership in accordance with modern productive forces. Partiality in the socialization of production and circulation, as was permitted in industrial collective structuring, must be quickly rectified. This led to the liquidation of many special trades and heterogeneities in our economy that urgently belong to the differentiated market supply to support the populace and economy and which primarily come from economically effective medium-sized and small businesses. Economic concentration in production and marketing that transpire vertically as well as horizontally must be continuously supplemented by ongoing development of small and medium-sized production and marketing forms that safeguard and augment market supply in its requisite diversity. This requires repercussions in the strategic course of our economic policy in the continued increase of our market supply according to quality and quantity. Social division of labor, specialization and integration of production and marketing must thoroughly take into consideration the growth and the increasing differentiation of the need for products and services. Market monopolies must be eliminated and impeded by independent organization structures of diverse market partners. The study dated July 1989 contains relevant proposals (see Research Studies).

- Third: We must adapt our economic mechanism to a market supply that can only be developed in a demand oriented manner by internationalization of economic activity. Thus, economic marketing and production forms that continue to develop more strongly in a manner overlapping branches and countries also belong to the principle of economic competition for the best customer supply. The mutual boundaries between the domestic and the foreign economy must be eliminated if a market supply for the provision of the people and the economy heeding the requirements of modern productive forces is to be guaranteed.

3. Rejuvenation of Planning for the Purpose of Market Development

Current planning needs fundamental modifications. Central planning and balancing must cease wanting to determine microproportions for a demand oriented supply, thus crippling market initiative. Central Planning and Balancing must thoroughly concentrate on guaranteeing macroproportions by creating fundamental national economic conditions for high growth of market supply. It is necessary to fundamentally prepare planning of the control mechanisms. This applies primarily to the following areas:

1. Control of monetary income, price development and cash development.
2. Control of capital and reserve acquisition and credit in the economy.
3. Control of the tax and assessment system to the state budget.

Central Planning and Functional Market

Planning and control of the ratio of net financial income of the populace and retail trade sales assumes a central significance in the economic reform necessary for the improvement of provision with goods and services. Planned sales growth for 1991 to 2000 at sound prices in compliance with purchasing funds—in other words, that satisfies the people's need for quantity and structure—is to be guaranteed. The national economic performance prerequisites must be firmly planned and made achievable—personally, materially, and financially—by macroeconomic structures of the reproduction cycle science-technology-production-sales for this high performance growth necessary in the five-year periods 1991-95 and 1996-2000 in order to guarantee stable conditions in the consumer goods market. If the crossroads for high growth of the market supply are not put in place by improved planning of the macroeconomic structures, inflationary developments that reduce the standard of living cannot be encountered effectively enough. Refinement of central planning is thus just as important as development of a functional market in the socialist economic system. Ancillary sociopolitical measures (such as pension increases, scholarship formation, and so on) that are required for socially just provision from the market in the 1990's must also be planned with great care.

Central Planning Blamed for Spare Parts Deficit

90EG0104A East Berlin BAUERN ECHO in German 9-10 Dec 89 p 3

[Article by Johannes Jakobi: “Find Solutions for Spare Parts Deficit: Elements of Free Enterprise Should Come Into Play”]

[Text] Under the heading of “Actual Practice is the Criterion of Efficiency” in the BAUERN ECHO [BE] No 276 of 23 Nov 1989 the author has stated: “The decentralized organization of spare parts management has proved to be unprofitable.” I cannot agree with this line of reasoning. It supplies several correct arguments that are acceptable. Yet the cause is rooted more deeply, it seems to me.

I entirely share the observation made by my colleague Hannemann, “agrotechnic” enterprise Guestrow and also of my colleague Rauschelbach from Jena that the spare parts supply for the farm engineering industry is unsatisfactory, that its reaction is much too slow. This has been my observation for the past 42 years. I was forced to experience this as kreis machine representative of the VdgB (farmers association of mutual assistance) in 1947-48 and also subsequently for 10 years as director of an MTS [machine tractor station], as chairman of an economically weak LPG [Agricultural Producer Cooperative], and now for over 23 years working in the production management of the Torgau agricultural machinery industry.
In addition to jeopardizing agricultural production, the inadequate spare parts supply also has economic disadvantages both for agriculture and for the agricultural machinery industry, meaning for our farm machinery cooperative. In this context it must be mentioned that the industry's duty to supply spare parts to the entire economy is by no means any better and never has been. So it is one of the many weak points and troublesome factors in the rigid, bureaucratic centralized planned economy.

Democratic socialism, as it became known after Gorbachev's perestroyka, is comprised of a plan and a market. This democratic socialism can also be used to find a feasible solution for the spare parts supply. The market is an astonishing system of instruments. Ultimately, the market alone realizes the standard of value.

By implementing the objective rule of "each according to his ability and unto each according to his performance" it is possible to satisfactorily solve the economic factor of agricultural machinery and spare parts manufacture, which is extremely sensitive and important in every respect.

One critical prerequisite for safeguarding an adequate assortment and on-schedule availability of spare parts for the farm engineering industry is the technically qualified leadership of spare parts management. In addition to abilities as manager and economist, technical knowledge with regard to manufacture, shelf life, wear rate, and others is a requirement as much as agronomic knowledge of agrotechnical schedules.

Drawing a conclusion from the previous comments, I do not think that a further centralization of spare parts management is necessary. The territorially divided operations "agrotechnic," which like the production enterprises answer to the general manager of the agricultural machinery cooperative, already represent a major centralization. Perhaps additional private wholesalers should be permitted, so that the element of free enterprise comes into play. At the same time this would allow validation of standard rules for socialist businesses. Such planning standards for high sales and low inventories can be found among them. Material interest must be developed more strongly and, on the other hand, executive incentive bonuses and wage-fund reductions for violating supply commitments must be implemented. Contract penalties should be charged for later cutbacks in contracts with production operations as well as for additional contracts.

The national economic damage resulting from surplus inventories and those ready to be scrapped in "agrotechnic" enterprises is extremely high. Roughly 20 years ago the author himself took part in a scrapping operation. It was not learned whether damages were claimed at all from the responsible executives for the loss of M 40 million. I wonder whether things are different now?

The commercial businesses "agrotechnic" should observe the democratic rules the same as market conventions. As long as the MTS existed we had advisory boards elected by the VdgB, which would have regular meetings every month (in my MTS). This should also be a regular monthly occurrence with spare parts advisory boards in each kreis. In addition, the spare parts customer service should routinely visit the LPG's.

The production operations for farm engineering have available to them clear and extensive instructions regarding the supply of spare parts. However, it is apparent once again that bureaucratic regulations, such as "state planning positions" and reporting on compliance with same are just as inadequate as the legal provision that spare parts manufacture takes precedence over mass production of the finished products. Even the price increases for spare parts and contract penalties for nonperformance, on the other hand, are not sufficiently effective.

The higher spare parts prices are not being allocated as extra wage bonus for the PGA [expansion unknown] and PHAg [expansion unknown] and also not for the shift foremen via the heads of production divisions and production sectors all the way to the operations manager. On the other hand, contractual penalties are not being subtracted from the wage or incentive funds, meaning there is also no concrete accountability toward the collective. With increased autonomy of production and commercial operations and the own generation of funds, each and every mark will matter; both for proceeds from production and for cost savings.

The users should procure the required supply of spare parts right there where the demand can be satisfied immediately. Meaning, in the factory, in a private business or in one of the "agrotechnic" operations, rather than being bound to an "assigned" commercial enterprise. Likewise, spare parts warehouses should have "open houses" and sales.

HUNGARY

Veteran Banking Official Warns of Runaway Inflation
25000584 Budapest NEPSZABADSAG in Hungarian
3 Jan '90 p 8

[Interview with Miklos Pulai, former first deputy at the Hungarian National Bank and at the National Planning Office, and present chairman of the Hungarian Banking Association, by Zsuzsa Gal: "Runaway Inflation Is an Imminent Threat"]

[Text] As first deputy president of the Hungarian National Bank [MNB] and as first deputy chairman of the National Planning Office Miklos Pulai has been a significant personality in economic policy making for more than two decades. He took active part in laying the groundwork for the economic turnaround: Most recently
he coordinated program development for the transition to a market economy in his capacity as deputy chairman of the government economic reform committee. After completing his assignment at the reform committee, Pulai, 64, requested that he be retired. Simultaneously the Hungarian Banking Association elected him as its executive secretary.

[NEPSZABADSAG] How do you envision the present and the future of the economy now that you have gotten out of the fortifications surrounding the power structure?

[Pulai] The same as I saw it prior to the change that occurred in my personal life. My position has changed only to the extent that the economic situation has changed. At this time we may be presented with a situation in which economic processes may become uncontrollable. I sense that this threat is direct and imminent.

[NEPSZABADSAG] Why?

[Pulai] Along with the expected political complications which render the government uncertain, three main factors create this sense of danger. These are runaway wages, the liberalization of agricultural prices, and the evolution of a dual foreign exchange system. All of this may lead to runaway inflation. Many causes for inflation exist, and from among these wage outflow not backed by performance weighs heaviest. Increased food prices and particularly the increase in meat prices causes a forceful price psychosis which further generates inflation as a whole. The threatened nature of the forint is further increased by the fact that a significant part of the citizenry has the potential of accumulating savings not in forints, but in convertible currencies. Under existing economic conditions the reinforcement of these factors may render inflation impossible—impossible to influence and to control.

[NEPSZABADSAG] In a recalcitrant manner you favored inflation even when the government implemented tough measures to hinder this process. Why are you concerned about it now?

[Pulai] In earlier days they regarded me as being in favor of inflation because I stated that structural transformation and liberalizations would necessarily be accompanied by inflation. I still say that a 19-20 percent inflation is necessary during the upcoming years. But I never advocated runaway, uncontrollable inflation. One can, of course, work with rapid inflation and regard the process as a purgatory in which uneconomical activities burn and become annihilated, and in which a healthier production structure evolves and income is rearranged in a dramatic fashion. This took place, for example, in Turkey, Israel, and some Latin American countries. But it is not certain that the same thing would happen in Hungary on the one hand, while on the other I would not choose this path as long as there is a chance of taking a different approach, because that path would lead to the impoverishment of rather broad strata of society. If they still want to take this path, they should hold the steering wheel in a different way, because at present we are sitting at the steering wheel as if we were directing economic processes, and within those inflation, while in reality the government has hardly any means of directing the economy. Accordingly, there is no way to direct the economy, nor is it possible to manifest a conduct which openly accepts runaway inflation, hoping that it will exert a purging effect.

[NEPSZABADSAG] What should be done?

[Pulai] Tough wage regulations would be needed. One can see from last year's figures that wage increments not backed by performance precede price increases. This must not be permitted. For the time being I would not free agricultural prices either, I would wait instead to see whether wage regulations bring results. And if they did, this could be accomplished with far smaller risks. Because the government will have no effective means by which to direct inflation if wage management is liberal, if prices are not controlled, and if the devaluation of the forint continues.

Last year the balance of payments slipped out of control. This can be seen from the way it took shape. Our plans called for a $500,000 deficit, and it turned out to be $1.5 billion instead. Since the foreign trade balance is taking shape more or less as planned, it is apparent that the $1 billion deficit is fundamentally the consequence of mistaken changes made in individual foreign exchange and customs duty regulations. I see the greatest mistake in the fact that we made it easier to launder illegal foreign exchange. Individuals did have an opportunity to accomplish this before this relaxation took place, but arbitrage at the total population level increased substantially by permitting foreign exchange acquired through any method to be deposited in the bank, to be removed from the country, while foreign exchange speculators constantly resupply these transactions.

[NEPSZABADSAG] Accordingly, this should be stopped too?

[Pulai] If I could not stop this process, I would try to slow it down. I would say that whatever has been deposited in banks thus far is inviolable, but new deposits may be made only on certain grounds. Otherwise the decline of the forint will become unavoidable, and a dual currency system will evolve which would contribute to runaway inflation. It can be seen that while in earlier days only a few tens of thousands of people speculated with foreign exchange, today there are a few hundreds of thousands of speculators, and tomorrow several millions of people may be engaged in foreign exchange speculation.

[NEPSZABADSAG] In other words, you are against the liberalization of wages and foreign exchange management, and you are against the liberalization of agricultural prices, all of which suggests that you would continue to follow the economic policy that bankrupted the country.

[Pulai] Not quite. I do advocate liberalizing the economy, and this is recommended by the program prepared by the Economic Reform Committee. I also
regard a significant reduction in the proportion of state property as necessary, in favor of private property. The liberalization of exports and imports, as well as of prices should be continued in my view. But in 1989 we took a big step in the area of wages without firm foundations, while the counterbalance—effective interest reconciliation—did not come about, because it could not. In the rest of the liberalized areas we were able to more or less direct the process, but we were unable to do so in regard to wages paid by enterprises. I am against these processes taking place in an uncontrolled manner. Uncontrolled inflation renders all economic calculations difficult, even less foreign operating capital flows in in the midst of feverish inflation. Therefore, except for structural transformation, I would subordinate everything to the goal of not permitting inflation to get out of hand, and not permitting the forint to be excluded from the processes. As of today I still see a chance to prevent the acceleration of the process.

[NEPSZABADSAG] Let us take a glance at the antecedents. What were the gravest economic policy mistakes of the past decade?

[Pulai] One of the greatest problems was that between 1984 and 1987, after having survived the foreign payment crisis of 1982-84, we began to charge the economy without witnessing an improvement in the economic structure. In other words, we began invigorating the economy under circumstances in which the need for imports was greater than the ability to export. This occurred as a result of the backward structure. Economic growth along with such structure should be permitted to take place only by way of exports. But at that time in Hungary growth was enabled by the domestic market and by the CEMA market, which resulted in the second indebtedness peak of 1986. We are paying for all that today. In other words, after surviving the first big indebtedness crisis we should not have permitted an increase in domestic consumption. Liquidation of uneconomical activities and structural transformation should have begun instead. Had we let one or two dozen inefficient, noncompetitive enterprises go bankrupt each year beginning in 1984, it is possible that unemployment would be more severe than it is today, but there would be no acute threat of runaway inflation, and of the evolution of another serious balance of payments crisis.

[NEPSZABADSAG] What is the lesson to be learned?

[Pulai] I continue to believe that sales opportunities must not be expanded either in the domestic market or toward CEMA. Uneconomical enterprises must be allowed to go bankrupt, even if not all at once, en masse. I am an advocate of self-proclaimed bankruptcy, of a system in which enterprises which themselves initiate bankruptcy proceedings would be better off. Under such circumstances perhaps there would be more chances for developing a program directed for the radical reorganization and modernization of activities. I do not envision an opportunity to do more in the long term for the encouragement of entrepreneurial ventures and for private ventures than to fully abolish all restrictions; something that is supported by the encouragement of demand. The time has not yet come for the manifestation of conduct friendly to entrepreneurship, under the present present circumstances characterized by a balance of payments deficit and a budgetary deficit of this magnitude.

Price, Fare Increases Described
25000585A Budapest NEPSZABADSAG in Hungarian 4 Jan 90 p 1

[Unattributed article: “The Year of the Great Price Increase”]

[Excerpts] Both the economy and broad strata of society will be subjected to a tensile test this year. This year's real question is whether the austere budget, putting in order the state household, and the establishment of conditions for economic functionality and real progress will exceed the people's ability to tolerate the burden. We are presenting facts, data, and statements concerning price increases that go into effect 8 January. [passage omitted]

The specific price of goods not subject to price controls henceforth will be the subject of agreements between producers and commercial enterprises. [passage omitted]

The housing management reform proposal adopted at the December session of the National Assembly will present new burdens to the populace. The law provides that this year a tax will have to be paid on interest-free or low-interest state housing loans. Persons who owe on loans taken out more than five years ago which pay less than four percent interest must pay these taxes. The institutions which granted these loans will administer the tax payments separate from the loans; accordingly, such taxes cannot be paid in to a credit account.

Nor will the situation of persons living in rental apartments be easier. Beginning on 1 February rental fees will be increased, and so will water and sewage fees. Those in authority will discuss the related plan in the upcoming days. It is expected that rental fees will be raised in regard to apartments equipped with all or some utilities. In regard to apartments equipped with all services the rental fee will be 22.5 forints per square meter instead of the 15 forints charged thus far. In the latter case, the rental fee of 12 forints per square meter will be increased by 20 percent. This increase affects 323 apartments, or almost 1 million persons in Budapest.

No one is exempted from the water and sewage fee increase. The size of the increase depends on the level of service provisions and the number of rooms in a given apartment.

For certain social strata the government will offset the increased expenses. The development of a so-called uniform rental fee subsidy system is one of the options
considered. Under this system support for the needy would be provided on a varied basis, according to family income and the number of dependents. Families with three or more children would be eligible for such subsidies, and so would severely handicapped persons, persons with a net monthly income of less than 4,300 forints, and pensioners aged 70 years or older, whose pension benefits amount to less than triple the amount of the minimum subsistence level.

All persons affected by these increases will be notified by 10 February.

The Meat Industry Center was officially declared to have ceased to exist as of 31 December. We asked Mrs. Gyula Szabo, the center's pricing office deputy director, whether retailers will be satisfied with the new meat prices, since the price list specifies offering prices. In response Mrs. Szabo said that the center made its calculations on the basis of the same price margins as before, and the average 32 percent price increase index is a result of such calculations. It is conceivable that due to the short notice retailers will accept the offering prices for the time being (the full price list will be given to commercial enterprises.) But they may calculate new prices at any time in the course of the year.

We also inquired whether it would be worthwhile for producers to engage in, e.g., fattening pigs, considering the new prices. We were told that buying up prices had increased last year already because world market demand was strong, while production declined. At present the average buying up price is 66 forints per kg, and the offering consumer price was calculated on this basis. Last year 47 forints was regarded as the average production cost. Even if this amount is increased by eight or nine forints, producers will still realize a 10-percent profit on the buying up price.

Transportation tariffs affecting the populace will once again increase. We were told by the enterprises involved that negotiations are still in progress, and therefore it is likely that details concerning tariffs will be publicized only next week. Nevertheless, it is already apparent that mass transportation in Budapest will be the subject of the greatest increase. We were informed that we may count on a fare increase of between 40 and 65 percent. Within that single trip tickets will increase less, while the cost of passes will increase drastically. According to the information we received, pensioners' and students' passes will also be subject to fare increases.

It is expected that railroad freight will also increase by 30 percent, while passenger fares within Hungary will increase by 20 percent. The exact rates of increase in regard to railroad freight and fares will be established by the Council of Ministers based on complex negotiations, because wage increases demanded by railroad workers must also be taken into consideration.

We were told at the Budapest Taxi Enterprise that for the time being, Volan taxi does not plan to increase its prices in January. Private taxi drivers, on the other hand, are likely to convey in their fares the increased car prices as well as higher repair and living costs. Fares charged by private taxi drivers are not subject to price controls.

Volan truckers are experiencing a shortage in demand and are not contemplating a price increase.